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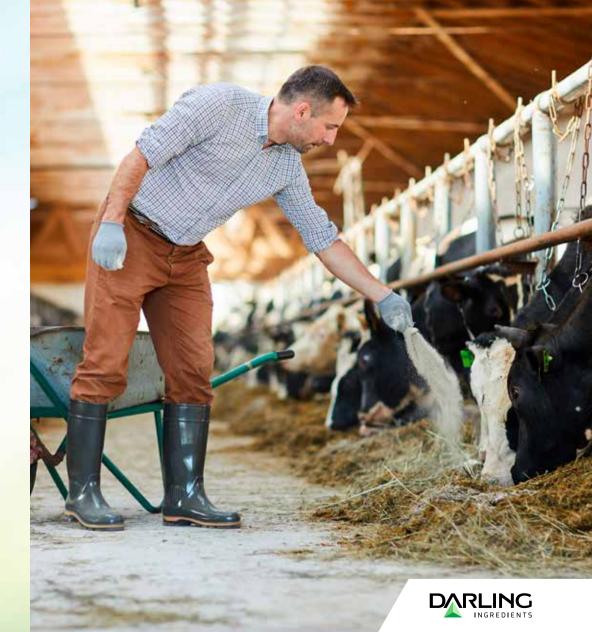
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Darling at a glance Who we are

We are a global company that collects and converts food residuals into ingredients essential for nutrition and sustainable energy. With operations on five continents, we transform co-products from the agri-food industry into useable, specialty ingredients, such as collagen, edible fats, feed-grade fats, animal proteins and meals, plasma, pet food ingredients, organic fertilizers, fuel feedstocks and renewable energy. We also recover and convert recycled oils (used cooking oil and animal fats) into valuable fuel and feed ingredients and collect and process residual bakery products into feed ingredients.



Who we are (continued)

The ingredients recovered from these raw materials are vital to their specific applications. Protein and gelatin are retrieved and utilized to perfect food products around the world. High-quality porcine mucosa is essential for the creation of heparin, a clinical deterrent for blood clots. Protein-rich animal co-product is used for high-quality pet food and commercial-grade organic fertilizer. Even used cooking oil from restaurants and expired meats from grocery stores are collected by Darling and converted into cleaner-burning renewable fuel. In fact, **we are a world leading-producer** of organic ingredients, generating a wide array of sustainable protein and fat products while being one of the largest producers of renewable energy.

Darling is a 50/50 joint venture partner with Valero Energy Corporation in Diamond Green Diesel (DGD), North America's largest renewable diesel manufacturer. DGD is currently producing approximately **289 million gallons of renewable diesel annually**, which reduces Greenhouse Gas (GHG) emissions by up to 85% compared to fossil fuels.

50 SUSTAINABILITY & CLIMATE LEADERS





Learn more about Darling being recognized as a sustainability leader by watching this <u>video</u>.



Darling Ingredients was named one of the **50 Sustainability and Climate Leaders** by Bloomberg and TBD Media Group

in their 2020 assessment of companies rising to meet the challenges our planet is facing today.



Circular by nature

Megatrends such as global population growth, climate change, increased life expectancy and inequalities have put pressure on the natural resources that provide us with food, feed, fuel, and general well-being. Now, more than ever, we need to find viable ways to meet the needs of current and future generations. That is the nexus where Darling comes in - we are the circular solution.

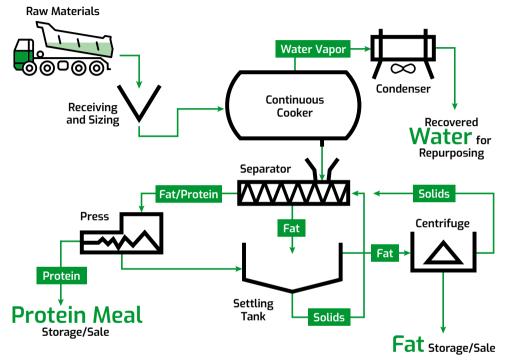
Today, we play a crucial role in the agri-food industry by collecting and repurposing animal-based co-products and other natural materials that would otherwise be discarded. We convert these into unique and valuable ingredients that address market demands. Through innovation and closed loop thinking, we connect global supply and demand and contribute to a circular economy.



Learn more about our circular, zero waste business model by watching this <u>video</u>.



Our circular business model: typical rendering process



This figure provides an overview of the rendering process and illustrates how we extract and repurpose valuable nutrients from traditional food waste streams. From the collected raw material, fats and proteins are recovered and sold as ingredients for feed, food, fuel, and fertilizer. The water removed from the raw material is captured, treated, and either reused in the process, which can include evaporation of the water, used for crop irrigation, or discharged to municipal wastewater treatment or surface water. No waste requiring disposal is generated throughout the process.



One focus

There is no singular solution to the environmental challenges our planet faces, nor is there one priority issue to focus on. The promise of a sustainable future requires numerous innovations that address a diverse range of issues with people and organizations problem-solving in their niches. We work with partners across industries to identify waste streams with materials that can be repurposed, and innovative processes and solutions that can help address the needs of our growing population. For example, in January 2020, we acquired 100% of <code>EnviroFlight</code>, a business line that creates sustainable, high-protein ingredients for pets, poultry, fish and exotics from black soldier-fly larvae in a modern, first-of-kind facility in Maysville, KY.





Our core values

Our commitment to the health and safety of humans, animals and the planet as a whole ties in firmly with our core values. These values are the foundation to all of our activities, setting our path as we develop and produce sustainable solutions to support our global community.



Read our Company
and Supplier Codes of
Conduct here



We are honest, open, ethical and fair. People trust us to adhere to our word.



We operate with knowledge, passion and determination.

TRANSPARENCY

99 We are authentic and straightforward in reporting our goals, results and practices.

Creating value with our core values

Our core values lay the foundation for seeking and creating value on our four main business pillars:

HEALTH



Our **health** pillar spans medical, pharma- and nutraceutical market propositions. It covers segments ranging from sports applications to beauty and bio-engineering.

BIOENERGY



Split into Manufacturing and Energy, our **bioenergy** pillar encompasses the biofuel market segment along with a broad range of various technical market segments.

NUTRIENTS



Nutrients covers our market presence in segments that offer solutions that provide food and feed for humans, animals, plants and soil. It represents our combined market propositions in several markets segments: Food, Savory & Meat, Pet Food, Aquafeed, Compound Feed and Fertilizer.

SERVICES



Our **services** pillar covers all our collection, logistical and other service-oriented solutions to unburden market segments ranging from food to agri markets in specific segments such as restaurants, retail, and (food) producers like slaughterhouses. This also includes the collection of manure and deadstock.



Darling in 2020: By the numbers

Founded
1882

Chicago, Illinois

North America Europe Asia
135+ locations

Global Employees
10,000+

As of January 2nd, 2021

South America
2 locations

Australia
1 location

Net Sales (USD)

\$ 3,571,923,000





Q&A with Randall Stuewe

Chairman and Chief Executive Officer



How has Darling's circular economy business model evolved?

Our company's purpose is to transform food waste into sustainable ingredients that improve quality of life while minimizing our impact on the planet. Over the years, entrepreneurial minds at Darling have innovated to create enhanced applications for **health**, **nutrients** and **bioenergy**. This spirit pushes us to continually ask what is possible and leads us to develop high value solutions for what would otherwise be headed to the landfill. To realize a sustainable future, we must discover new ways to feed and fuel a growing population with limited natural resources. Darling will continue to provide essential and critical **services** to the world's food supply system while also enabling the transition to a low-carbon economy. Our **circular business model** has moved from simply closing resource loops to optimizing loops and being a gatekeeper in the world's food supply chain. Darling strives to position itself as a leader in emerging markets by evaluating long-term risks as opportunities to future-proof our product offerings.

How has the COVID-19 pandemic shaped your thinking on ESG matters?

The Coronavirus brought an unprecedented urgency and focus on health and safety and showed how connected we are with people across the globe. It reinforced the importance of working collaboratively to protect the public while keeping the economy moving forward. The pandemic's impact on our Darling family rapidly pushed the emphasis on **better workplaces and communities** within our ESG strategy to the top of management's day-to-day focus. Our dedicated and essential

workforce proved resilient and quickly adapted to the new protocols and global requirements that allowed our company to continue serving our customers as much of the world was locked down. We understand now more than ever how important a healthy work environment is to the viability of a business. Protecting and supporting our people across five continents from a physical, mental and emotional well-being perspective during a global pandemic was - and continues to be - a top priority for us.

Can you share your perspective on the company's increased safety focus over the last year?

As a company, we consistently strive for improvement in safety. We view our employees as family and work hard to make sure they go home safe each day. Over the last year, our focus on safety increased as we navigated the challenges of the COVID-19 pandemic, but also as we suffered the losses of four members of the Darling family. These losses are unacceptable and moved us to action. We added safety professionals to our global safety teams. We reinforced safety training for new employees, promoted a culture of safety in the daily routines of our 10,000+ employees, and took steps to ensure that our life-saving rules are being executed correctly. We replaced managers who did not fit our safety culture. And we embedded safety metrics within management's annual incentive opportunities. Safety is not just a value we talk about but something we strive to live and practice each day. Protecting the Darling family is about protecting yourself while also looking out for the health and well-being of team members.



How does Darling's long-term business strategy address investors' growing interest in ESG topics?

Darling was green long before green was cool. Due to the nature of our business and management's foresight for market trends, we view ESG as an opportunity for investors to embrace our business strategy. Darling's purpose for nearly 140 years has been to repurpose. Now we find ourselves at the forefront and leading the decarbonization of our planet. Darling is a proud pioneer in the North American **renewable diesel** market, entering into a joint venture in 2011 to create Diamond Green Diesel. Renewable diesel, produced from Darling's vertically integrated supply of waste fats and oils, reduces tailpipe emissions from the transportation industry by up to 85% compared to regular petroleum diesel. We are well-positioned to capitalize on the increased demand for lower carbon fuels as countries develop aggressive reduction targets for greenhouse gas emissions. As population growth is expected to exceed 9 billion by 2050, it is expected that global meat consumption will also rise. Our factories in 17 countries will repurpose nearly 10% of the world's slaughtered animal waste streams into value-added ingredients for a growing population. Our early investment in EnviroFlight, North America's first commercial application for black solider fly larvae (BSFL), gives Darling the flexibility to expand its end markets for protein production by repurposing low value waste streams into high value end products. Our long-term investment strategy aligns with the global transition to green infrastructure supported by a circular economy business model.

What did it mean for Darling Ingredients to be recognized by Bloomberg and TBD Media as one of the 50 Sustainability and Climate Leaders?

Darling Ingredients was honored to be recognized as one of the **50 Sustainability and Climate Leaders**. We are proud of the vital role that Darling has played in carbon emissions avoidance and critical water management contributing to our positive impact on the planet. We understand that



what we produce is important, but so is how we produce it. Our short-term target to reduce water and energy intensity 5% by 2025 from our baseline year of 2020, is just a step towards the ambitious goal of **net-zero GHG emissions** and **sustainable water use** before 2050. We will strive to maintain our leadership position in the sustainability space, continuing to drive improvements in our own organization while also encouraging others to join in the movement to build a sustainable future. For nearly 140 years, Darling has been a leader in protecting the planet, creating better lives for its employees, customers, and shareholders, all while providing superior financial returns.





How we manage ESG

Darling's CEO and Executive Leadership Team, reporting to the Board of Directors, are responsible for the day-to-day conduct of the business, including Environmental, Social and Governance (ESG) aspects.

Our Global Sustainability Committee (GSC) oversees our sustainability performance, including setting of performance targets, monitoring performance against targets, reporting on performance to the Board, and approving our annual ESG Reports for public release.

Committee members are all senior level employees representing a range of business functions. In addition, sustainability metrics have been incorporated into executive level strategic, operational, and personal goals.

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

These teams update the board annually with some providing quarterly reports covering relevant ESG metrics.

Sustainability metrics have been incorporated into executive level strategic, operational, and personal goals.



CSR pillars: from strategy to action

We have formalized our ESG/CSR strategy and commitments in three pillars: Cleaner Air and Water, Better Communities and Workplaces, and Safer Food and Feed. We continue to monitor and assess emerging issues and trends and revisit the areas we are focused on within each of these pillars. The following table shows how our priority ESG topics align with the three pillars of our ESG/CSR Strategy.



Cleaner Air & Water

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

Environmental

- Energy
- · GHG emissions
- · Waste & toxicity
- Water



Better Communities & Workplaces

Contributing to an economically and socially prosperous society.

Social

- · Community engagement & investment
- · Diversity & inclusion
- · Employee attraction & retention
- · Employee health & safety
- Product safety & quality



Safer Food & Feed

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

Governance

- · Board & governance
- · Business ethics
- Compliance
- Data privacy
- · Sustainable supply chains
- Data security



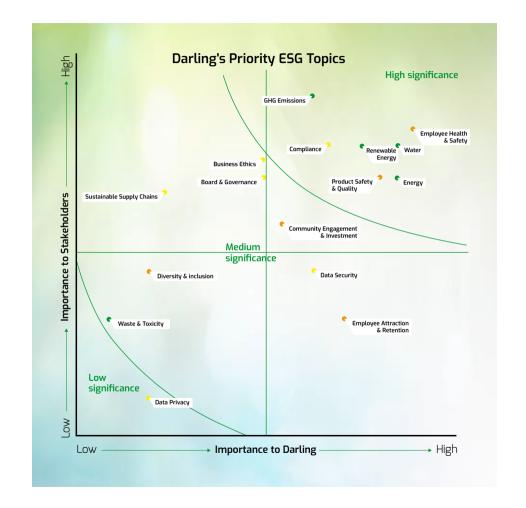
Priority ESG topics

To validate that we are focused on managing the right topics, we **refreshed our sustainability materiality assessment this year**. To determine our priority ESG topic areas, we analyzed relevant industry standards, market drivers, investor and customer priorities, and other stakeholder inquiries about our performance. We also surveyed members of our Global Sustainability Committee (GSC) and facilitated a working session where we further prioritized topics based on their potential for significant impact on our business performance. This resulted in **a list of priority ESG topics** that will guide the focus of our sustainability strategy and long-term value creation efforts moving forward.

