

DARLING INGREDIENTS INC.
Form DEF 14A
March 27, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE
SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14A-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-12

DARLING INGREDIENTS INC.

(Name of Registrant as specified in its charter)

NOT APPLICABLE

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

Fee paid previously with preliminary materials.

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- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:

(4) Date Filed:

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March 27, 2019

Dear Fellow Stockholders:

I hope you will join us at the 2019 Annual Meeting of Stockholders of Darling Ingredients Inc. The attached Notice of Annual Meeting of Stockholders and Proxy Statement will serve as your guide to the business to be conducted.

We first want to thank you for your investment in Darling Ingredients and for the confidence you put in our Board to oversee your interests in our business. Once again last year, as part of our effort to continuously get better, we reached out to stockholders representing approximately 75% of our outstanding shares and held direct conversations with every stockholder who responded to our engagement request, with the Chairman of our Compensation Committee leading the discussions regarding, among other things, compensation practices, corporate governance and Board composition.

Among the items we improved upon in 2018 was our Corporate Social Responsibility disclosures, which better demonstrate our commitment to drive meaningful progress toward a cleaner, safer and sustainable environment. In addition, we continued our commitment to Board refreshment with the recent appointment of Nicole Ringenberg to our Board. Nicole's appointment aligns well with our governance strategy, and, after a 32-year career with Monsanto Company, she brings unique and strategic insights related to sustainable agricultural solutions, global operations with an emphasis on Asia, corporate finance expertise, and advancing diversity across our workforce.

We also continued to execute on our world of growth strategy in 2018, with the completion of four bolt-on acquisitions and the commissioning of seven new and expanded plants, all of which increase our production capacity for premium, sustainable ingredients. In addition, Diamond Green Diesel (DGD), our joint venture with Valero Energy Corporation that converts sustainable low carbon feedstocks produced by the Darling system (such as animal fats, recycled greases and used cooking oil), inedible corn oil, or other feedstocks that become economically and commercially viable into renewable diesel, completed the expansion of its production facility to increase annual production capacity from 160 million gallons to 275 million gallons of renewable diesel and to expand its outbound logistics to better service the many developing low carbon fuel markets around North America and worldwide. Furthermore, we approved DGD moving forward with an additional expansion project expected to be completed in the fourth quarter of 2021, which will grow the facility's annual production capacity by an additional 400 million gallons of renewable diesel and provide the capability to produce and sell renewable naphtha. Renewable diesel is a biomass-based fuel that is interchangeable with petroleum-based diesel fuel but has a carbon lifecycle low enough to meet the most stringent low-carbon fuel standards.

Once again, on behalf of the entire Board, we'd like to express our appreciation for your continued support of Darling Ingredients.

Randall C. Stuewe
Chairman and CEO

Charles Macaluso
Lead Director

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251 O Connor Ridge Boulevard, Suite 300

Irving, Texas 75038

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 7, 2019

To the Stockholders of Darling Ingredients Inc.:

An Annual Meeting of Stockholders of Darling Ingredients Inc. (the Company) will be held on Tuesday, May 7, 2019, at 10:00 a.m., local time, at the Four Seasons Resort and Club, 4150 N. MacArthur Blvd., Irving, Texas 75038, for the following purposes (which are more fully described in the accompanying Proxy Statement):

1. To elect as directors of the Company the eleven nominees named in the accompanying proxy statement to serve until the next annual meeting of stockholders (Proposal 1);
2. To ratify the selection of KPMG LLP, independent registered public accounting firm, as the Company's independent registered public accountant for the fiscal year ending December 28, 2019 (Proposal 2);
3. To vote to approve, on an advisory basis, executive compensation (Proposal 3); and
4. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof in accordance with the provisions of the Company's bylaws.

The Board of Directors recommends that you vote to approve Proposals 1, 2 and 3.

The Board has fixed the close of business on March 13, 2019, as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof.

This year we will again seek to conserve natural resources and reduce annual meeting costs by electronically disseminating annual meeting materials as permitted under rules of the Securities and Exchange Commission. Many stockholders will receive a Notice of Internet Availability of Proxy Materials containing instructions on how to access annual meeting materials via the Internet. Stockholders can also request mailed paper copies if preferred.

Your vote is important. You are cordially invited to attend the Annual Meeting. However, whether or not you expect to attend the Annual Meeting, please vote your proxy promptly so your shares are represented. You can vote by Internet, by telephone or by signing, dating and mailing the enclosed proxy.

A copy of our Annual Report for the year ended December 29, 2018 is enclosed or otherwise made available for your convenience.

By Order of the Board,

John F. Sterling

Secretary

Irving, Texas

March 27, 2019

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PROXY SUMMARY

This summary highlights selected information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider in deciding how to vote. You should read the Proxy Statement carefully before voting. This Proxy Statement and the enclosed proxy is first being sent or made available to stockholders on or about March 27, 2019.

2019 ANNUAL MEETING OF STOCKHOLDERS

Time and Date:

10:00 a.m., local time, Tuesday, May 7, 2019

Place:

Four Seasons Resort and Club,
4150 N. MacArthur Blvd., Irving, Texas 75038

Record Date: March 13, 2019

VOTING INFORMATION

Who is Eligible to Vote

You are entitled to vote at the 2019 Annual Meeting of Stockholders (the Annual Meeting) if you were a stockholder of record as of the Record Date. On the Record Date, there were 164,696,428 shares of our company's common stock outstanding and eligible to vote at the Annual Meeting. Each share of common stock is entitled to one vote on each matter properly brought before the Annual Meeting.

