

To Our Shareholders:

On February 3, 2023, I celebrated, with my team, my 20<sup>th</sup> anniversary as Chairman and Chief Executive Officer of Darling Ingredients. We have transformed the company dramatically over the last 20 years-- from 600 employees in 20 locations in just the United States to 15,000 employees strong in more than 260 locations on 5 continents. While these past 20 years have been remarkable, I am even more optimistic about our future. I'm confident that by collecting and repurposing over 15% of the world's meat-industry waste into sustainable specialty ingredients and decarbonization solutions, Darling Ingredients will continue to drive superior shareholder returns, as we seek to feed and fuel a growing population.

### **Five Years of Record Growth**

For the fifth consecutive year, Darling Ingredients has delivered consistent earnings growth, driven by our circular and global vertical platform. The geographic and product line diversity within our global production of proteins and fats has led us to a new era of earnings, with a more balanced and predictable business model.

We finished the year with combined adjusted EBITDA of \$1.541 billion, with our Feed Ingredients segment contributing \$810.1 million in EBITDA, our specialty Food Ingredients segment contributing \$256.7 million in EBITDA and our Fuel segment contributing \$536.6 million in EBITDA, with approximately \$443.5 million in EBITDA attributed to Diamond Green Diesel (DGD), our 50/50 joint venture with Valero Energy Corporation.

### **Upgrading Our Portfolio for Long-Term Growth**

In 2022, we continued to strengthen and expand our portfolio to build market presence and strengthen our vertical integration for waste feedstocks to supply DGD. We closed on three important acquisitions and are in the process of completing two more. These acquisitions build on our foundation for growth in four key areas: the core rendering business, collagen and gelatin, green energy in Europe and sustainable aviation fuel.

### **Renewable Diesel – Vertical Integration is Key**

DGD continues to be an industry leader in the production of renewable diesel. The joint venture sold a record 754 million gallons of renewable diesel in 2022, at an average of \$1.18 per gallon EBITDA. In November 2022, we started up our new Port Arthur, Texas, renewable diesel plant, nine months ahead of schedule and under budget. Already North America's largest renewable diesel producer, this latest expansion brings DGD's total nameplate renewable diesel annual production capacity to 1.2 billion gallons.

As the world continues to seek even more ways to decarbonize, we announced our entrance into the sustainable aviation fuel market on January 31, 2023. With the project expected to be completed in early 2025, DGD will upgrade about 50% of the production capacity at its Port Arthur, Texas, facility to sustainable aviation fuel, giving us tremendous optionality and flexibility into a rapidly growing market.

July 2023 will mark the 10<sup>th</sup> anniversary of DGD. For 10 years, we have leveraged our knowledge and strengths to deliver lower-carbon energy to the world, while at the same time delivering profits each year.

The key to our success has been our vertically integrated supply chain of waste fats. Our supply chain is tethered to all of our segments that process and repurpose waste streams from the meat industry. We have demonstrated the ability to sustain and grow in this space, positioning us to better reward our stockholders.

### **Setting the Standards for Sustainability**

At Darling Ingredients, we are tough-minded optimists. It's never enough to stop at what you are doing today, when you can do just one more thing to make the world better. Our strategy is simple - deliver superior returns by converting waste into specialty ingredients to feed and fuel the world.

In December 2022, we committed to the Science Based Targets initiative, undertaking significant Scope 1 and 2 emissions reductions goals in the mid-term, aligned with a 1.5 degree Celsius pathway, and working to achieve net-zero emissions before 2050. We are currently in the process of quantifying our Scope 1 and Scope 2 reduction targets to account for the recent growth of our business and completing our Scope 3 inventory, which will guide where we need to focus our reduction activities. Additionally, we are in the process of completing a new materiality assessment, as we know our footprint and stakeholders have changed over the past two years.

### **Looking Ahead**

As I look ahead to the next 20 years, I'm excited about our future. We have created our own unique platform that cannot be replicated. The moat is deep, and the model is proven. We have delivered superior earnings growth, driven by this global platform, vertical integration and our diverse segments. Darling Ingredients offers tremendous long-term shareholder value. There are very few companies that can show consistent, strong earnings growth while setting high standards for sustainability.

Thank you for your support and the trust you place in us.

Sincerely,

Randall C. Stuewe  
Chairman and Chief Executive Officer