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

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

Environmental Social Governance





Alignment with UNSDGs

The United Nations Sustainable Development Goals (UNSDGs) are a call to action to end poverty, **protect the planet and improve the lives** and prospects of everyone, everywhere. We have designed our ESG objectives to support specific SDGs, those where we believe we have a significant opportunity to contribute. The following table provides highlights of Darling initiatives and actions in 2020 that support specific targets under each SDG.



For more information on how we are working to address UNSDGs, visit our website.





Through our acquisition of EnviroFlight, an insect feed company, we are supporting SDG 2: Zero Hunger by providing protein-rich animal feed to address hunger. Watch the <u>video here</u>



Focus and commitment

where it matters most

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

These intentions are also reflected on another level by the Sustainable Development Goals (SDG's) as set out by the United Nations: A universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere. That's why we design and align our CSR objectives to fall in line with specific SDGs, hand-picked for maximum contribution.

Our focus on contributing to meeting-specific SDGs is continuously improved and refined by developing our commitment under three CSR focus areas, with dedicated Sustainability Expert Teams to manage the process and progress. We've selected nine SDGs where we believe we have the greatest opportunity to contribute.

SUSTAINABLE DEVELOPMENT GALS





















Read more about the Sustainable Development Goals we support by visiting **our website**



Darling contributions to UNSDGs in 2020

| SUSTAINABLE DEVELOPMENT GOAL | | TARGET | DARLING INGREDIENTS INITIATIVES/ACTIONS | | |
|------------------------------|---|---|--|--|--|
| 2 mm | End hunger, achieve food security and improved nutrition, and promote sustainable agriculture. | 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality. | Producing organic ingredients by repurposing agri-food co-products Providing protein-rich food to help feed the world's growing population in an efficient and productive manner through our EnviroFlight operation | | |
| 3 COOD HEALTH AND WILL HEINE | Ensure healthy lives and promote well-being for all at all ages. | 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all. | Producing many pharmaceutical and supplemental ingredients from natural resources Furthering medical research with versatile and natural products Enhancing medicine with products such as Heparine extracted from mucosa, among the highest quality in the world Our health benefits are different per region so not a public document Protecting employees from COVID-19 Global Environmental, Health and Safety Policy 100% workers covered by an occupational health and safety training program | | |
| 4 QUALITY | Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all | 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. | Offered/provided leadership training programs during 2019 and 2020 (though these were postponed due to COVID-19) Darling invited participants to the Xavier Women's Leadership Program, a 10-month virtual program facilitated by industry leaders | | |
| | | 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. | Darling supports an ongoing 8-week internship program with Health and Safety students from the University of Waterloo at our Winnipeg site Trained 52 operators to properly master sophisticated equipment through our Boiler School and Centrifuge Training Course | | |
| 7 WHENDELDE | Ensure access to affordable, reliable, sustainable and modern energy. | 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. | Our 50/50 joint venture called <u>Diamond Green Diesel</u> Set ambitious goal to increase the amount of renewable green diesel that we generate through the Diamond Green Diesel Joint Venture by 150% by 2022 We convert organic food waste through bio-digestion into renewable gas and reneable electricity | | |
| | | 7.3 By 2030, double the global rate of improvement in energy efficiency. | Darling set a target to reduce energy consumption by 5% per unit processed by 2025, compared to our baseline year 2020 | | |

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Darling contributions to UNSDGs in 2020

| SUSTAINABLE DEVELOPMENT GOAL | | TARGET | DARLING INGREDIENTS INITIATIVES/ACTIONS | |
|-------------------------------------|---|--|--|--|
| 10 MORALINES | Reduce inequality within and among countries. | 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. | Released new <u>Human Rights policy</u> in 2021 Darling's Code of Conduct includes commitments to non-discrimination, anti-harassment and human rights Darling Ingredients is an <u>Equal Opportunity Employer</u> | |
| | | 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard | Darling provides/is committed to equal pay and competitive pay analysis using a global compensation analysis system Darling offers same-sex couple benefits | |
| 12 HIDWINE COGNITION AND PROJECTION | Reduce inequality within and among countries. | 12.2 By 2030, achieve the sustainable management and efficient use of natural resources. | Reducing the amount of freshwater used and increasing water re-use during our production cycles. In many instances, these innovations that enable the use of recycled water within our processing systems where appropriate for intended use, can make Darling facilities net water contributors Set target to reduce our water intensity by 5% by 2025, from our new baseline year of 2020 in both our Collagen/Gelatin business line and our Rendering & Specialties lines of business Set long-term goals to achieve net zero emissions and achieve sustainable water use by 2050 In process of developing global water policy to align with the United Nations' SDGs | |
| | | 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. | Circular nature of our rendering <u>process</u> | |



Clean water & sanitation

James - Darling Plant Employee:

"Being responsible with water is important to us at the plants. I'm proud that Darling produces more water than it uses."



Industry, innovation and infrastructure

Michael - Fabrication Shop Manager: "We're investing in infrastructure for the things the world needs most: food, feed and fuel."



Sustainable cities and communities

Silverio - Plant Manager:

"Our goal is not only to provide for the world's food and fuel needs, its to do so in a way that is conscientious to our neighbors."



For more information on SDGs, please visit the **UN's website**.



Stakeholder engagement on ESG topics

Stakeholder engagement is critical to the success of our sustainability efforts. We maintain open and flexible, multi-dimensional communication channels with our customers, employees, investors and industry analysts, government bodies, community and business partners. The table on the next page summarizes some of the ways we actively engage with these key stakeholders.



| STAKEHOLDER GROUP | WHY WE ENGAGE | HOW WE ENGAGE | | |
|----------------------------------|---|---|--|--|
| Investors and analysts | To communicate our business results and how we achieved those results, including our approach to environmental, social and governance (ESG) topics. We also engage directly with our largest investors to understand how their interests and expectations on ESG are evolving. | Invitations to our 20 largest shareholders for 1:1 investor engagement meetings each year. In 2020, we met with shareholders representing 69% of outstanding shares Conference calls Analyst days Voluntary disclosure in ESG surveys | | |
| Customers | To listen and engage with our customers on shared ESG issues and challenges. | 1:1 customer engagement meetings Response to supplier sustainability questionnaires received from our customers Participation in supplier ESG workshops and training sessions facilitated by key customers | | |
| Government and regulatory bodies | To advocate for public policy positions that we believe are critical for the sustainability of our business. We engage proactively and constructively with government officials and regulatory agencies to maintain compliance with a range of laws and regulations that apply to our industry. We collaborate to interpret and apply existing regulations and support implementation. We also engage to receive approval of new products along with import and export permits. | Public policy organizations Regulatory submissions Facility tours in non-COVID years Meetings to provide scientific / fact-based input surrounding food safety Initiate process for new developments / innovative products approval | | |
| Employees | To share our commitments and progress on ESG topics and to seek input from our employees to reduce our environmental footprint, to foster a culture of belonging and inclusion, to build a workplace that values learning and development, and to be a safe place to work. | Environment Week Regular employee health, safety and environment training Town hall meetings by senior leaders Employee performance feedback process Intranet and newsletter communications Functional, departmental and team meetings | | |
| Suppliers | To build trusted relationships with supplier companies that share our values and high standards for labor, health and safety and environmental commitments, in addition to the procurement of high-quality products, services, and materials that support our business objectives. | Supplier contracting process 1:1 supplier meetings Collaborate on renewable bioenergy to lower GHG emissions | | |



| STAKEHOLDER GROUP | WHY WE ENGAGE | HOW WE ENGAGE | |
|-------------------|--|---|--|
| Susiness partners | To contribute to the development and expansion of low emission goods and services through a 50/50 joint venture with Valero Energy Corporation, called Diamond Green Diesel. | Ongoing engagement and collaborative discussions to move into the mass scale production of renewable green diesel and renewable jet fuel | |
| Industry | To support the agriculture industry and the world food supply chain as a circular economy company. | Serve on Boards of seven trade associations: American Feed Industry Association (AFIA), US Roundtable for Sustainable Poultry and Eggs (US-RSPE), North American Renderers Association (NARA), European Fat Processors and Renderers Association (EFPRA), Fats and Proteins Research Foundation (FPRF), Poultry Protein and Fat Council (PPFC) and Gelatin Manufacturers of Europe (GME). As committee members we support their legislative and regulatory objectives, and industry-specific programs on sustainability topics Attend conferences organized by industry associations Support industry platforms and supply data to sustain the agriculture sector | |
| Communities | In close collaboration with our employees and local community partners, we identify areas of greatest need where we can lend our support. | Direct engagement with employees on the causes they care about in their local communities Direct engagement with nonprofit partners to better understand their needs and how we can contribute | |

Richard van Lijssel,

Director Technology at Darling Ingredients International:



Darling's experience in reducing our carbon footprint, increasing green energy production and improving our water balance makes us expert partners in our field. By participating in committees, trade organizations and organizations alike, we can increase the impact of our knowledge.

In my case, I'm proud to be Chairman of the Sustainable Committee for Gelatin Manufacturers of Europe (GME) and Chairman of the Sustainability Committee for EFPRA, the European Fat Producers and Rendering Association.



Some outcomes of these engagements include:



Through direct engagement with our largest shareholders each year, we gather feedback about how their expectations of companies from an ESG performance and disclosure perspective are evolving. In 2020, we saw a marked increase in interest from our shareholders in climate change risk and, as a result, began to look at the expectations outlined by the Task Force on Climaterelated Financial Disclosures (TCFD). We are committed to continuing to build out our reporting and disclosure to align with the TCFD framework in the future. Disclosing on the metrics from the SASB Standard for our sector in the appendix of this ESG report was also prompted by this engagement exercise with our shareholders.



Some of our key customers have supply chain sustainability programs intended to drive positive social and environmental impacts through partnership. We proactively engage with these customers in social and environmental compliance audits and respond to supplier questionnaires with the aim of improving our performance and profile year over year. Darling scored Silver in our 2020 Ecovadis rating for the three locations included in the initial assessment. Darling plans to assess all 45 global locations doing business with MARS and Royal Canin by 2021, which demonstrates this commitment to continual improvement.



Our Rousselot operations in Brazil held its first Environmental Week at a facility in the fall of 2020 with over 200 employees participating. This event was held in response to direct feedback from employees that they would like Darling to provide more opportunities to learn about environmental topics and engage in their local communities. During the week, lectures on sustainability, solid waste and recycling, water and energy were hosted by experts both online and at the plant. In addition, the employees organized a recycling drive, collecting over 6.000 units of solid waste. In November of 2020, that same team planted 234 trees in the Mosquito River Basin region where their facility is located.



Through our involvement in the European Fat Processors and Renderers Association (EFPRA) and the American Feed Industry Association (AFIA), Darling Ingredients became a partner and active contributor to the Global Metrics for Sustainable Feed (GFLI) initiative. GFLI aims to develop a life cycle assessment (LCA) database and tool. together with the underlying UN FAO LEAP based methodology, is the preferred reference for assessing and benchmarking feed industry impact and improvement in LCA calculations. Making data available for free to all users through a database in a format that can be easily used by the main LCA software developers supports collaboration across the industry and continued global improvement to sustainable feed practices.



Our response to COVID-19

In 2020, Darling Ingredients learned to adapt in the face of the unprecedented challenges and is grateful for the resilience of its global team of employees who worked hard to ensure business continuity. Our priority during the COVID-19 pandemic continues to be protecting the health and safety of our 10,000+ employees, while providing essential services to the industries and communities we serve. As such, Darling doubled down on health and safety by enacting policies and procedures to maintain a high level of safety across the business.

Despite various states of lockdown in the countries where we operate, Darling continued to operate throughout 2020 with the designation as an essential business, complying with national and regional government protocols as necessary.

Darling proactively responded by implementing several new protocols including:

- Created a global communications strategy and launched a new app called Darling Connect to keep employees updated,
- Implemented additional hygiene measures, face covering and social distancing protocols
- Initiated **remote work strategy** for employees not essential to factory operations
- Restricted domestic and international travel for business-essential purposes and implemented virtual meeting protocols
- **Limited visitors** to all of our facilities to essential personnel only
- Followed detailed guidelines for facility access pertaining to third-party vendors, contractors and outside haulers
- Increased frequency and intensity of **disinfection** in all high-touch areas
- Implemented increased disinfecting procedures for production facilities, offices and company fleet
- Implemented **staggered shifts**, **lunches and breaks** in our factory operations where applicable
- Established protocols in the event of a confirmed COVID-19 diagnosis or contact with confirmed positive
- **Published weekly updates** following city, state, and/or county guidelines as applicable
- **Introduced premium pay** where appropriate to recognize the tremendous efforts our hourly workforce made to come to work each day as essential workers; and showed flexibility by accommodating employees with unique or challenging circumstances at home



These measures allowed Darling to continue operating with minimal disruptions.

We committed more than \$7.5 million in efforts to protect employees from the COVID-19 virus, including the purchase of essential PPE equipment and cleaning supplies to protect onsite workers. Darling organized frequent rapid testing for workers to promote a safe working environment in our European operations. To further support employees who were struggling, all Darling North America employees had access to a 24/7 free and confidential employee assistance program and the U.S. employees were provided with free virtual visits with a doctor or therapist 24/7/365 through our medical carriers. We are extremely appreciative of the consistent efforts of all of our employees to continue to come to work, enabling us to operate effectively in support of the global food chain.