How to Vote

To make sure that your shares are represented at the Annual Meeting, please cast your vote as soon as possible by one of the following methods:

INTERNET
Visit the applicable

TELEPHONE
Within the United
States,

MAIL
If you received a proxy

IN PERSON
For instructions

voting website: www.proxyvote.com U.S. Territories and Canada, call toll-free: 1-800-690-6903 card, complete, sign and mail your proxy card in the self-addressed envelope provided. on attending the 2019 Annual Meeting in person, please see the Question and Answer section beginning on page 65

HOW YOU CAN ACCESS THE PROXY MATERIALS ONLINE

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on May 7, 2019. The Proxy Statement and the 2018 Annual Report to security holders are available at www.proxydocs.com/DAR.

MEETING AGENDA AND VOTING RECOMMENDATIONS

PROPOSAL	BOARD RECOMMENDATION	PAGE
1. The election of the eleven nominees identified in this Proxy Statement as directors, each for a term of one year (Proposal 1)	FOR	13
2. The ratification of the selection of KPMG LLP as our independent registered public accounting firm for our fiscal year ending December 28, 2019 (Proposal 2)	FOR	63
3. An advisory vote to approve executive compensation (Proposal 3)	FOR	64

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PROXY SUMMARY

BOARD HIGHLIGHTS

During fiscal 2018, the Board continued its commitment to Board refreshment with the appointment in November 2018 of Nicole M. Ringenberg to the Board and as a member of the audit committee (for which she was designated as an audit committee financial expert in accordance with the requirements of the NYSE and the SEC). With her many years of senior management experience at a Fortune 200 company, Ms. Ringenberg possesses skills and experience that complement and enhance those of our other Board members. Following Ms. Ringenberg's appointment, sixty-four percent (64%) of our current directors have served on the Board for less than five years. All of our current directors have been nominated by the Board for reelection at the Annual Meeting. We believe that our director nominees exhibit an effective mix of skills, experience and fresh perspective. For more information on all of the director nominees, see page 13 of this Proxy Statement.

COMPANY HIGHLIGHTS

Our company is a global developer and producer of sustainable natural ingredients from edible and inedible bio-nutrients, creating a wide range of ingredients and customized specialty solutions for customers in the pharmaceutical, food, pet food, feed, technical, fuel, bioenergy, and fertilizer industries. Our long-term strategy is to be recognized as the global leader in the production, development and value-adding of sustainable animal and nutrient recovered ingredients.

2018 PERFORMANCE HIGHLIGHTS

Fiscal 2018 presented a challenging operating environment, as our business continued to experience the impacts of a continued multi-year deflationary cycle within the agriculture sector and continued pricing pressure from increased global supplies of grains, proteins and oilseeds. Despite these challenging operating conditions, we continued to successfully execute on our strategy to de-lever and to achieve operational and financial improvements intended to stabilize and grow profitability in businesses and geographic areas where sustainable and predictable margins can be achieved, as exemplified by the following:

Key Operating Accomplishments

Invested \$108 million in growth acquisitions with no net borrowings, resulting in a reduction in the company's total debt to EBITDA ratio to 3.13 from 3.47 in 2017.

DGD finished the year debt free, while at the same time expanding production capacity by 70%.

Improved working capital (inventory, receivables, prepaids, accounts payable and accrued expenses) by \$10.5 million year-over-year.

Diminished the impact of declining finished product prices on margins by appropriately adjusting raw material pricing globally.

Increased our total system raw material volumes by 3.3% year-over-year, thereby increasing the amount of our finished product for sale.

Growth Achievements

Completed the expansion of Diamond Green Diesel's (DGD's) production facility to increase annual production capacity from 160 million gallons to 275 million gallons of renewable diesel and to expand outbound logistics to better service the many developing low carbon fuel markets around North America and worldwide. DGD is our joint venture with Valero Energy Corporation, that converts animal fats, recycled greases, used cooking oil, inedible corn oil, soybean oil, or other feedstocks that become economically and commercially viable into renewable diesel, a biomass-based fuel that is interchangeable with petroleum-based diesel fuel but has a carbon lifecycle low enough to meet the most stringent low-carbon fuel standards.

Approved the DGD joint venture moving forward with an additional expansion project expected to be completed in the fourth quarter of 2021, which will grow the facility's annual production capacity by an additional 400 million gallons from the current capacity of 275 million gallons of renewable diesel to 675 million gallons of renewable diesel, provide the capability to separate naphtha, a byproduct of the production process, for sale into low carbon fuel markets and expand inbound and outbound logistics to better service the many developing low carbon fuel markets around North America and worldwide.

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PROXY SUMMARY

Implemented a growth strategy for our collagen peptide business, through approval of expansion projects in Belgium (Ghent), Brazil (Amparo and Epitacio) and France (Angoulême), thereby enabling us to better serve the fast-growing markets for this specialty protein ingredient.

Completed bolt-on acquisitions in the United States of a rendering and used cooking oil collection business, thereby helping us to better serve our customers and the growing feedstock demand from DGD, and a wet pet food ingredient business, thereby further expanding our premium protein business for the growing pet food industry.

Completed the acquisition of a food grade animal fat processing business in Poland, thereby enlarging our production portfolio with high-end food grade fats and strengthening our current position in Poland, an important growth area.

Expanded our organic fertilizer business through upgrades to our existing facilities in the United States and the acquisition of a new organic fertilizer production facility in California to meet the needs of organic growers operating in California and the entire western region of the United States.

Completed construction of a new rendering plant in Grapeland, Texas, a new digester facility in Denderleeuw, Belgium, and a new blood processing facility in Mering, Germany, as well as a major expansion project at our rendering facility in Los Angeles, California.

Completed a major expansion project at our existing facility in Wahoo, Nebraska and continued construction of a new rendering plant next to our existing facility in Wahoo, Nebraska.

Completed construction and startup of our first-full scale black soldier fly protein conversion facility in EnviroFlight, LLC, our joint venture with Intrexon Corporation.

Realigned Capital Structure for Operating Conditions and Future Growth

Successfully refinanced the company's 4.75% senior Euro-notes due 2022 through the issuance of new 3.625% senior Euro-notes due 2026, thereby reducing interest costs and providing more flexibility going forward.

EXECUTIVE COMPENSATION HIGHLIGHTS

Pay for Performance. A large portion of our executives' total direct compensation is at-risk through long-term equity awards and annual cash incentive awards. These awards are linked to actual performance and include a significant portion of equity. Our compensation committee has designed our executive compensation program to deliver pay in

alignment with corporate, business unit and individual performance primarily based on the following three factors, which in turn are expected to align executive pay with returns to stockholders over time:

Expansion of our company, both organically and through acquisitions, as well as through investments, such as DGD, within the context of the business cycle, as our scale creates the platform for future growth and influences the stability of our company's earnings;

Our effectiveness in deploying capital when compared to our Performance Peer Group (as defined on page 33 of this Proxy Statement); and

The total shareholder return of our company as compared to our Performance Peer Group.

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As the following chart shows, by designing our executive compensation program based on these factors, the realizable pay levels provided by our executive compensation program to our CEO are aligned to our stock price performance over the long-term:

INDEX YEAR	2013	2014*	2015	2016	2017	2018
CEO Pay Measure:						
Realizable Pay 1-Year		\$ 8,463	\$ 3,609	\$ 7,148	\$ 8,183	\$ 4,292
% Change			-57%	98%	14%	-48%
Realizable Pay 1-Year (excl. Special)		\$ 6,647	\$ 3,609	\$ 7,148	\$ 8,183	\$ 4,292
% Change			-46%	98%	14%	-48%
TSR Index Measure:						
1-Year TSR Indexed to 2013=100	100.0	87.4	50.6	62.2	87.3	91.7
1-Year TSR %		-12.6%	-42.1%	22.7%	40.4%	5.0%

NOTES:

Total Shareholder Return (TSR) performance is indexed to 2013, where 2013 equals 100 on the Index.

Realizable pay reflects the actual cash and intrinsic value of equity incentives awarded in a given year, using the stock price at the end of the year. For example, for 2018, realizable pay equals base salary plus annual incentives earned for 2018 performance plus options granted on January 29, 2018 and shares to be issued in the first quarter of 2021, assuming target PSU performance for 2018 to 2020 for PSUs awarded on January 29, 2018, plus the reported Summary Compensation Table values for Change in Pension Value and Non-Qualified Deferred Compensation Earnings and All Other Compensation.

* In 2014, the figures above also show the potential realizable value based on the December 31, 2014 stock price of a special award of performance share units awarded at the closing of the acquisition of VION Ingredients. One-third of the award relating to 2014 performance was earned and vested; the remaining two-thirds of the award relating to 2015 and 2016 annual performance results were not earned and were forfeited. The committee does not consider special award programs to be part of the ongoing compensation program.

Our compensation committee believes that our executive compensation program effectively aligns pay with performance based on the key factors discussed above, thereby aligning executive pay with returns to stockholders and creating a growth-oriented, long-term value proposition for our stockholders. For more information, see Compensation Discussion and Analysis Executive Overview Pay for Performance included in the Proxy Statement.

Say On Pay Advisory Vote Results and Stockholder Engagement Process. We have conducted a stockholder engagement process for the past several years and routinely interact with stockholders throughout the year about executive compensation and other matters. Stockholders are also provided an annual opportunity to provide feedback through an advisory say on pay vote on executive compensation. For 2016, our executive compensation program was significantly redesigned in response to stockholder feedback and say on pay results. At our 2017 and 2018 Annual Meetings, approximately 98.6% and

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PROXY SUMMARY

97.1%, respectively, of the votes cast were in favor of the advisory vote to approve executive compensation. Additionally, in 2018, members of our compensation committee and management reached out to stockholders representing approximately 75% of our outstanding shares and held direct conversations with every stockholder who responded to our engagement request. Overall, we spoke with stockholders representing approximately 38.5% of our outstanding shares, with the chairman of our compensation committee leading the discussions. Stockholder engagement and the outcome of the say on pay vote results will continue to inform future compensation decisions.

Compensation Program Enhancements. Over the last several years, the compensation committee and our Board significantly changed our compensation program after reviewing trends in executive compensation and pay-related governance policies and in response to say on pay results and stockholder feedback. We believe that these changes, which included the changes shown in the chart below, significantly enhanced our compensation program by sharpening alignment between executive compensation and the interests of our stockholders.

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Our company has a history of strong corporate governance. By evolving our governance approach in light of best practices, our Board drives sustained stockholder value and best serves the interests of our stockholders.