At the end of 2020, COVID-19 was not yet fully behind us, and Darling remains dedicated to protecting the safety and well-being of its employees.



"" We are extremely appreciative of the consistent efforts of all of our employees to continue to come to work.





Environmental

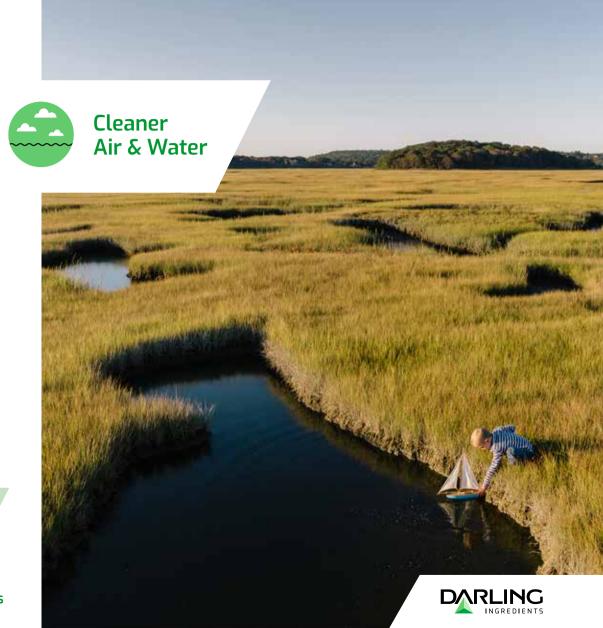
Clean air and water are vital to human and ecosystem health. They are also essential for economic prosperity. We are committed to minimizing our environmental footprint by implementing best practices and leading technologies to continuously evaluate ways of reducing our energy and water consumption and our greenhouse gas (GHG) emissions.

We make strategic investments that contribute to the paradigm shift in the world's long-term energy balance by producing renewable energy through repurposed animal fats, organic residuals, and the oil and grease we collect from restaurants. Our rendering business also generates water than we withdraw, providing opportunities to reuse within our processes or return to the environment through evaporation, crop irrigation or release to local watersheds.

Our environmental commitments are outlined in our **Global Environment, Health & Safety Policy**. which applies to employees in all locations, including our contractors. To manage our environmental programs in a comprehensive, systematic and documented manner, we utilize environmental management systems (EMS). These management systems help us fulfill our environmental policy and programs across all regions of operation.



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



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Strategic targets & initiatives

In early 2021, the Global Sustainability Committee (GSC) engaged leaders across the business to develop and launch our forward-looking strategy to address climate change and water stewardship. In future disclosures we will be reporting on progress against the commitments and targets outlined in this strategy.

| TERM | TARGETS | INITIATIVES | |
|--------------------------------------|---|---|--|
| Short-term targets (0-5 years) | Increase renewable fuel production by 150% from 2019-2022 Reduce energy consumption by 5% per unit processed by 2025, based on 2020 values Reduce water withdrawal by 5% per unit processed by 2025, based on 2020 values | Energy and Emissions Employee energy conservation training Energy studies for select processing facilities in the U.S. Integration of process related waste heat recovery concepts Energy efficiency improvements of steam/ condensate systems Replacement of thermal energy-driven evaporator systems by membrane systems Development of new business initiatives for increasing production volume of renewable electricity and renewable gas Water Employee water conservation training Water studies for select processing locations globally, focusing on locations identified as having potential water-related scarcity risks Installing meters at key facilities to measure fresh water withdrawal and discharge Implementation of wastewater treatment effluent reuse technologies | |
| Mid-term targets (5-10 years) | The GSC formed internal energy and water taskforce teams to build upon findings from our short-term initiatives, moving from operational excellence in efficiency to the next steps in our climate change and water strategies. | Mid-term targets will include GHG and water mitigation initiatives for years 2025-2030 and include investigation into innovative technology, creative water reuse applications appropriate for its intended use, the use of offsets and carbon removal projects and increased use of renewable energy. | |



Strategic targets & initiatives

| TERM | TARGETS | INITIATIVES | |
|----------------------|---|--|--|
| Long-term Targets | Net Zero GHG Emissions / Sustainable Water Use by 2050 | Long-term targets will include initiatives for years 2030-2050 to include further investigation into innovative technologies for water circularity and/or water avoidance/ reduction/ reuse/ recycling/ replenishment, carbon removals, and increased use of renewable energy. | |
| (10-30 years) | The GSC, together with the energy and water taskforce teams, are developing a 2050 roadmap for Darling's own operations to realize the ambitious goals of: | | |
| | 1) net zero or carbon neutrality, and | | |
| | 2) sustainable water use for Darling's own operations by 2050 achieved through a combination of 100% water circularity and replenishing more water than we withdraw in priority watersheds identified in our water risk assessment. | | |



In addition to our EMS which helps us manage key environmental compliance tasks, we have several established protocols for assessing Environment, Health and Safety compliance performance, including:

Self-inspections conducted by individual facilities on a quarterly basis;

Periodic internal compliance assistance visits; and

Compliance assessments as needed from third-party consultants.

All Darling operational employees receive a combination of computer-based and hands-on Environment, Health and Safety (EH&S) training upon hiring, and annually thereafter as it relates to their position and scope of responsibilities.

Our Global Sustainability Committee (GSC) oversees our sustainability performance, including setting of performance targets, monitoring performance against targets, reporting on performance to the Board, and approving our annual ESG Reports for public release.

GSC members are all senior level employees representing a range of business functions.

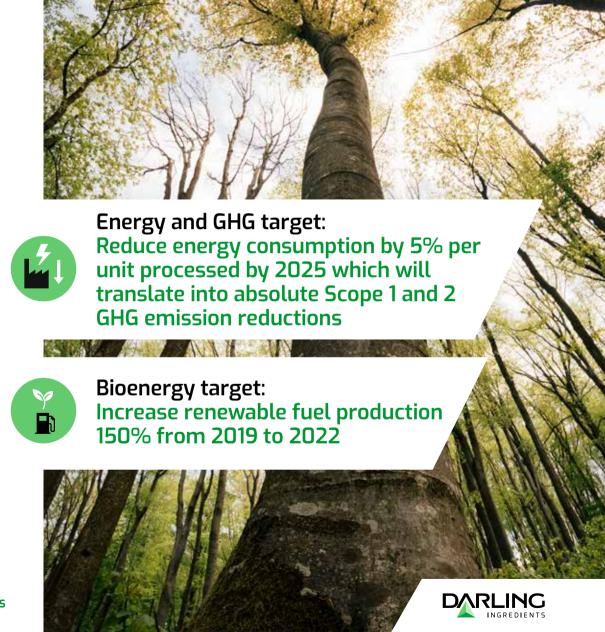
In addition, sustainability metrics have been incorporated into executive level strategic, operational, and personal goals. The global environmental affairs leadership team updates the Board annually and provides a quarterly report covering certain EH&S metrics across all operations.



Energy and emissions

We have been devoted to combating the impact of climate change by repurposing bio-nutrients from the world's food waste streams for over 139 years. We are also committed to reducing the direct climate impact of our own activities, we introduced a renewable fuel production goal in 2019, and set a new energy reduction target as part of our strategy in 2020. Our short-term energy commitments are defined to the right of this page:

We made solid progress on initiatives toward these goals in 2020 and we also took steps this year in assessing the scope and feasibility of a greenhouse gas (GHG) reduction goal for Darling.



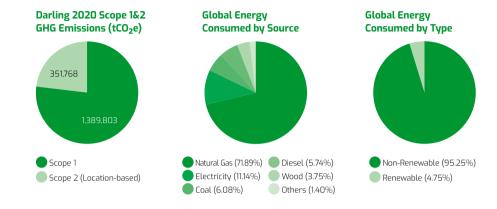
Environmental Social Governance

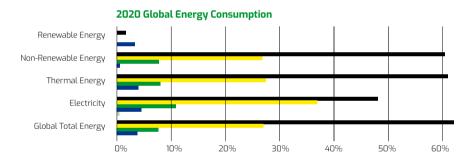
Carbon footprint

We are committed to measuring our direct and indirect emissions on a regular basis. 2020 marked the fourth year we have conducted a greenhouse gas (GHG) emissions inventory to generate a comprehensive understanding of our energy use and emissions output across our operations. We used the results of these assessments to identify appropriate key performance indicators (KPIs) for our environmental impact, establish baselines for those KPIs, and build plans to drive improvement.

We used the Operational Control approach and the GHG Protocol Corporate Standard and Scope 3 Standard as guidance. Our Scope 1 emissions are our largest contributor to our carbon footprint at 1,389,803 tCO₂e, which is why we are focusing our short-term strategy on reducing our direct energy use.

Darling's 2020 Scope 1 and 2 GHG = 1,741,570.8 tCO₂e



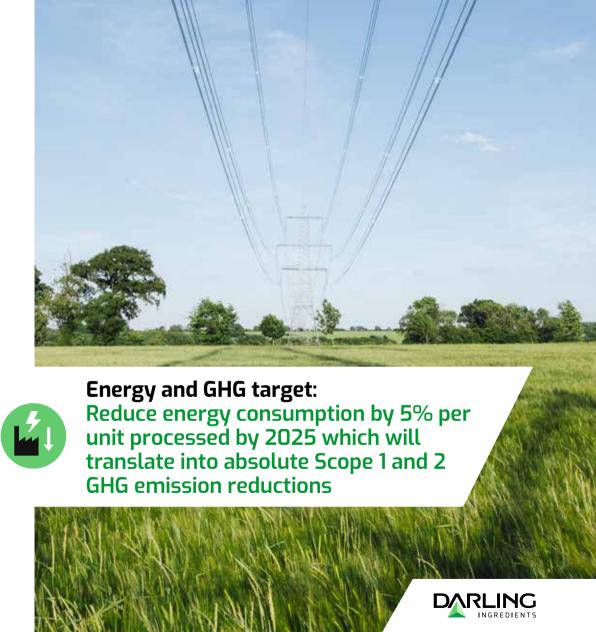


| | Global Total Energy | Electricity | Thermal Energy | Non-Renewable Energy | Renewable Energy |
|---------------|------------------------|-------------|----------------|-------------------------|---------------------|
| North America | 61.78% | 47.89% | 60.84% | 60.30% | 1.48% |
| Europe | 26.74% | 36.69% | 27.36% | 26.66% | 0.08% |
| Asia | 7.65% | 10.72% | 7.80% | 7.65% | 0.00% |
| South America | 3.69% | 4.41% | 3.86% | 0.49% | 3.20% |
| Australia | 0.14% | 0.29% | 0.14% | 0.14% | 0.00% |



Energy consumption

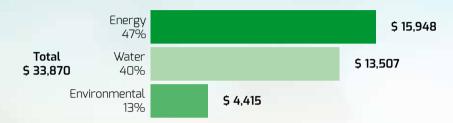
Since our direct energy usage or Scope 1 GHG emissions is our largest contributor to climate change, we focused efforts on reducing energy use as a first step. 2020 was the baseline year for our target of using 5 percent less energy consumption per unit processed by 2025. We continue to invest in energy efficient technologies, process adjustments and behaviors.



Environmental Social Governance

Energy and water conservation

Darling Capital Investments: 2020 (x1,000 USD)



Installed new automated systems at 7 facilities

in the U.S. that have the potential to **Save an estimated**48.3 million lbs. steam/year or 910,000 MCF gas/year.
Incorporated energy conservation training into our Boiler and
Centrifuge Training course.

Conducted energy audits at 16 locations in the U.S., which validated what we are doing well in terms of incorporating energy efficiency in our facilities and provided us with a set of recommendations which we are currently reviewing and prioritizing.

Made energy efficiency improvements to our steam/condensate systems in our rendering operations in Europe.

Continued to upgrade our North American truck fleet by replacing the power units every six years to improve fuel efficiency. Additional fleet technology initiatives include

speed gauges, fuel efficiencies and route optimization programs.

Replaced evaporators in 3 operations in China with more efficient ultrafiltration units for concentrating gelatin solutions.

Generated more thermal energy using biomass in 2020 than 2019 and increased thermal energy efficiency in our Brazilian operations.

In 2020, Darling invested close to \$34 million in energy and water efficiency improvements as well as other aspects of our environmental management system. These investments continue to help Darling reduce its environmental footprint.



Environmental Social Governance

Bioenergy production

A key element of our business strategy is contributing to the development and expansion of low emission goods and services through a 50/50 joint venture called Diamond Green Diesel. Diamond Alternative Energy LLC, a subsidiary of Valero Energy Corporation, partnered with us in 2011 to build a renewable diesel refinery near the Valero St. Charles Refinery in Norco, LA., to process recycled animal fat, used cooking oil, and other feedstocks into renewable green diesel. For Darling, this represents a significant move into the mass scale production of renewable green diesel.

Our renewable diesel is compatible with petroleum-based diesel fuel as a drop-in additive and can be shipped directly into the pipeline, via rail or ocean carrier. Importantly, the fuel has a carbon lifecycle low enough to meet the most stringent low-carbon fuel standards.



Renewable diesel reduces GHG emissions by up to 85 percent compared to traditional fossil fuels.

Currently we are the only vertically integrated renewable diesel producer in the world and have our sights set on incredible growth. We have ambitious expansion plans for Diamond Green Diesel as the demand for low carbon alternative fuels increases due to ever-growing regulation from governmental programs such as the National Renewable Fuel Standard Program (RFS2) and low carbon fuel standards (LCFS) (such as in the state of California).

We are well-positioned to meet U.S. renewable fuel standard demand and satisfy the growing global demand for low carbon markets.

Transportation fuels produced from biomass feedstocks can reduce GHG emissions by up to 85 percent compared to fossil fuel, increase energy independence and bring jobs and investment to the U.S. The plant is now capable of annually converting approximately 2.5 billion pounds of waste fats and oils into more than 289 million gallons of low carbon, renewable "green" diesel, and an expansion currently



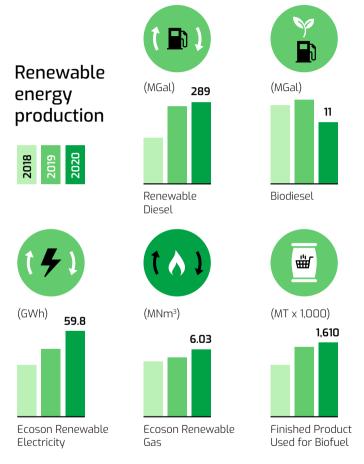
underway to be completed in 2021 will increase that capacity to 690 million gallons. In collaboration with Valero, we have approved and began construction on a new 470 million gallons per year renewable diesel plant in Port Arthur, Texas, which will increase Diamond Green Diesel's total annual production to approximately 1.2 billion gallons of renewable diesel by 2023.





Energy Balance What we give back

Darling continues to increase strategic investments that contribute to the paradigm shift in the world's long-term energy balance. We produce renewable energy through repurposed animal fats, .200 organic residuals, and the oil and grease we collect from restaurants: Diamond Green Diesel avoiding ~2.5 million produced 289 million gallons of renewable diesel in 2020 tCO,e This represents an increase of 5% over our 2019 baseline year which positions us well to achieve our goal of increasing the amount of renewable 2021 2022 2023 green diesel we generate by 150% by 2022. 2019 **PROJECTED** (MGal) DGD entity



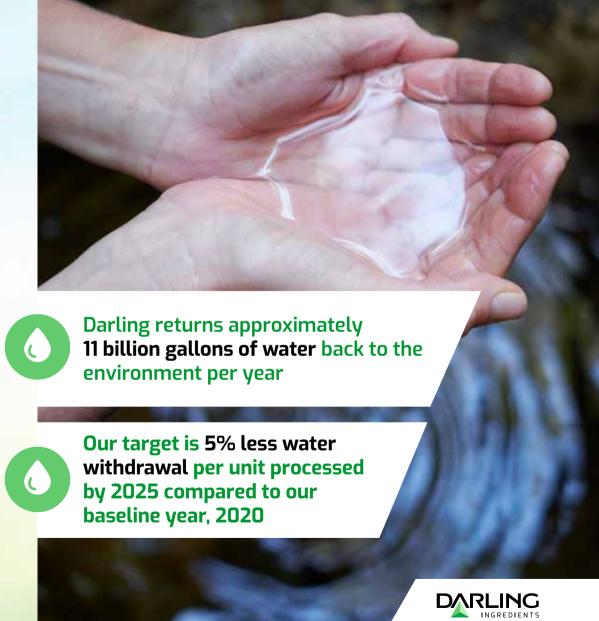


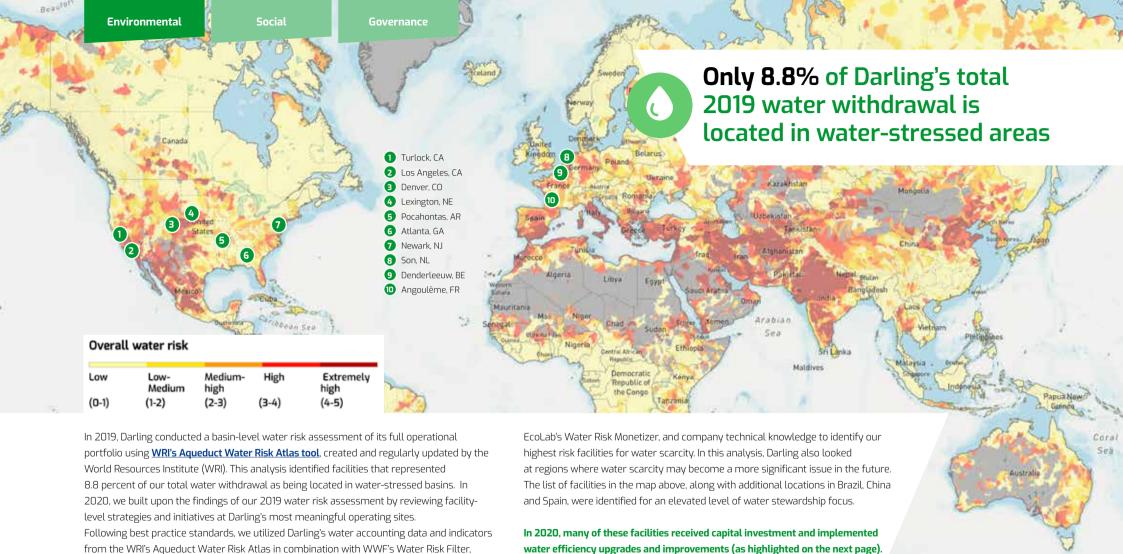
Sustainable water use

The nature of our business is to repurpose organic bio-nutrients from the world's food value chain. Darling's vital role in critical water management at our facilities generates an overall positive return of water to the environment as compared to the volume of water being withdrawn by each facility. We follow a regulatory structure to help ensure the discharged effluent from our operations creates no added stress to land, surface water, or municipal treatment plants.

Many of our U.S. and international operations employ water recovery and reuse systems for process water to reduce total water withdrawals and improve water efficiency. All plants engage in primary water reduction practices including, but not limited to, high pressure low flow wash systems, condensate recovery and return systems, reduction of evaporation from waste heat processes, system efficiency upgrades for water use reductions, treated effluent use for irrigation of crop land and the creation of Water Conservation Plans, limiting the demand for freshwater supplies across Darling operations.

In many instances we can recycle water within our processing systems where appropriate for intended use. Recycled water use within our facilities is important to minimizing our freshwater usage and will become increasingly important **given the impacts of climate change on water availability and quality**.







Environmental

Social

Governance

Committed to our water targets

Darling is committed to building awareness and engagement internally on our water stewardship efforts through top-down water conservation management strategies and education materials to enhance alignment about reduction targets and goals with all of our employees.

- Turlock, California USA noted on the WRI's Aqueduct Water Risk Atlas map. This rendering
 operation has upgraded their water treatment clarifier, employs water recovery and reuse
 systems for process water to reduce total water withdrawals and improve water use efficiency.
- Los Angeles, California USA noted on the WRI's Aqueduct Water Risk Atlas map. This rendering operation was completely rebuilt between 2016 and 2018 at a cost of \$50M. With this rebuild all Best Available Technologies (BAT) were incorporated in the areas of water and energy conservation, including a state of art wastewater pretreatment system.
- Denver, Colorado USA noted on the WRI's Aqueduct Water Risk Atlas map. This rendering
 operation has implemented improvements to the high-pressure condensate return system
 and installed a new cooking system.
- Lexington, Nebraska USA noted on the WRI's Aqueduct Water Risk Atlas map. This rendering
 operation installed a Best Available Technology (BAT) wastewater treatment system that
 improved the quality of the water resources in a cost-effective way.

- Atlanta, Georgia USA noted on the WRI's Aqueduct Water Risk Atlas map. This rendering
 operation has upgraded the boiler burner, boiler door and storm water treatment system.
- Son, Netherlands noted on the WRI's Aqueduct Water Risk Atlas map. This is our Rendac /
 Sonac / Ecoson operation that has initiated an upgrade to an odor-related thermal incineration
 system and scrubbers, by replacing fresh potable water on the additional scrubbing system with
 water effluent from wastewater treatment, resulting in new water savings.
- Angoulême, France noted on the WRI's Aqueduct Water Risk Atlas map. This collagen facility
 implemented a 50% reduction in wash time of each sand filter in process water preparation
 between 2019-2020.

Additional locations that were identified by Darling:

- Amparo, Brazil This collagen facility dedicated drainage pipeline for washers to gain
 processing time and consequently using less fresh water. In addition, the site is continuously
 looking at improvements around water consumption reduction, e.g. by using dry seal pumps.
- **Da'an, China** This collagen facility is working to optimize the liming process, which is projected to reduce the wastewater effluent flow and lead to better gelatin yield and thus less freshwater withdrawal.
- Gerona, Spain This collagen facility already produces a sustainable phosphate resource for
 fertilizers from difficult-to-treat wastewater. This location is continuously looking at
 improvement around water recovery and consumption reduction, e.g. by reuse of sealing and
 vacuum pumps, water as production water, and the reduction of cleaning water volumes.

Darling also proactively engages in collaborative efforts to address watershed health and recovery external to its own operations. For example, Darling has joined an industry and agriculture collaborative in an effort to collectively address community drinking water needs and to participate in an initiative to mitigate the potential impacts of historical industrial and agricultural activities in the San Juaquin Valley region of California.



Environmental

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Our view on disposable waste

Since our business model focuses on converting organic residuals from the agri-food meat producers, restaurants, and other food industry sources into value added natural ingredients, and no other materials are utilized in the conversion process, we generate a negligible amount of wastes that require disposal. We improve the sustainability of the entire value chain by repurposing what would otherwise require disposal primarily through landfilling.

Our industry is often referred to as "the gatekeeper", keeping our food chain safe from harmful materials and avoiding greenhouse gases released into the atmosphere.



For more information on our industry as the Gatekeeper of the Food Chain, visit our **website**.

Given the negligible volumes of solid and/or hazardous waste generated by our industry, and that the majority of our finished products require no packaging, we do not focus on activities to collect and monitor data related to waste disposal¹.



To help assure our stakeholders of our negligible waste claim, we analyzed a representative sample of our conversion operations located in our largest production region. We estimated the emission profile from the sample which included average cost per weight of collected data, waste stream categorized in terms of destination and employing mass-based emission factors utilizing the US WARM model, v15 (2020). The emissions from this sample were extrapolated to the largest production region based on employee count. The review concluded the waste related emission profile to be only 0.03% of our reported Scope 3 GHG emissions and as such it is not considered to be material to our business model or our ESG commitments at this time.



Disposable waste data includes waste generated at our plants and facilities, including metal recycling, paper/plastic recycling and recycled used motor/hydraulic oil.

| TOPIC | KEY PERFORMANCE INDICATOR | PERFORMANCE | | |
|---|--|-------------|------------|------------|
| ENERGY & EMISSIONS | | 2018 | 2019 | 2020 |
| | Total Amount of Direct Energy Consumed (Excluding Fleet Vehicles) (GJ) | 24,148,276 | 25,588,089 | 24,965,422 |
| | Total Amount of Indirect Energy Consumed (GJ) | 3,344,681 | 3,259,840 | 3,360,607 |
| | Percentage of energy consumed (excluding fleet vehicles) that was supplied from grid electricity (%) | 12.1% | 11.1% | 11.9% |
| ENERGY CONSUMPTION | Percentage of energy consumed (excluding fleet vehicles) that is renewable energy (%) | 3.6% | 4.4% | 5.1% |
| | Total Fleet Fuel Consumed – Non-Renewable (GJ) | 1,712,916 | 1,834,291 | 1,835,619 |
| | Rendering & Specialties Energy Intensity Per Unit of Raw Material (GJ/100lb) | 0.12820 | 0.13271 | 0.12144 |
| | Collagen/Gelatin Energy Intensity Per Unit of Production (GJ/100lb) | 3.90947 | 4.02389 | 4.01574 |
| EMISSIONS | | | | |
| | Scope 1 GHG Emissions (tCO ₂ e/year)¹ | 1,365,763 | 1,434,228 | 1,389,803 |
| | Scope 2 GHG Emissions – Location Based (tCO ₂ e/year) ² | 392,544 | 348,549 | 351,768 |
| GREENHOUSE GAS (GHG) | Scope 2 GHG Emissions – Market Based (tCO ₂ e/year) ² | 420,977 | 394,922 | 404,737 |
| EMISSIONS/ ENTERPRISE CARBON FOOTPRINT | Scope 3 GHG Emissions – Business travel, FERA, employee commuting (tCO₂e/year)³ | 312,521 | 327,265 | 329,916 |
| | Rendering & Specialties GHG Emissions Intensity (tCO ₂ e/MT raw material) ⁴ | 0.17015 | 0.17000 | 0.15459 |
| | Collagen/Gelatin GHG Emissions Intensity (tCO ₂ e/MT product) | 5.51220 | 5.48230 | 5.44321 |

¹ Our scope includes the following GHGs: CO₂, CH₄, N2O and HFCs. We use emission factors from the US Environmental Protection Agency and the International Energy Agency, global warming potential (GWP) factors from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (2014), and methodologies outlined in the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.



² A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factors). A market-based method reflects emissions from electricity that companies have purposefully chosen.

³ Our Scope 3 GHG Emissions calculations for 2019 and 2020 only include 3 upstream categories at this time: business travel, emissions from the upstream extraction which includes processing and transportation of consumed electricity and fuels (fuel- and energy-related activities), and employee commuting. For 2018, Scope 3 emissions include only fuel- and energy-related activities and employee commuting. For 2018, Scope 3 emissions were assumed to be the same as 2019 values.

⁴ Raw materials (animal by-products, bakery residuals, and used cooking oil's) GHG emissions included in the intensity ratio include direct (Scope 1) and indirect (Scope 2) emissions and include the following gases: CO₂. CH₄. N2O and HFCs.

| TOPIC | KEY PERFORMANCE INDICATOR | PERFORMANCE | | |
|--------------------------------|---|-------------|-----------|-----------|
| RENEWABLE ENERGY PRODUCTION | | 2018 | 2019 | 2020 |
| | Renewable Diesel (MGal)¹ | 163 | 275 | 289 |
| | Renewable Diesel (1,000m³) | 616 | 1,040 | 1,095 |
| | Biodiesel (MGal) | 14 | 15 | 11 |
| RENEWABLE ENERGY PRODUCTION | Biodiesel (1,000m³) | 54 | 55 | 40 |
| | Ecoson Renewable Electricity (GWh) | 36.1 | 47.4 | 59.8 |
| | Ecoson Renewable Gas (MNm³) | 4.96 | 5.32 | 6.03 |
| | Finished Product Used for Bioenergy (MT) ² | 1,126,146 | 1,521,171 | 1,610,790 |

¹ The renewable diesel production includes the total Diamond Green Diesel 50/50 joint venture entity level production amount.