WHAT WE DO	WHAT WE DON'T DO
Majority voting for directors	x No supermajority voting requirements in bylaws or charter
100% independent Board committees	x No poison pill
100% directors owning stock	x No supplemental executive retirement plans
Annual election of directors	x No change in control excise tax gross-ups
Compensation recoupment (clawback) policy	x No discounted stock options, reload stock options or stock option re-pricing without stockholder approval
Right to call special meeting threshold set at 10%	x No automatic single-trigger vesting of equity compensation upon a change in control
Provide a majority of compensation in performance-based compensation	x No short-term trading, short sales, transactions involving derivatives, hedging or pledging transactions for executive officers
Pay for performance based on measurable goals for both annual and long-term awards	
Balanced mix of awards tied to annual and long-term performance	
Stock ownership and retention policy	
<i>Corporate Social Responsibility/Sustainability</i>	

In addition, for us, respect for the environment and a commitment to the development of sustainable natural ingredients are the foundation on which our company is built. In this regard, we continuously look for new and better ways to optimize nutrition and health for both people and animals and to minimize our environmental impact, all while creating value for our stockholders. Our commitment to social responsibility goes beyond compliance. We operate in ways that, wherever possible, leave a positive impact on the environment, food and feed safety and people's communities and work places. In this regard, during fiscal 2018, we updated the Social Responsibility/Sustainability portion of our corporate website to better reflect and report on our corporate social responsibility and sustainability practices. In addition, during fiscal 2018 Diamond Green Diesel, our joint venture with Valero Energy Corporation, (i) completed the expansion of its production facility to increase the annual production capacity at the facility from 160 million gallons to 275 million gallons of renewable diesel, a biomass-based fuel produced from animal fats,

recycled greases, used cooking oil, inedible corn oil, soybean oil, or other feedstocks that become economically and commercially viable that is interchangeable with petroleum-based diesel fuel but has a carbon lifecycle low enough to meet the most stringent low-carbon fuel standards, and (ii) approved and began work on an additional project to further expand the annual production capacity to 675 million gallons. For more information, please see our Corporate Social Responsibility webpage (<https://commitment.darlingii.com/>).

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251 O Connor Ridge Boulevard, Suite 300

Irving, Texas 75038

PROXY STATEMENT

FOR AN ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 7, 2019

This Proxy Statement is provided to the stockholders of Darling Ingredients Inc. (Darling, we or our company) in connection with the solicitation of proxies by our Board of Directors (the Board) to be voted at an Annual Meeting of Stockholders to be held at the Four Seasons Resort and Club, 4150 N. MacArthur Blvd., Irving, Texas 75038, at 10:00 a.m., local time, on Tuesday, May 7, 2019, and at any adjournment or postponement thereof (the Annual Meeting).

This Proxy Statement and the enclosed proxy is first being sent or made available to stockholders on or about March 27, 2019. This Proxy Statement provides information that should be helpful to you in deciding how to vote on the matters to be voted on at the Annual Meeting.

We are asking you to elect the eleven nominees identified in this Proxy Statement as directors of Darling until the next annual meeting of stockholders, to ratify our selection of KPMG LLP as our registered public accounting firm for our fiscal year ending December 28, 2019, and to vote to approve, on an advisory basis, our executive compensation.

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CORPORATE GOVERNANCE

In accordance with the General Corporation Law of the State of Delaware, our Restated Certificate of Incorporation, as amended, and our Amended and Restated Bylaws, our business, property and affairs are managed under the direction of the Board.

Independent Directors

Under the corporate governance listing standards of the New York Stock Exchange (the NYSE) and our company's Corporate Governance Guidelines, the Board must consist of a majority of independent directors. In making independence determinations, the Board observes NYSE and Securities and Exchange Commission (SEC) criteria and considers all relevant facts and circumstances. The Board, in coordination with its nominating and corporate governance committee, annually reviews all relevant business relationships any director nominee may have with our company. As a result of its annual review, the Board has determined that, with the exception of Dirk Kloosterboer, each of its other non-employee directors who served during the fiscal year ended December 29, 2018, Charles Adair, D. Eugene Ewing, Linda Goodspeed, Mary R. Korby, Cynthia Pharr Lee, Charles Macaluso, Gary W. Mize, Michael E. Rescoe and Nicole M. Ringenberg, meet the independence requirements of the NYSE and the SEC.

Mr. Kloosterboer served as our Chief Operating Officer until his retirement effective October 1, 2017. As a result, he will not be eligible to meet the independence requirements of the NYSE until at least October 1, 2020. Even though Mr. Kloosterboer is not currently determined to be independent, he contributes greatly to the Board and our company through his wealth of experience, expertise and judgment, particularly with respect to our international operations.

Meetings of the Board

During the fiscal year ended December 29, 2018, the Board held six regular meetings and two special meetings. Each of the then-serving directors attended at least 75% of all meetings held by the Board and all meetings of each committee of the Board on which the applicable director served during the fiscal year ended December 29, 2018.

Communications with the Board

Stockholders and other interested parties who wish to communicate with the Board as a whole, or with individual directors, may direct any correspondence to the following address: c/o Secretary, Darling Ingredients Inc., P.O. Box 141481, Irving, Texas 75014-1481. The Corporate Secretary will promptly relay all communications to the appropriate directors, other than communications that are unrelated to the duties and responsibilities of the Board or its committees. Those unrelated matters include, without limitation, business solicitations, advertisements and surveys; requests for donations and sponsorships; job referral materials such as resumes; product-related communications; unsolicited ideas and business proposals; and material that is determined to be illegal or otherwise inappropriate.

It is a policy of the Board to encourage directors to attend each annual meeting of stockholders. The Board's attendance allows for direct interaction between stockholders and members of the Board. All of our then-serving directors attended our 2018 annual meeting of stockholders.