² Materials being transformed into renewable energy include our own animal fats, animal meals and used cooking oils.

| TOPIC | KEY PERFORMANCE INDICATOR | PERFORMANCE | | |
|------------------|---|-------------|----------|---------|
| WATER | | 2018 | 2019 | 2020 |
| | Total Water Withdrawal from All Sources (MGal) | 9,006 | 9,389 | 9,216 |
| | Total Water Purchased from Third Parties (MGal) | - | 1,380 | 1,386 |
| | Total Fresh Surface Water (MGal) | - | 3,962 | 4,751 |
| | Total Groundwater (MGal) | - | 4,047 | 3,079 |
| | Total Water Withdrawal: Business Others (MGal) | 69 | 70 | 69 |
| | Total Water Withdrawal: Rendering & Specialties (MGal) | 1,846 | 1,955 | 2,141 |
| | Total Water Withdrawal: Collagen/Gelatin (MGal) | 7,090 | 7,363 | 7,006 |
| | Total Water Withdrawal from All Sources (1,000m³) | 34,090 | 35,541 | 34,885 |
| WATER WITHDRAWAL | Total Water Purchased from Third Parties (1,000m³) | - | 5,226 | 5,247 |
| | Total Fresh Surface Water (1,000m³) | - | 14,996 | 17,984 |
| | Total Groundwater (1,000m³) | - | 15,319 | 11,654 |
| | Total Water Withdrawal: Business Others (1,000m³) | 262 | 267 | 260 |
| | Total Water Withdrawal: Rendering & Specialties (1,000m³) | 6,988 | 7,401 | 8,105 |
| | Total Water Withdrawal: Collagen/Gelatin (1.000m³) | 26,840 | 27,874 | 26,519 |
| | Rendering & Specialties Water Intensity (Gal/lb raw material) | 0.08103 | 0.08456 | 0.08621 |
| | Collagen/Gelatin Water Intensity (Gal/lb finished product) | 10.08245 | 10.27097 | 9.93189 |
| | Global Water Intensity (Gal/lb raw material) | 0.37414 | 0.38426 | 0.35254 |



| TOPIC | KEY PERFORMANCE INDICATOR | | PERFORMANCE | | |
|---------------------------------------|---|-------|-------------|-------|--|
| WATER | | 2018 | 2019 | 2020 | |
| | % of Water Withdrawn from Areas with Water Stress | - | 8.8% | - | |
| | Withdrawal from Areas with Water Stress: Fresh Surface Water (MGal) | - | 400 | - | |
| | Withdrawal from Areas with Water Stress: Groundwater (MGal) | - | 169 | - | |
| WATER STRESS ANALYSIS ¹ | Withdrawal from Areas with Water Stress: Water Purchased from Third Parties (MGal) | - | 255 | - | |
| | Withdrawal from Areas with Water Stress: Fresh Surface Water (1,000m³) | - | 1,514 | - | |
| | Withdrawal from Areas with Water Stress: Groundwater (1,000m³) | - | 640 | - | |
| | Withdrawal from Areas with Water Stress: Water Purchased from Third Parties (1,000m³) | - | 965 | - | |
| | Total Water Contributed from Raw Materials (MGal) | 1,569 | 1,611 | 1,599 | |
| | Total Water Contributed from Rendering & Specialties (MGal) | 1,499 | 1,539 | 1,527 | |
| WATER CONTRIBUTION 3 | Total Water Contributed from Collagen/Gelatin (MGal) | 70 | 72 | 72 | |
| WATER CONTRIBUTION ² | Total Water Contributed from Raw Materials (1,000m³) | 5,940 | 6,098 | 6,052 | |
| | Total Water Contributed from Rendering & Specialties (1,000m³) | 5,675 | 5,827 | 5,780 | |
| | Total Water Contributed from Collagen/Gelatin (1,000m³) | 265 | 271 | 272 | |

¹ In 2019, Darling conducted a basin-level water risk assessment of its full operational portfolio using the Aqueduct Water Risk Atlas tool, created and regularly updated by the World Resources Institute (WRI).



² 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 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.

| TOPIC | KEY PERFORMANCE INDICATOR | PERFORMANCE | | |
|------------------------------|---|-------------|--------|--------|
| WATER | | 2018 | 2019 | 2020 |
| WATER DISCHARGE ¹ | Total Water Discharged (MGal) | 10,575 | 11,000 | 10,814 |
| | Total Rendering & Specialties Water Discharged (MGal) | 3,345 | 3,494 | 3,668 |
| | Total Collagen/Gelatin Water Discharged (MGal) | 7,160 | 7,435 | 7,077 |
| | Total Water Discharged (1,000m³) | 40,030 | 41,639 | 40,936 |
| | Total Rendering & Specialties Discharged (1,000m³) | 12,663 | 13,227 | 13,885 |
| | Total Collagen/Gelatin Discharged (1,000m³) | 27,105 | 28,145 | 26,791 |

¹ 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.





Creating the best environment possible

We are dedicated to providing a safe, healthy and inclusive workplace for our employees, and safe food and feed for our customers. The foundations for our product safety and quality programs are built on strict policies that are assessed regularly against the highest standards.

Our people are our most valuable resource. We are committed to building a culture and working environment that is inclusive and respectful for all, and where our employees can do their best work and feel valued for their contributions. We also want to be seen as a place where employees can grow and develop their careers.

Finally, through **Darling Cares** and other initiatives, we give back by investing in the environmental, health, educational and cultural goals of the communities where we operate. Together, with our employees and local community partners, we identify areas of greatest need where we can lend our support and leave a positive impact. We pride ourselves on being a great neighbor in our communities. Visit our **CSR website** for more information.



Health & safety

We champion safe and responsible behavior among our co-workers to achieve our ultimate goal of zero workplace injuries. All of Darling's facilities worldwide are subject to the obligations outlined in our Global Environment, Health & Safety Policy.

In 2020 we experienced three tragic accidents that resulted in three employees and one contractor losing their life. The entire Darling family was devastated by these losses, and Darling has continued to focus its efforts on a Total Safety Culture.

This Total Safety Culture identifies safety as a way of life, not simply a program.

Safety should and will be incorporated into how Darling does everything, including production, quality, and management. We invested heavily in our health and safety team and hired seven new regional safety managers in the U.S., and Darling's U.S. health and safety department lead now reports directly to our Chief Administrative Officer. Further, with **seven new Safety Managers**, we will be increasing our number of site visits. We also revamped our onboarding program for new employees with a stronger emphasis on health and safety. We believe this will lead to improved safety performance at our locations.

In 2020, we also continued our emphasis on compliance with the Darling Life Saving Rules, supported ongoing use of EHS Improvement Plans, and renewed our efforts to perform value-added EHS audits against the Darling Global EHS Standards.

Darling also initiated an investment to install onboard cameras throughout our US truck fleet to enhance safe driving measures.



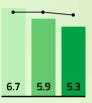
Our life saving rules program

Our Life Saving Rules program is a set of 8 rules that identify health and safety risks in our workplace, outline control measures to mitigate that risk, and outline best practices to ensure everyone is protected. The program has been rolled out globally, with all employees receiving dedicated training on all 8 Life Saving Rules, and any new employee onboarding into Darling is also trained. Ongoing education related to the lifesaving rules happens monthly, conducted by each location's supervisor.

Darling's CAO meets on a quarterly basis with H&S leadership from around the world to discuss results, best practices and knowledge sharing centered around goal and objective updates. Additionally, a monthly safety report detailing recordable cases, lost time cases, and injuries is distributed to all Darling leaders for review and discussion. The Board of Directors receive regular safety updates.

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

Safety objectives & results



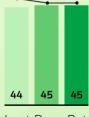
Total Recordable Injury Rate (TRIR)*



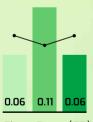
Lost Time Accident (LTA) Rate







Lost Days Rate (LDR)



Fleet Rate (FR)



^{*} TRIR is only recorded in North America



Employee training & development

Our employees value development opportunities on the job, and through access to ongoing internal and external training opportunities. We want our people to see Darling as a great place to learn and grow, and we emphasize internal promotion where possible.

People development highlights from 2020 included:

- All management employees continued to work closely with their supervisors to set annual
 personal objectives, formulate development plans, and receive feedback on their performance
 through regular performance reviews.
- Virtual training was provided for employees during 2020 on the following topics of safety, compliance and accounting systems (HCM).
- Darling offers tuition reimbursement for employees who are going back to complete a university degree or continued education.
- Darling sponsored employees to participate in the Xavier Women's Leadership Program, a
 10-month program with monthly full-day learning sessions facilitated by industry leaders and
 experienced practitioners. The certification focuses on helping participants develop skills in the
 following areas: personal authentic leadership, business acumen, communication, personal
 branding, and innovations.
- Darling focused on internal promotion with open jobs posted first at individual sites and then
 by email to Darling employees weekly. We are currently working on improving how we track
 this data globally through our HR Information System (HRIS) so that we can report on our
 performance in this area.

We were unable to run our Leadership training for emerging leaders in 2020 due to COVID-19 travel restrictions. The **Darling Leadership Academy**, **Darling University**, and **Darling Involve International Leadership Training** are all multi-day programs to further develop employee skills and expertise to equip these individuals to lead our business effectively in the future. These three programs will all welcome new virtual classes in 2021.

Our Darling Canada operations team organized and managed four-month co-op or internship programs for students from local universities to get practical on the job work experience to kick start their careers. In 2020, four students were placed into health and safety, environmental management or production education roles in our Winnipeg, Manitoba and Moorefield, Ontario locations. These programs help us increase our visibility



as a career option with local schools and provide us with a pipeline of early career talent.

Jaclyn Meekes, Darling Canada's Health and Safety Manager:

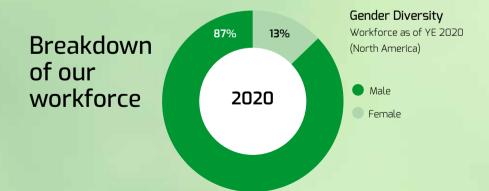
"Health and Safety Internships allow Darling Ingredients Canada to provide a unique opportunity for students to gain practical working experience. Our Interns are a pair of fresh eyes reviewing our programs and procedures and assist with any gaps in these areas. The Intern program enhances our team's diversity, can drive innovation and productivity, and help promote our business to the next generation."



Diversity, equity & inclusion (DEI)

Darling strongly believes that a diverse and inclusive workforce is fundamental to operating an effective and resilient business. We are focused on increasing engagement with all underrepresented groups in our recruitment, hiring and people development strategies. We strive to create a culture where everyone has access to the same opportunities, regardless of their background.

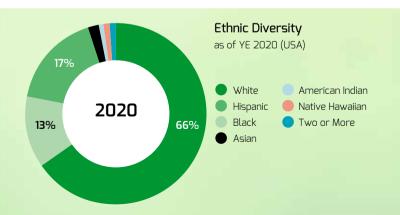
Our Code of Conduct includes commitments to non-discrimination, anti-harassment and human rights, and we launched a formal Human Rights Policy in early 2021. Our <u>Human Rights policy</u> aligns with the United Nations' Universal Declaration of Human Rights and other internationally accepted standards.



Darling recognizes the importance of supporting the career growth of women in leadership. We sponsored participants in 2020 at the Xavier Women's Leadership Program.

In the U.S., all senior leadership and management staff are required to attend training sessions related to Affirmative Action (AAP) and Equal Employment Opportunity (EEO). In addition, inclusion topics are covered annually at our Darling University and Darling Leadership Academy for selected management attendees. These activities are managed by the HR Department and the Director of EEO Compliance, who ensures our job postings are shared with job boards targeted towards women, veterans, the disabled, and minorities as well as outreach activities to protected groups near each of our operations.

Globally we recruit, evaluate qualified applicants, hire, train, promote and base all other employment decisions without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, age, veteran status, and other legally protected characteristics.





Community engagement & investment

Giving back to the communities where we live and work is a fundamental part of who we are as a company. Understanding the power of partnership, we collaborate with suppliers, customers and vendors to maximize the impact in our communities. Darling's workforce is passionate about making a positive impact in their communities, and they drive our giving strategy. We look to align our investments with nonprofits working to advance environmental, health, educational and cultural goals of the communities where we operate.

To further strengthened the governance of our community engagement and investment activities, we planned the formation of the Darling Cares Council. The Council officially developed in early 2021, will unify a greater visibility of our local efforts to give back to the communities where we do business.



In 2020, we had fewer opportunities for in-person volunteerism because of the COVID-19 pandemic, but Darling still found ways to give back to communities safely:



We enacted the Darling Cares Food Donation Action Plan to help neighbors in the community cope with the COVID-19 pandemic.

In 2020 we donated \$65,000 including more than 700 gift cards to Food for the Soul, Ronald McDonald House Charity, Irving Schools Foundation and National Restaurant Association, who prepared and delivered food baskets and emergency meals to those in greatest need



In November 2020, the **Darling Rousselot Amparo Team gathered** a group of motivated volunteers including employees and their family members, to plant 234 trees in the Mosquito River Basin **Region in Brazil**. In addition to planting trees, families learned about forest preservation and how it impacts carbon sequestration and evapotranspiration, incredibly important ecosystem services under threat by deforestation.



To help those affected by COVID-19, **Darling donated \$10,000** to the **Dave Thomas Foundation for Adoption**. The Foundation provides grants to adoption agencies to help find permanent homes for children who are currently waiting in foster care across the nation. The COVID-19 pandemic impacted the funding and operation of adoption programs across the U.S. as major fundraising events had to be delayed or cancelled, as did court hearings leading children to spend prolonged time in foster care. Our donations helped narrow this gap and support adoption agencies and their employees in finding loving, permanent homes for children waiting in foster care.



In Wenzhou, China, **Darling's Rousselot facility donated to the Red Cross organization's Livelihood Project** which worked with the government to create jobs in villages with few resources. By providing farmers with additional training, the Livelihood Project enables them to earn more money and to remain in their native regions. In 2020, the Rousselot facility donated 200,000 RMB (approximately 31,000 USD) to this project which directly impacted the local community.



For the second year in a row, Darling has donated over \$200,000 to **Future Farmers of America** (FFA), a youth organization preparing members for leadership and careers in the science, business and technology of agriculture. The donation money is used for scholarship and Supervised Agricultural Experience Grants.

One such example of a National FFA scholarship is a \$10,000 award that takes a holistic view of a student, including their FFA involvement, work experience, supervised agricultural experience, community service, leadership skills and academics. In 2020, we were please to present one of FFA Scholarships to Riley Stokes, a remarkable young woman from New Home, TX who is enrolled in a 4-year program in the field of Agricultural Engineering.

Darling awarded eleven, \$10,000 FFA Scholarships in 2020.

In addition, at the beginning of 2021, Mike Hudlow, Darling's Sr. VP of Engineering, was added to the National FFA Board of Directors.





Riley Stokes awarded \$10,000 Darling Ingredients Inc. Scholarship; A small piece of the \$200,000 of donations to Future Farmers of America in 2020.



Product safety & quality

At Darling Ingredients, product safety and quality are essential in the process of delivering sustainable pharmaceutical, food, feed, and fuel ingredients to our customers. Delivering safe and high-quality products is also reflected in our three core values: integrity, transparency and entrepreneurship.

Investing in people, programs and infrastructure, especially in 2020, a year with unique challenges, highlights Darling's commitment to product safety and quality. Employees across all Darling locations are trained at least annually on product safety using training modules available on internal platforms that are accessible to individual employees. The mandatory training contains modules that are developed from the food safety procedures laid down in prerequisite programs to Hazard Analysis Risk Based Preventive Controls (HARPC) for the U.S., and Hazard Analysis Critical Control Point (HACCP) plans for our international business units. Prerequisite programs for HARPC are Current Good Manufacturing Practices (CGMPs) and for HACCP are Good Manufacturing Practices (GMPs).

Each production site is also required to have a business continuity plan and a recall plan that includes pandemics as well as extreme weather events including fires, and floods. Facilities are required to test their emergency response plan by conducting at least one mock recall exercise annually, and facilities undergo regular inspections by customers, authorities, third-party certification bodies, and internal audit.

Risk assessments to identify hazards to be controlled are an essential part of HARPC/HACCP plans and required in the U.S. under the Food Safety Modernization Act, and in the international sites by the National authorities. Each Darling facility has one or more HARPC/HACCP plan with one or more preventive control/critical control point validated to control or prevent hazards identified in the hazard analysis/risk assessment as needing to be controlled or prevented. Such risk-based hazard analyses are science and experience based and are reviewed on an annual basis or at every change in the process.

Darling's product safety and quality teams worked tirelessly to elevate the awareness of excellence on our processing floors. Posters were developed around the topics of hygienic maintenance and product storage. These posters along with support materials were delivered to our processing sites in their local language for use within the training time called toolbox sessions.

In 2020 the following topics were covered in required training:

- Ouality control Raw material check
 - Labelling
- Hygienic maintenance Cross contamination
- Hygiene standards

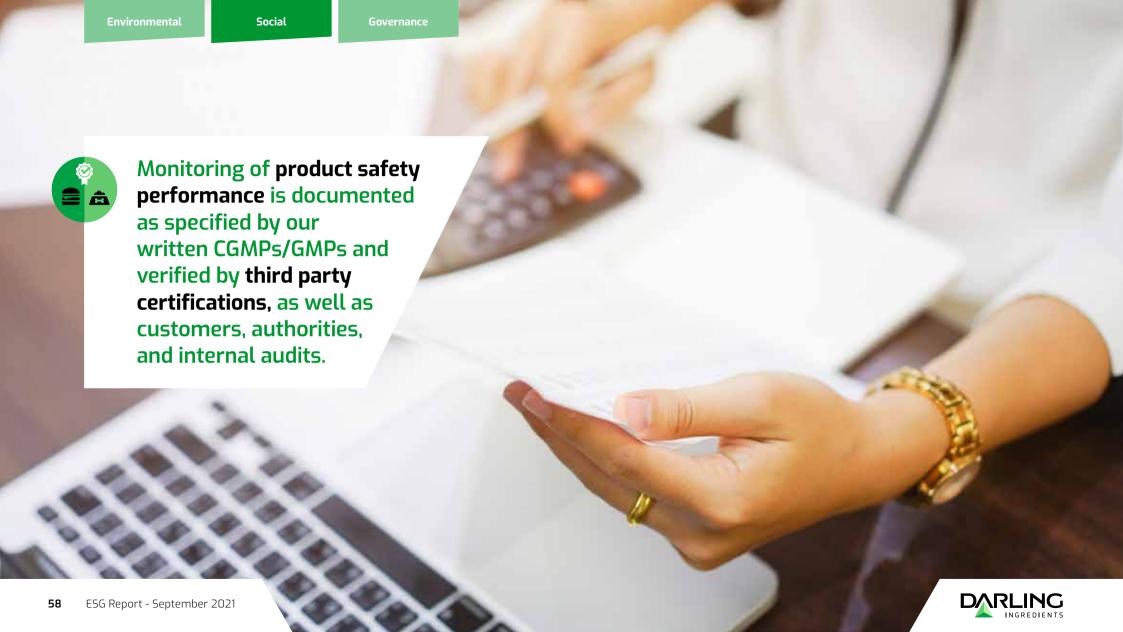
- Package handling
 - Pest control
- Foreign matter

Wilma van Elk-Stuut, Ouality Coordinator for Darling Ingredients International

"I have worked for Darling since 2010, setting up a uniform and transparent Quality Management System based on ISO 9001 and HACCP. This helps us comply with regulatory requirements, guarantees customer satisfaction, and ensures product safety. Our training programs focus on awareness, knowledge and communication. In the end, quality isn't just an act, it's a habit."







Product safety and quality Incident

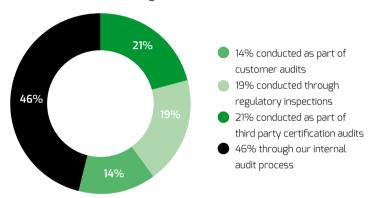
incident investigation and corrective action

As a global company that manufactures ingredients and products for a broad range of markets that expand from **health**, **nutrients**, **bioenergy** and **services**; we have the responsibility to ensure our products are consistent, high quality, and above all else, safe.

All customer complaints are investigated, and the root cause is determined with corrective and preventive actions taken. The same applies if there is a non-conformity found during a third party or internal audit. Corrective/preventive actions are documented on corresponding forms and discussed during management reviews. Our product and service quality and safety standards are tested, and validated, regularly through a robust cadence of internal and external audits. These audits provide important checks and balances that give customers confidence in consistent product quality and internal policies and procedures.

644 total audits¹ in 2020

were conducted across our global business with the following breakdown:



We are not able to receive any third-party certifications until any deficiencies found during the certification audit are corrected and the modified action accepted by the certifying body.

Starting in late December 2020, Rousselot, a Darling Ingredients brand started an internal competition amongst all regions to reach 100 consecutive days without customer complaints. As of February 15th, 2021, South American locations hit 68 consecutive days.

Due to COVID restrictions and health and safety protocols, we had fewer audits in 2020 than we did in 2019.



Key social metrics

| TOPIC | KEY PERFORMANCE INDICATOR | PERFORMANCE | | |
|--|--|-------------|--------|--------|
| DIVERSITY AND INCLUSION | | 2018 | 2019 | 2020 |
| | Females in NA Workforce (%) | 12.01% | 12.44% | 13.05% |
| GENDER DIVERSITY ¹ | Males in NA Workforce (%) | 87.99% | 87.56% | 86.95% |
| | Females in global senior management roles (%) ² | - | | 16.13% |
| EMPLOYEE TRAINING AND DEVELOPMENT | | | | |
| PERFORMANCE REVIEWS & FEEDBACK | Employees receiving regular performance and career development reviews (%) | 100% | 100% | 100% |
| | Leadership Development Training (total hours) | 2,664 | 3,008 | 0 |
| LEADERSHIP DEVELOPMENT ³ | Leadership Development Training (total participants) | 88 | 84 | 0 |
| | Female Participants in Leadership Training (%) | 24% | 29% | 0% |
| TURNOVER ⁴ | Voluntary Turnover (%) | 19.90% | 17.70% | 13.12% |

¹ Gender data is collected in North America only.



² Senior Management roles includes the following levels or titles: US Region Controller/ Int'l Controller/ Systems Controller / Director / Vice President / Sr. Vice President / Executive Vice President

³ Leadership development training initiatives include annual enrollment for Darling University, Darling Leadership Academy and Darling Involve International Leadership Training, Note that in 2020 Darling did not run our leadership trainings due to COVID-19 restrictions.

⁴ Note that we have adjusted our turnover reporting methodology in 2020. In 2018 and 2019, we reported on U.S. turnover only. In 2020 we have expanded the scope and turnover now includes data from across our global operations.

| TOPIC | KEY PERFORMANCE INDICATOR | PERFORMANCE | | E |
|---------------------------------------|---|-------------|------|------|
| EMPLOYEE HEALTH AND SAFETY | | 2018 | 2019 | 2020 |
| H&S MANAGEMENT SYSTEM ¹ | Workers covered by an occupational health and safety management and training system (%) | 100% | 100% | 100% |
| TOTAL RECORDABLE INJURY | TRIR Annual Goal ³ | 6.4 | 6.4 | 6.2 |
| RATE (TRIR) ² | TRIR Performance - NA only | 6.7 | 5.9 | 5.3 |
| FATALITIES ⁴ | Work related fatalities | 1 | 3 | 4 |
| LOST TIME ACCIDENT (LTA) | LTAR Annual Goal | 2.0 | 2.0 | 2.0 |
| RATE | LTAR Performance | 1.7 | 1.4 | 1.4 |
| 1 057 0475 (1 00) | LDR Annual Goal | 48 | 46 | 46 |
| LOST DAYS RATE (LDR) | LDR Performance | 44 | 45 | 45 |
| FLEET RATE (FR) | FR Annual Goal | .08 | .07 | .08 |
| | FR Performance ⁵ | .06 | .11 | .06 |

¹ Systems include Darling's Injury and Illness Prevention Program for North America, and our Safety Management System at all our international sites which includes contracted employees.



² TRIR is only recorded in North America. Performance includes all Full Time (FT) and Part Time (PT) employees.

³ Annual H&S goals are calculated by taking the most recent 5-year average per goal and reducing it by 5%. All plant employees are required to participate in annual H&S training,

⁴ Darling began reporting on fatalities in 2020 and will disclose on this moving forward in our ESG reporting.

⁵ Fleet rate (FR) calculation is # of on-road accidents per 100,000 miles.

| TOPIC | KEY PERFORMANCE INDICATOR PERFORMANCE | | | |
|--------------------------------|--|--------|--------|--------|
| FOOD/ FEED SAFETY | | | | |
| | Food grade facilities reaching highest achievable certification ² | | - | 96.2% |
| FOOD/ FEED SAFETY ¹ | Feed grade facilities reaching highest achievable certification ² | | | 74.4% |
| | Compliance rates derived from customer complaints | 99.44% | 99.15% | 99.30% |

¹ Note we adjusted our methodology for reporting on food/feed safety metrics based on feedback from S&P. In 2018 and 2019 we were reporting total number of all food and feed facilities carrying the highest attainable level of standard. We will report on two separate metrics moving forward, one specifically focused on our food processing facilities and one focused on feed processing facilities reaching the highest attainable certification.



All Darling production locations manufacture their products with regulatory approval of the competent authority and in compliance with all applicable federal and local regulations. Indeed, Darling goes above and beyond these government regulations. We set minimum internal standards based on market and customer requirements and certify locations at higher food and feed safety and quality standards. The aim is to make sure our locations always produce according to the latest food or feed safety and quality standards. Locations that have not yet acquired the highest attainable certificate are internally audited against the same standards that apply for their level. In 2020, all US-based Darling Ingredients sites were audited at untiminum to the FSC36 standard. The feed-producing locations outside of North America are audited to the GMP+ standard (or similar), a certificate that is required for ingredients used by feed producers in Europe. Almost all (human) food-producing companies of Darling Ingredients have certificates for the GFSI recognized systems FSSC22000, IFS or BRC. We must re-certify each year through rigorous audits.