Board Leadership Structure

Under our Board's current leadership structure, we have a combined Chairman of the Board and Chief Executive Officer, an independent Lead Director, Board committees comprised entirely of independent directors and active engagement by all directors. Randall C. Stuewe, our Chief Executive Officer, serves as our Chairman of the Board pursuant to his employment agreement and subject to his continued election to the Board by stockholders. Because the Chairman of the Board is also the Chief Executive Officer, the Board has designated an independent director with robust, well-defined duties to serve as Lead Director to enhance the Board's ability to fulfill its responsibilities independently. We believe that the combined role of Chairman and Chief Executive Officer, together with an empowered independent Lead Director, is at the current time the optimal Board structure to provide independent oversight and hold management accountable while ensuring that our company's strategic plans are pursued to optimize long-term stockholder value.

BOARD LEADERSHIP STRUCTURE

Chairman of the Board and CEO: Randall C. Stuewe

Independent Lead Director: Charles Macaluso

All Board committees comprised exclusively of independent directors

Active engagement by all directors

Duties and Responsibilities of Lead Director

Our company has an empowered independent Lead Director who is elected annually by our Board. The Board has most recently appointed Mr. Macaluso as Lead Director. Our Corporate Governance Guidelines establish well-defined duties for the Lead Director. The Lead Director's role includes:

convening and chairing meetings of the independent and non-employee directors as necessary from time to time and advising the Chairman and Chief Executive Officer of decisions reached, and suggestions made, at executive sessions;

approving Board meeting agendas after conferring with the Chairman of the Board and other members of the Board, as appropriate, and potentially adding agenda items at his or her discretion;

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CORPORATE GOVERNANCE

Board Leadership Structure

approving agendas for executive sessions, the information sent to the Board and Board meeting schedules (to assure that there is sufficient time for discussion of all agenda items);

coordinating the work and meetings of the standing committees of the Board;

acting as liaison between directors, committee chairs and management;

serving as an information resource for other directors;

assisting the Chairman and Chief Executive Officer in the recruitment and orientation of new directors; and

participating, as appropriate, in meetings with company stockholders.

This list of duties of the Lead Director does not fully capture Mr. Macaluso's active role in serving as our Board's Lead Director. Among other things, Mr. Macaluso encourages and facilitates active participation of all directors, regularly speaks with our Chief Executive Officer regarding the business and affairs of our company, generally attends meetings of all Board committees and meets with other members of management from time to time.

Leadership Structure Details and Rationale

Our Board is committed to objective, independent leadership for our Board and each of its committees. Our Board views the objective, independent oversight of management as central to effective Board governance, to serving the best interests of our company and our stockholders, and to executing our strategic objectives and creating long-term value. This commitment is reflected in our company's governing documents, our Amended and Restated Bylaws, our Corporate Governance Guidelines, and the governing documents of each of the Board's committees.

Our Board believes that its optimal leadership structure may change over time to reflect our company's evolving needs, strategy, and operating environment; changes in our Board's composition and leadership needs; and other factors, including the perspectives of stockholders and other stakeholders. Accordingly, each year the Board reviews and discusses the appropriate Board leadership structure, including the considerations described above. Based on that assessment and stockholder feedback, our Board believes that the existing structure, with Mr. Stuewe as Chief Executive Officer and Chairman and Mr. Macaluso as Lead Director, is the optimal leadership framework at this time. As a highly regulated global ingredients company for food, feed and fuel, we and our stockholders benefit from an executive Chairman with deep experience in and knowledge of the ingredients industry, our company, and its businesses, and a strong Lead Director with robust, well-defined duties. Our Chairman, as Chief Executive Officer, serves as the primary voice to articulate our strategy of long-term responsible growth, while our Lead Director, together with the other experienced, independent directors, instills objec-

tive independent Board leadership, and effectively engages and oversees management, including by helping to establish our long-term strategy and regularly assessing its effectiveness.

The Board's Role in Risk Oversight

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

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CORPORATE GOVERNANCE

Committees of the Board

Committees of the Board

The Board has a standing nominating and corporate governance committee, audit committee and compensation committee, each of which has a charter setting forth its responsibilities.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

The nominating and corporate governance committee currently consists of Messrs. Macaluso (Chairman) and Ewing and Ms. Korby, each of whom is independent under the rules of the NYSE and the SEC. The nominating and corporate governance committee met three times during the fiscal year ended December 29, 2018. The nominating and corporate governance committee is generally responsible for:

identifying, reviewing, evaluating and recommending potential candidates to serve as directors of our company;

recommending to the Board the number and nature of standing and special committees to be created by the Board;

recommending to the Board the members and chairperson for each Board committee;

developing, recommending and periodically reviewing and assessing our Corporate Governance Guidelines and Code of Conduct and making recommendations for changes to the Board;

establishing and annually re-evaluating and recommending to the Board the standards for criteria for membership for, and the process of selection of, new and continuing directors for the Board;

communicating with our stockholders regarding nominees for the Board and considering whether to recommend these nominees to the Board;

reviewing the findings of the compensation committee with respect to the compensation committee's evaluation of the status of Board compensation and reporting these findings to the Board, along with its recommendation of general principles to be used in determining the form and amount of director compensation;

periodically reviewing corporate governance matters generally and recommending action to the Board where appropriate;

reviewing and addressing any potential conflicts of interest of our directors and executive officers;

developing criteria for and assisting the Board in its annual self-evaluation;

overseeing the annual evaluation of management of our company, including oversight of the evaluation of our Chief Executive Officer by the compensation committee; and

overseeing the implementation and interpretation of, and compliance with, our company's stock ownership guidelines.