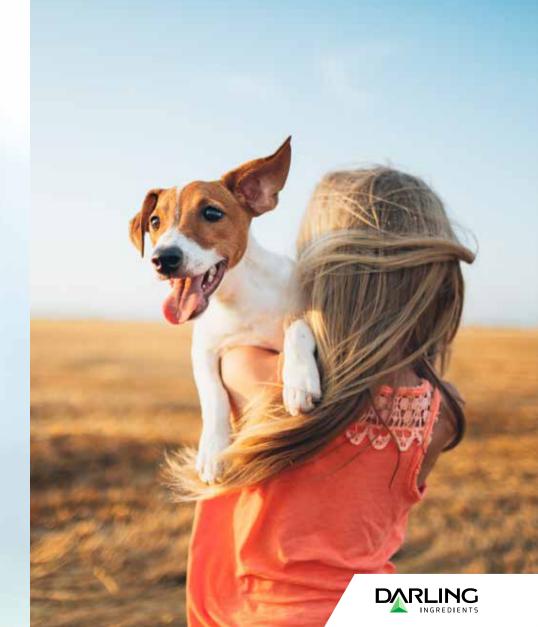
Corporate governance

At Darling Ingredients, we recognize that maintaining transparent governance practices and robust ethics and compliance guidelines allows us to better deliver on our mission. By operating with integrity, honesty, and a commitment to doing what is right, we can focus on our purpose of repurposing and operating a closed loop business.

Upholding high ethical standards also helps us build trust with our investors, suppliers, and business partners, and maintain the respect of our employees and communities.

Our corporate governance is anchored at the board level through vigilant and proactive oversight of financial, compliance and reputational risks, including environmental, social, and governance (ESG) risks. Darling's CEO and Executive Leadership Team, reporting to the Board of Directors, are responsible for the day-to-day conduct of the Company's business, including ESG aspects.

The Board considers and fully appreciates the value of a diversity of viewpoints, background, and experiences (including age, gender, race and ethnicity) as important to the selection of directors. We believe that our directors exhibit an effective mix of skills, experience and fresh perspective, as **67 percent** of our directors have served on the Board for less than five years. In 2020, **40 percent** of our board members were female, which is notable for our industry, and we maintain a strongly independent Board, with **92 percent** of directors being independent. Further description of our commitment to strong Board governance, including structure and composition, stockholder engagement, director biographies, and oversight of risk management are available in our 2021 Proxy Statement.



Social **Environmental** Governance

Business ethics

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

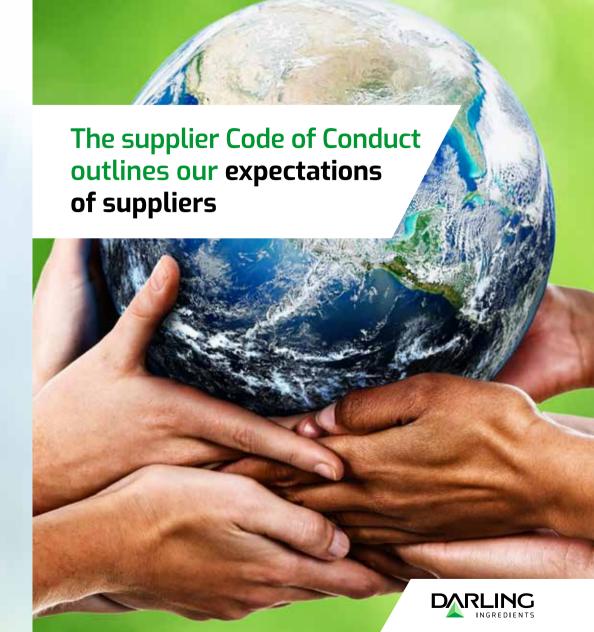
The reinforcement of our Code is provided through on-line training and policies to all Darling employees. In addition, Darling provides training and policies on laws and regulations including but not limited to Foreign Corrupt Practice ACT (FCPA), Anti-Money Laundering (AML), antitrust and privacy. Darling promotes ethical behavior and maintains an open-door approach that encourages employees to talk to supervisors, managers, their human resources business partner, a confidential hotline managed by an external third-party, or the Chief Compliance Officer when in doubt about the best course of action in any situation. We do not tolerate any form of retaliation for filing a complaint in good faith, or for providing information for an investigation.

Late in 2020, the Darling Compliance Department developed a new Competition and Antitrust training that is required for certain employees, including management, sales, accounting, operations, and additional corporate and plant personnel, as appropriate. This training provides guidance for employees on how to conduct business and comply with antitrust and competition laws. Employees required to take this training were required to complete the course through our new learning management system prior to May 28, 2021.



Sustainable supply chains

We take pride in building and maintaining long-term relationships with suppliers across the globe that share our values and high-level operating standards. Launched in 2020, the <u>Supplier Code of Conduct</u> outlines our expectations of suppliers and sets minimum standards in the areas of ethical behavior, environmental, health and safety practices, product safety and quality, and labor and human rights. The Supplier Code and the Human Rights Policy are aligned with the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights for Work.



Environmental

Social

Governance

Data security

The Board recognizes the importance of maintaining the trust and confidence of our stakeholders. To effectively prevent, detect, and respond to potential information security threats, our company has a dedicated Director of Global Cybersecurity whose IT Compliance Team is responsible for leading enterprise-wide security strategy, policy, standards, architecture, and processes. The Board receives regular reports from the Chief Administrative Officer and Chief Information Officer on, among other things, our company's cyber risks and vulnerabilities, the status of projects to strengthen our information security systems, assessments of our company's cybersecurity program and the emerging threats in this area.

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

Darling Ingredients has formally adopted the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) to plan, structure, test, and measure our cybersecurity controls and we actively participate in cybersecurity policy engagements with governments, industry consortia, and academia to ensure we stay abreast of emerging developments and maintain best-in-breed cybersecurity practices.

We actively foster security-minded behavior and a culture of security with our employees, suppliers, and customers. As part of that culture, all employees who access computers are required to attend annual Cybersecurity Computer-Based Training (CBT). Employees are required to annually acknowledge receipt of Darling's Information Security Policy for End Users and are regularly "phished" to reinforce their understanding and awareness of phishing scams. The Global Cybersecurity team posts regular security-related articles on Darling Connect, the app that we use to share information and updates with employees on ESG topics. Our Board of Directors receives annual special training and multiple briefings on current threats and industry intelligence by internal and third-party subject matter experts.

In 2020 we had no leaks, thefts or losses of customer data



Social **Environmental** Governance

Customer privacy

Privacy and data security are some of our primary concerns and any personal data that customers, suppliers or employees provide, is handled with the utmost care.

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

Darling Ingredients does not sell personal information to third parties for marketing, advertising, or other commercial purposes.

Employees are encouraged to reach out to the Chief Compliance Officer directly whenever they have questions and customers are encouraged to contact us with any questions about our Privacy Policy at: privacy@darlingii.com



Key governance metrics

| TOPIC | KEY PERFORMANCE INDICATOR | PERFORMANCE | | |
|---------------------------------------|--|-------------|-------|-------|
| ETHICS | | 2018 | 2019 | 2020 |
| Ethics | Employees with access to 24/7 confidential, independent hotline for reporting concerns or asking questions about the Code and respective policies (%) ¹ | 100% | 100% | 100% |
| GOVERNANCE | | | | |
| Campanakian | Say on pay (% votes cast in favor of advisory vote to approve executive compensation) | 97.1% | 97.7% | 98.2% |
| Compensation | Compensation recoupment (clawback) policy | Yes | Yes | Yes |
| Board Election Frequency | Annual election of Directors | Yes | Yes | Yes |
| Daniel Landaushin | Independent Chair | No | No | No |
| Board Leadership | Independent Lead Director | Yes | Yes | Yes |
| Board Composition - Tenure | Average tenure of members of the Board of Directors (Years) | 5.0 | 5.0 | 5.5 |
| Board Composition - Independence | Independent Directors (%) | 82% | 82% | 92% |
| | Directors with risk expertise (%) ² | 100% | 100% | 100% |
| Board Skills | Directors with financial expertise (%) | 55% | 55% | 42% |
| | Directors with directly relevant industry expertise (%) | 45% | 45% | 42% |
| Condex Divorcity in Covernance Redice | Women in officer roles (%) ³ | 14% | 13% | 13% |
| Gender Diversity in Governance Bodies | Women on the Board (%) | 30% | 36% | 40% |



| TOPIC | KEY PERFORMANCE INDICATOR | | PERFORMANCE | | |
|---------------|--|------|-------------|------|--|
| COMPLIANCE | | 2018 | 2019 | 2020 | |
| Compliance | Non-compliance with laws and regulations in the social and economic area | 0 | 0 | 0 | |
| CYBERSECURITY | | | | | |
| Data Breaches | Identified leaks, thefts, or losses of customer data (#) | 0 | 0 | 0 | |

BOOKMARKS: GOVERNANCE PERFORMANCE

- 1. We have different toll-free hotlines available in each country of operation.
- 2. Each of our directors has extensive risk management experience having held senior executive positions in their respective industries.
- 3 Officer roles include Executive Vice President (EVP), Senior Vice President (SVP), and Vice President (VP) level. The total number of officer roles: 28 in 2018, 30 in 2019 and 30 in 2020.

RESTATEMENT OF DATA:

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



About this report

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

This report covers Darling Ingredients and its joint ventures. The highlights and metrics shared in this report represent our 2020 fiscal year (FY) ending January 2, 2021, and when possible, we provide multi-year data. 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.

The information provided in this report reflects the priority ESG topics as determined for our business, as determined by our executive leaders through multiple stakeholder engagements. We have included the disclosures from the Sustainability Accounting Standards Board (SASB) Agricultural Products Standard. We also include relevant disclosures from the Global Reporting Initiative (GRI) Standards, knowing these disclosures are relevant for specific stakeholder audiences. We are committed to build out future ESG disclosures to align with the TCFD framework.

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



Learn more about our ESG policies and programs here.



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 our 2025 energy and water intensity reduction targets, expected timing of completion of projects, future safety performance, future operating performance and management of future risks. The Company cautions readers that any such forward-looking statements it makes are not guarantees of future performance and that actual results may differ materially from anticipated results or

expectations expressed in its forward-looking statements as a result of a variety of factors, including many that are beyond the Company's control. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements contained in the Company's filings with the Securities and Exchange Commission, including the Company's annual reports on Form 10-K, quarterly reports on Form 10-Q, and other reports available on the Company's website at 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 statement. 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.

SASB & GRI content indexes

Darling Ingredients is committed to transparent and consistent disclosure of our environmental, social and governance efforts, as such we have aligned our disclosure with two reporting standards that are important for our stakeholders: The Sustainability Accounting Standards Board (SASB) standards and selected standards from the GRI's Sustainability Reporting Standards and Disclosures. The following pages provide a map of how our latest disclosure align within these frameworks.



SASB Standard: Food & Beverage - Agricultural Products

Darling Ingredients has elected to report according to the Sustainable Accounting Standards Board (SASB): Agricultural Products Standard framework within the Food and Beverage Sector. SASB connects business and investors on the financial impacts of sustainability. We do not currently disclose all metrics included in the Standard for our sector, but we will continue to evaluate them in the future. All data for the year ended 2 January 2021, unless otherwise noted. Unless otherwise noted, all data and descriptions apply to our entire company.



| TOPIC | CODE | ACCOUNTING METRIC | UNIT OF MEASURE | RESPONSE/LOCATION |
|-----------------------------|--------------|---|--|---|
| | FB-AG-110a.1 | Gross global Scope 1 emissions | Metric tons (t) CO ₂ -e | Key Environmental Metrics: 389,803 tCO ₂ e |
| Greenhouse Gas Emissions | FB-AG-110a.2 | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | n/a | Environment: Darling Ingredients Forward Looking Climate Change and Water Strategy |
| | FB-AG-110a.3 | Fleet fuel consumed, percentage renewable | Gigajoules (GJ), Percentage (%) | Key Environmental Metrics: 1,835,619 GJ, percent not reported |
| Energy Management | FB-AG-130a.1 | (1) Operational energy consumed,(2) percentage grid electricity,(3) percentage renewable | Gigajoules (GJ), Percentage (%) | Key Environmental Metrics: (1) 28,326,029 GJ (2) 11.9% (3) 5.1% |
| Water Management | FB-AG-140a.1 | (1) Total water withdrawn,(2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | Thousand cubic meters (m³), Percentage (%) | Sustainable Water Use Key Environmental Metrics: (1) 34,885 (1000m³), 8.8 % of Water Withdrawn from Areas with Water Stress (2) Metric not reported |



SASB Standard - continued

| TOPIC | CODE | ACCOUNTING METRIC | UNIT OF MEASURE | RESPONSE/LOCATION |
|---------------------|--------------|---|----------------------------|--|
| | FB-AG-140a.2 | Description of water management risks and discussion of strategies and practices to mitigate those risks | n/a | Sustainable Water Use Environment: Darling Ingredients Forward Looking Climate Change and Water Strategy |
| Water Management | FB-AG-140a.3 | Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations | Number | (Zero FY 2020), In measuring the number of instances of non-compliance in any calendar year that resulted in formal enforcement actions we look to the views of the SEC and define such number to be the amount of environmental proceedings which occurred during that calendar year that are (i) based on non-compliance with water quality permits, standards or regulations and (ii) required to be disclosed pursuant to Regulation S-K 103 (applying the lowest numerical disclosure threshold in effect at the time). Please see Darling's Quarterly Reports on Form 10-Q and 2020 Annual Report on Form 10-K |
| | FB-AG-250a.1 | 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 | Adding KPI in 2021 |
| Food Safety | FB-AG-250a.2 | Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program | Percentage (%) by cost | Not relevant for Darling Ingredients as the company does not source agricultural products. Our business model focuses on converting organic residuals from the agri-food meat producers, restaurants, and other food industry sources into value added natural ingredients, and no other materials are utilized in the conversion process. |
| | FB-AG-250a.3 | (1) Number of recalls issued and (2) total amount of food product recalled | Number, Metric tons (t) | (1) Metric not reported (2) Metric not reported |



SASB Standard - continued

| TOPIC | CODE | ACCOUNTING METRIC | UNIT OF MEASURE | RESPONSE/LOCATION |
|--|--------------|--|---------------------------|---|
| Workforce Health & Safety | FB-AG-320a.1 | (1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees | Rate | Key Social Metrics: (1) 5.3 (2) 4 (3) We do not track or report on Near Miss Frequency Rate. |
| | FB-AG-430a.1 | Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard | Percentage (%) by cost | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |
| Environmental & Social Impacts of Ingredient Supply Chain | FB-AG-430a.2 | Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances | Rate | While our suppliers must acknowledge and abide by our Supplier Code of Conduct, we do not currently audit their conformance with our Code. |
| | FB-AG-430a.3 | Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing | n/a | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |
| GMO Management | FB-AG-430b.1 | Discussion of strategies to manage the use of genetically modified organisms (GMOs) | n/a | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |
| Ingredient | FB-AG-440a.1 | Identification of principal crops and description of risks and opportunities presented by climate change | n/a | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |
| Sourcing | FB-AG-440a.2 | Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress | Percentage (%) by cost | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |



SASB activity metrics

| ACTIVITY METRIC | CODE | UNIT OF MEASURE | RESPONSE/LOCATION |
|--|-------------|-----------------------|---|
| Production by principal crop | FB-AG-000.A | Metric tons (t) | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |
| Number of processing facilities | FB-AG-000.B | Number | Darling Ingredients has 147 production facilities across five continents. |
| Total land area under active production | FB-AG-000.C | Hectares | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |
| Cost of agricultural products sourced externally | FB-AG-000.D | Reporting currency | Not relevant for Darling Ingredients as the company does not grow or produce agricultural products. |



GRI content index

This table covers selected GRI's Sustainability Reporting Standards and Disclosures found in our most recent ESG, 10-K and proxy reports, as well as information on the company website. GRI is an independent, international organization that has established a framework for companies and other organizations to recognize and report their responsibility and impacts to create a sustainable future.



GRI 102: GENERAL DISCLOSURES

| GRI STANDARD | DISCLOSURE | DESCRIPTION | LOCATION & NOTES |
|----------------------|------------|--|---|
| | 102-1 | Name of the organization | Darling Ingredients Inc. (NYSE/DAR) |
| | 102-2 | Activities, brands, products, and services | See <u>About us</u> |
| | 102-3 | Location of headquarters | 5601 N MacArthur Blvd, Irving, TX 75038 |
| 102: Organizational | 102-4 | Location of operations | See <u>locations</u> |
| Profile (2016) | 102-5 | Ownership and legal form | Incorporated in Delaware. See Darling Ingredients <u>Annual Report on Form 10-K</u> for the fiscal year end January 2 nd , 2021. |
| | 102-6 | Markets served | See Markets |
| | 102-7 | Scale of the organization | See <u>Locations</u> |
| 102: Strategy (2016) | 102-14 | Statement senior decision-maker | Q&A with Randall Stuewe |



GRI 102: GENERAL DISCLOSURES

| GRI STANDARD | DISCLOSURE | DESCRIPTION | LOCATION & NOTES |
|----------------------------------|------------|---|--|
| 102: Ethics and integrity (2016) | 102-16 | Values, principles, standards, and norms of behavior | Our Core Values Our <u>Code of Business Conduct</u> emphasis our values and defines our expectations for ethical behavior of our employees, officers and non-employee directors. |
| | 102-17 | Mechanisms for advice and concerns about ethics | Governance and Ethics: Business Ethics |
| | 102-18 | Governance structure | For a complete description of Darling's corporate governance practices, please visit our Governance website. |
| | 102-20 | Executive-level responsibility for economic, environmental, and social topics | Darling's CEO and Executive Leadership Team, reporting to the Board of Directors, are responsible for the day-to-day conduct of the Company's business, including ESG aspects. |
| | 102-22 | Composition of the highest governance body and its committees | To learn more about the composition of the highest governance body at Darling and its committees, visit our Governance website. |
| 102: Governance (2016) | 102-23 | Chair of the highest governance body | To learn more about the composition of the highest governance body at Darling and its committees, visit our Governance website. |
| ioz. dovernance (2010) | 102-31 | Review of economic, environmental, and social topics | Our Global Sustainability Committee oversees our sustainability performance, including setting of performance targets, monitoring performance against targets, reporting on performance to the Board, and approving our annual ESG Reports for public release. Committee members are all senior level employees representing a range of business functions. In addition, sustainability metrics have been incorporated into executive level strategic, operational, and personal goals. The global environmental affairs leadership team updates the Board annually and provides a quarterly report covering certain EH&S metrics across all operations. |
| | 102-36 | Process for determining renumeration | Proxy Statement pg. 25-58 |



GRI 102: GENERAL DISCLOSURES

| GRI STANDARD | DISCLOSURE | DESCRIPTION | LOCATION & NOTES |
|---------------------------------------|------------|--|--|
| | 102-40 | List of stakeholder groups | Our key stakeholder groups include, but are not limited to: · Investors · Suppliers · Government and regulatory bodies · Customers · Employees · Communities · Business partners |
| 102: Stakeholder engagement (2016) | 102-42 | Identifying and selecting stakeholders | Stakeholders viewed as strategic partners are those who have a significant interest and/or impact on areas that are most material to our company. |
| | 102-43 | Approach to stakeholder engagement | Stakeholder Engagement on ESG Topics, Priority ESG topics |
| | 102-44 | Key topics and concerns raised | Stakeholder Engagement on ESG Topics, Priority ESG topics |
| | 102-47 | List of material topics | Priority ESG Topics |
| | 102-50 | Reporting period | December 29, 2019 - January 2, 2021 |
| 102: Reporting practice (2016) | 102-51 | Date of most recent report | Sept 2020 ESG Report (Dec. 30, 2018 - Dec. 28, 2019) |
| practice (2010) | 102-52 | Reporting cycle | Annual |
| | 102-53 | Contact point for questions regarding the report | communication@darlingii.com |

GRI 200: GOVERNANCE

| 205: Anti-Corruption | 205-1 | Operations assessed for risks related to corruption | Governance and Ethics: Business Ethics |
|--|-------|---|--|
| (2016) | 205-2 | Communication and training about anti-corruption policies and procedures | Governance and Ethics: Business Ethics |
| 206: Anti-Competitive Behavior (2016) | 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Governance and Ethics: Business Ethics |



GRI 300: ENVIRONMENT

| GRI STANDARD | DISCLOSURE | DESCRIPTION | LOCATION & NOTES |
|---|------------|---|--|
| | 302-1 | Energy consumption within the organization (GJ) | Key Environmental Metrics |
| 202 5 (2015) | 302-2 | Energy consumption outside of the organization (GJ) | Key Environmental Metrics |
| 302: Energy (2016) | 302-3 | Energy intensity | Key Environmental Metrics |
| | 302-4 | Reduction of energy consumption (GJ) | Energy and Emissions |
| | 303-1 | Interactions with water as a shared resource | Sustainable Water Use · Key Environmental Metrics |
| | 303-2 | Management of water discharge-related impacts | Sustainable Water Use |
| 303: Water and Effluents (2018) | 303-3 | Water withdrawal | Sustainable Water Use |
| emacines (2010) | 303-4 | Water discharge | Sustainable Water Use |
| | 303-5 | Water consumption | Sustainable Water Use |
| | 305-1 | Direct (Scope 1) GHG emissions | Sustainable Water Use · Key Environmental Metrics |
| 205, 5 | 305-2 | Energy indirect (Scope 2) GHG emissions | Sustainable Water Use · Key Environmental Metrics |
| 305: Emissions (2016) | 305-3 | Other indirect (Scope 3) GHG emissions | Sustainable Water Use · Key Environmental Metrics |
| | 305-4 | GHG emissions intensity | Sustainable Water Use · Key Environmental Metrics |
| | 306-2 | Management of significant waste-related impacts | Darling at a glance: Circular by Nature · Our View on Disposable Waste |
| 306: Waste (2016) | 306-4 | Waste diverted from disposal | Given that we completely recover and sell all the raw materials we collect as ingredients for feed, food, fuel, and fertilizer, we do not invest in systems to collect and monitor our waste data. |
| 308: Supplier Environmental Assessment (2016) | 308-1 | New suppliers that were screened using environmental criteria | All our suppliers must acknowledge and abide by our Supplier Code of Conduct, which includes environmental criteria. |



GRI 400: SOCIAL

| GRI STANDARD | DISCLOSURE | DESCRIPTION | LOCATION & NOTES |
|--|------------|--|--|
| | 401-1 | New employee hires and employee turnover | Key Social Metrics |
| 401: Employment (2016) | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Health and Safety: Benefits |
| | 403-1 | Occupational health and safety management system | Health and Safety · Plant Safety Committee Guidelines |
| | 403-2 | Hazard identification, risk assessment, and incident investigation | Health and Safety · Key Social Metrics |
| 403: Occupational Health & Safety (2018) | 403-5 | Worker training on occupational health and safety | Health and Safety |
| ricular Surely (2515) | 403-8 | Workers covered by an occupational health and safety management system | Health and Safety |
| | 403-9 | Work-related injuries | Health and Safety |
| 404: Training & | 404-2 | Programs for upgrading employee skills and transition assistance programs | Training and Development |
| Education (2016) | 404-3 | Percentage of employees receiving regular performance and career development reviews | 100% of our employees participate in annual performance and career development reviews and receive feedback at least annually. |
| 405: Diversity & Equal Opportunity (2016) | 405-1 | Diversity of governance bodies and employees | Diversity, Equity and Inclusion · Key Social Metrics Corporate Governance · Key Governance Metrics |



GRI 400: SOCIAL

| GRI STANDARD | DISCLOSURE | DESCRIPTION | LOCATION & NOTES |
|---|------------|--|---|
| 413: Local Communities (2016) | 413-1 | Operations with local community engagement, impact assessments, and development programs | Community Engagement and Investment |
| 414: Supplier Social Assessment (2016) | 414-1 | New suppliers that were screened using social criteria | All our suppliers must acknowledge and abide by our Supplier Code of Conduct, which includes social criteria related to human and labor rights. |
| 416: Customer Health and Safety (2016) | 416-1 | Assessment of the health and safety impacts of product and service categories | Product Safety and Quality · Key Social Metrics |
| 418: Customer Privacy (2016) | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Customer Privacy · Key Governance Metrics |
| 419: Socioeconomic Compliance (2016) | 419-1 | Non-compliance with laws and regulations in the social and economic area | Compliance: Key Governance Metrics |



ESG Glossary

| ESG TERM | DEFINITION |
|--|--|
| CDP | Non-profit organization that evaluates and provides corporate information for investors, companies and governments in the areas of climate, water, and forests. |
| Circular Economy | A circular economy, an alternative to the take-make-waste model of a linear economy, keeps resources in use for as long as possible, extracts the maximum value from them whilst in use, and recovers and regenerates products and materials at the end of each service life. It involves designing out and recovering waste from various systems. |
| CO ₂ e | Carbon Dioxide-Equivalent Emissions: A unit of measure that converts the emissions of different greenhouse gases into their carbon dioxide equivalent. This allows easier comparison of GHG emissions by using carbon dioxide as a standard unit of reference. |
| Direct GHG Emissions | Emissions from sources that are owned or controlled by the company. |
| ESG | Environmental, Social, Governance: Describes the responsibilities of a company in the areas of environmental, social and governance. Additionally, includes factors within a company's operations that socially conscious investors may consider alongside financials when making investment decisions. |
| FY | Fiscal Year: Darling's FY20 was Dec. 29, 2019 through Jan. 2, 2021. |
| General Data Protection Regulation (GDPR) | The General Data Protection Regulation: Issued by the European Union, it contains rules for the processing of personal data and harmonizes these rules throughout the EU. |
| GHGs | Greenhouse Gas Emissions: The major GHGs accounted for within this report are carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs). |
| Greenhouse Gas Protocol | The Greenhouse Gas Protocol (or GHG Protocol for short) is currently the most common series of accounting standards for greenhouse gas emissions. |
| GRI | Global Reporting Initiative: Globally applicable sustainability reporting guidelines to assist corporations in reporting on the economic, environmental and social performance of their operations. |
| Indirect GHG Emissions | Emissions that are a consequence of the activities of the company but occur at sources owned or controlled by another company. |
| ISO 14001 | Globally recognized standard for environmental management systems. |



| ESG TERM | DEFINITION |
|---|--|
| IPCC | The Intergovernmental Panel on Climate Change: The United Nations body for assessing the science related to climate change. |
| SASB | Sustainability Accounting Standards Board: An independent non-profit organization that sets standards to guide the disclosure of financially material sustainability information by companies to their investors. |
| Scope 1 (Direct) Greenhouse Gas Emissions: | All direct GHG emissions. |
| Scope 2 (Indirect) Greenhouse Gas Emissions: | Indirect GHG emissions from consumption of purchased electricity, heat or steam. |
| Scope 3 (Other Indirect) Greenhouse Gas Emissions: | Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g. T&D losses) not covered in Scope 2, outsourced activities, waste disposal, etc. |
| Stakeholders | Investors and analysts, customers, employees, government and regulatory bodies, business partners, industry associations, suppliers and communities: people and organizations with a vested interest in our company. |
| TCFD | Task Force on Climate-related Financial Disclosures: Expert commission of the G20 Financial Stability Board, developing reporting guidelines for climate-related risks. |
| UNSDGs | United Nations Sustainable Development Goals: The 17 SDGs, adopted by all United Nations Member States in 2015, are the blueprint to achieve a better and more sustainable future for all. |
| Materiality | A sustainability materiality assessment, as defined by SASB and CSA/ DJSI is an approach to identify priority economic, environmental, and social topics which could have a significant impact on the company's business performance. |



The future of our planet

and that of our children's depends on our ability to find viable ways to provide for our population's changing needs.

You can learn more about what we do, and how we do it, in our 2020 Annual Report and on our website. If you have any questions about our sustainability policies and practices, please contact: info@darlingii.com