AUDIT COMMITTEE

The audit committee currently consists of Messrs. Ewing (Chairman), Mize and Rescoe and Mses. Pharr Lee and Ringenberg, each of whom is independent under the rules of the NYSE and the SEC. The audit committee continued its long-standing practice of meeting directly with our internal audit staff to discuss the current year's audit plan and to allow for direct interaction between the audit committee members and our internal auditors. The audit committee also meets directly with our independent auditors and our chief compliance officer. The audit committee met four times during the fiscal year ended December 29, 2018, during each of which meetings it also met directly with our independent auditor and internal auditors. The audit committee is generally responsible for:

appointing, compensating, retaining, directing and overseeing our independent auditors;

reviewing and discussing with management and our independent auditors the adequacy of our disclosure controls and procedures and internal accounting controls and other factors affecting the integrity of our financial reports;

reviewing and discussing with management and our independent auditors critical accounting policies and the appropriateness of these policies;

reviewing and discussing with management and our independent auditors any material financial or non-financial arrangements that do not appear on the financial statements and any related party transactions;

reviewing our annual and interim reports to the SEC, including the financial statements and the Management's Discussion and Analysis of Financial Condition and Results of Operations portion of those reports and recommending appropriate action to the Board;

discussing our audited financial statements and any reports of our independent auditors with respect to interim periods with management and our independent auditors, including a discussion with our independent auditors regarding the matters to be discussed under applicable accounting requirements;

reviewing relationships between our independent auditors and our company;

inquiring of management and our independent auditors about significant risks or exposures and assessing the steps management has taken to minimize those risks;

preparing the report of the audit committee required to be included in our proxy statement; and

creating and periodically reviewing our whistleblower policy.

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CORPORATE GOVERNANCE

Code of Business Conduct

The Board has determined that all members of the audit committee are financially literate and has designated each of Messrs. Ewing and Rescoe and Ms. Ringenberg as an audit committee financial expert in accordance with the requirements of the NYSE and the SEC.

Please see page 62 of this Proxy Statement for the Report of the Audit Committee.

COMPENSATION COMMITTEE

The compensation committee currently consists of Mses. Korby (Chairman), Goodspeed and Pharr Lee and Messrs. Adair and Mize, each of whom is independent under the rules of the NYSE and the SEC. The compensation committee met seven times during the fiscal year ended December 29, 2018. The compensation committee is generally responsible for:

establishing and reviewing our overall compensation philosophy and policies;

determining and approving the compensation level of our Chief Executive Officer;

reviewing and approving corporate goals and objectives relevant to the compensation of our executive officers;

evaluating at least annually the performance of our Chief Executive Officer and other executive officers in light of the approved goals and objectives;

examining and making recommendations to the Board from time to time with respect to the overall compensation program for managerial level employees;

reviewing and recommending to the Board for approval new compensation programs;

examining from time to time the overall compensation program for directors, including an evaluation of the status of our Board's compensation in relation to comparable U.S. companies (in terms of size, business sector, etc.), and reporting its findings to the nominating and corporate governance committee;

reviewing our incentive compensation, equity-based and other compensation plans and perquisites on a periodic basis;

drafting and discussing our Compensation Discussion and Analysis required to be included in our annual proxy statement and recommending its inclusion to the Board; and

preparing the report of the compensation committee for inclusion in our annual proxy statement.

The compensation committee may also, by a resolution approved by a majority of the compensation committee, form and delegate any of its responsibilities to a subcommittee so long as such subcommittee is solely comprised of one or more members of the compensation committee and such delegation is not otherwise inconsistent with law and the applicable rules and regulations of the SEC, NYSE or other securities exchange.

Please see page 44 of this Proxy Statement for the Compensation Committee Report.

Code of Business Conduct

The Board has adopted a Code of Conduct to which all officers, directors and employees, who for purposes of the Code of Conduct are collectively referred to as employees, are required to adhere in addressing the legal and ethical issues encountered in conducting their work. The Code of Conduct requires that all employees avoid conflicts of interest, comply with all laws, rules and regulations, conduct business in an honest and fair manner, and otherwise act with integrity. Employees are required to report any violations of the Code of Conduct and may do so anonymously through our global Internet and telephone information and reporting service. The Code of Conduct includes specific provisions applicable to Darling's principal executive officer and senior financial officers.

The Code of Conduct also addresses our company's procedures with respect to the review and approval of related party transactions that are required to be disclosed pursuant to SEC regulations. The Code of Conduct provides that any transaction or activity, in which Darling is involved, with a related party (which is defined as an employee's child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, or any person (other than a tenant or employee) sharing the household of an employee of ours, or any entity that is either wholly or substantially owned or controlled by an employee of ours or any of the foregoing persons and any trust of which an employee of ours is a trustee or beneficiary) shall be subject to review by our general counsel so that appropriate measures can be put into place to avoid either an actual conflict of interest or

the appearance of a conflict of interest. Any waivers of this conflict of interest policy must be in writing and be pre-approved by our general counsel.

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Table of Contents**CORPORATE GOVERNANCE**

Stock Ownership Guidelines

Stock Ownership Guidelines; Prohibition on Short-Term and Speculative Trading and Pledging

The Board has adopted stock ownership guidelines to further align the interests of our non-employee directors and officers with those of our stockholders, by requiring the following minimum investment in Darling common stock:

ROLE	MINIMUM OWNERSHIP
Chief Executive Officer	5x base salary
President, Executive Vice Presidents and Named Executive Officers	2.5x base salary
Senior Vice Presidents (or equivalents)	1x base salary
Non-Employee Directors	5x annual retainer

Each person to whom the stock ownership guidelines apply must hold at least 75% of shares received by such person through incentive awards (after sales for the payment of taxes and shares withheld to cover the exercise price of stock options) until such person is in compliance with the stock ownership guidelines referred to above. In determining whether the required investment levels have been met, shares will be valued using the closing price of Darling common stock on the date(s) acquired; however, shares held on March 23, 2011 (the date that the stock ownership guidelines were adopted) will be valued at the closing price of Darling common stock on such date. In addition, under the Company's policy on securities transactions, each person subject to the stock ownership guidelines is prohibited from engaging in (i) short-term trading (generally defined as selling Company securities within six months following the purchase), (ii) short sales, (iii) transactions involving derivatives or (iv) hedging transactions. Furthermore, our Chief Executive Officer, our non-employee directors and each other officer who is subject to the requirements of Section 16 of the Securities Exchange Act of 1934, as amended (the Exchange Act), is prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan.

Governance Documents

Copies of the Corporate Governance Guidelines, the Board committee charters and the Code of Conduct are available on our website at <http://ir.darlingii.com/corporate-governance-documents>. Stockholders may request copies of these

documents free of charge by writing to Darling Ingredients Inc., 251 O Connor Ridge Blvd., Suite 300, Irving, Texas 75038, Attn: Investor Relations.

Compensation Committee Interlocks and Insider Participation

During the fiscal year ended December 29, 2018, Messrs. Adair and Mize and Meses. Korby, Goodspeed and Pharr Lee served on the compensation committee. No compensation committee member (i) was an officer or employee of Darling, (ii) was formerly an officer of Darling or (iii) had any relationship requiring disclosure under the SEC's rules governing disclosure of related person transactions. During the fiscal year ended December 29, 2018, we had no interlocking relationships in which (i) an executive officer of Darling served as a member of the compensation committee of another entity, one of whose executive officers served on the compensation committee of Darling, (ii) an executive officer of Darling served as a director of another entity, one of whose executive officers served on the compensation committee of Darling, or (iii) an executive officer of Darling served as a member of the compensation committee of another entity, one of whose executive officers served as a director of Darling.

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PROPOSAL 1

ELECTION OF DIRECTORS

Introduction

Our current Board consists of eleven members. The nominating and corporate governance committee recommended and the Board approved the nomination of the following eleven nominees for election as directors at the Annual Meeting: Charles Adair, D. Eugene Ewing, Linda Goodspeed, Dirk Kloosterboer, Mary R. Korby, Cynthia Pharr Lee, Charles Macaluso, Gary W. Mize, Michael E. Rescoe, Nicole M. Ringenberg and Randall C. Stuewe. Each of the director nominees currently serves on the Board and was elected by the stockholders at our 2018 Annual Meeting of Stockholders, except for Ms. Ringenberg who was added by the directors to the Board on November 5, 2018. Ms. Ringenberg was recommended by a third-party search firm that we had engaged to identify suitable director candidates.

At the Annual Meeting, the nominees for director are to be elected to hold office until the next annual meeting of stockholders and until their successors have been elected and qualified. Each of the nominees has consented to serve as a director if elected. If any of the nominees become unable or unwilling to stand for election as a director (an event not now anticipated by the Board), proxies will be voted for a substitute as designated by the Board. The following sets forth information regarding the age, gender and tenure of the Board nominees as a whole.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Set forth below is the age, principal occupation and certain other information for each of the nominees for election as a director.

Randall C. Stuewe

Director since 2003

Age: 56

Mr. Stuewe has served as our Chairman and Chief Executive Officer since February 2003. From 1996 to 2002, Mr. Stuewe worked for ConAgra Foods, Inc. (ConAgra) as executive vice president and then as president of Gilroy Foods. Prior to serving at ConAgra, he spent twelve years in management, sales and trading positions at Cargill, Incorporated. Mr. Stuewe currently serves as a director of Teays River Investments, LLC, a privately held agribusiness holding company.

Skills and Qualifications

Mr. Stuewe brings a seasoned set of management and operating skills to Darling's Board. The Company believes Mr. Stuewe's 30 plus years of experience at various agriculture processing businesses qualifies him to be both Chairman and Chief Executive Officer.

Charles Adair

Director since 2017

Age: 67

Compensation Committee

Mr. Adair retired as Vice Chairman at BMO Capital Markets, a financial services provider, in August 2016. While at BMO Capital Markets Mr. Adair was responsible for initiating and negotiating investment banking transactions in the Food & Agribusiness sectors. Before joining BMO Capital Markets, he was Senior Vice President and manager of the

Harris Capital Markets Group, also a financial services provider, which became the nucleus of the BMO Capital Markets Chicago office. Prior to BMO, Mr. Adair was Director of North American Mergers and Acquisitions for the Australian based agribusiness firm Elders Grain, Inc. where he initiated and executed acquisitions. Early in his career, Mr. Adair held senior positions in domestic and export cash grain trading, futures trading, and transportation logistics with Consolidated Grain and Barge Co. During the past five years, Mr. Adair also served as an independent director of Aryzta AG, a public global bakery business based in Zurich, Switzerland, where he served as chairman of the remuneration committee.

Skills and Qualifications

With over 37 years of experience in the global Food & Agribusiness marketplace, advising and consolidating poultry, pork, beef and by-product recycling companies, in addition to other related sectors, Mr. Adair brings specific industry expertise and financial markets knowledge relevant to Darling's global business.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

D. Eugene Ewing

Director since 2011

Age: 70

Audit Committee

- Chairman

Nominating and Corporate Governance Committee

Mr. Ewing has been the managing member of Deeper Water Consulting, LLC, a private wealth and business consulting company since March, 2004. Previously, Mr. Ewing was with the Fifth Third Bank. Prior to that, Mr. Ewing was a partner in Arthur Andersen LLP. Mr. Ewing currently serves as a director of the following companies: Compass Diversified Holdings, where he serves as chairman of the audit committee and as a member of the compensation and nominating/corporate governance committees; and Protech Home Medical Corp., where he serves as chairman of the audit committee. Mr. Ewing is on the advisory board for the Von Allmen School of Accountancy at the University of Kentucky. Mr. Ewing is also a director of a private trust company located in Wyoming.

Skills and Qualifications

As a former partner with a respected independent registered accounting firm and with over 30 years of business planning and transaction experience in a wide variety of industries and circumstances, Mr. Ewing brings to our Board a substantial level of experience with and understanding of complex accounting, reporting and taxation issues, SEC filings and corporate merger and acquisition transactions. Mr. Ewing's financial certification and education along with his current and past experiences qualify him to be the Chairman of our audit committee and to serve as one of its financial experts.

Linda Goodspeed

Director since 2017

Age: 57

Compensation Committee

Ms. Goodspeed is the retired Chief Operating Officer and a Managing Partner at WealthStrategies Financial Advisors, a registered investment advisory firm, positions she held from 2007 until her retirement in 2017, and currently serves as a member of the board of directors of each of the following companies: American Electric Power Company, Inc., where she serves on the nuclear oversight, audit and policy committees; and AutoZone, Inc., where she serves on the audit and compensation committees. She had served as Senior Vice President and Chief Information Officer of The ServiceMaster Company, a provider of home services, from 2011 to 2014. From 2008 to September 2011, Ms. Goodspeed served as Vice President, Information Systems and Chief Information Officer for Nissan North America, Inc., a subsidiary of Nissan Motor Company, a global manufacturer of vehicles. From 2001 to 2008, Ms. Goodspeed served as Executive Vice President at Lennox International Inc., a global manufacturer of air conditioning, heating and commercial refrigeration equipment. During the past five years, Ms. Goodspeed also served as a director of the Columbus McKinnon Corp. and Global Power Equipment Group Inc.

Skills and Qualifications

Ms. Goodspeed's extensive experience in management roles and as a member of the board of directors of public companies makes her well qualified to serve as a director on our Board. She has held multiple key strategic and operational roles with several large global companies and in information technology and currently serves on two other boards of public companies. Ms. Goodspeed is also a registered investment advisor.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Dirk Kloosterboer

Director since 2014

Age: 64

Mr. Kloosterboer served as our Chief Operating Officer from January 2014 until his retirement in October 2017. He served as chief operations officer and a director and vice chairman of the board of VION N.V. from 2008 until we acquired VION Ingredients in January 2014, which is now known as Darling Ingredients International. From September 2012 to April 2013, Mr. Kloosterboer served as chief executive officer of VION N.V. Mr. Kloosterboer currently serves as a member of the Supervisory Boards of Bolsius International B.V. and Avebe.

Skills and Qualifications

Under Mr. Kloosterboer's leadership, VION Ingredients made more than ten acquisitions, expanding into the gelatin and casings businesses and extending VION Ingredients' geographic presence to China, Brazil, the United States, Japan and Australia. Mr. Kloosterboer is a highly seasoned international business executive and, through his long tenure at VION Ingredients, Mr. Kloosterboer brings extensive experience in the international animal by-products industry to our Board.

Mary R. Korby

Director since 2014

Age: 74

Compensation Committee

- Chairman

Nominating and Corporate Governance Committee

Ms. Korby retired as a partner of the law firm of K&L Gates LLP, after having practiced law for more than 19 years as a partner at the law firms of K&L Gates LLP and previously, Weil Gotshal & Manges LLP. During her legal practice, Ms. Korby advised boards of directors and companies regarding securities law compliance, stock exchange listings, disclosure issues and corporate governance, as well as tender offers, joint ventures and mergers and acquisitions, including complex cross-border public and private transactions in diverse industries such as chemicals, defense, recycling, green energy, aviation, and manufacturing.

Skills and Qualifications

As a former partner at two major, global law firms, Ms. Korby brings to our Board a substantial level of experience with an understanding of complex merger and acquisition transactions, securities law compliance, governance and other Board-related matters. Ms. Korby also serves as Chairman of our compensation committee, where she utilizes her extensive experience in counseling companies on governance and other corporate matters, including executive compensation issues.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Cynthia Pharr Lee

Director since 2016

Age: 70

Audit Committee

Compensation Committee

Ms. Pharr Lee is chairman of Dala Communications, a marketing communications firm. From 1989 to 1996, Ms. Pharr Lee was CEO of Tracy-Locke/Pharr Public Relations, a division of Tracy-Locke which is a subsidiary of Omnicom (NYSE:OMC). During her lengthy career as a communications executive and corporate board member, Ms. Pharr Lee has counseled diverse companies regarding reputation and risk management; marketing, branding and digital communications; strategy; corporate social responsibility; media relations and investor relations. Ms. Pharr Lee has served as a director of Lightstone Value Plus REIT V and its predecessor since 2007, where she serves on the audit and nominating committees. In November 2015, she joined the board of Auto Club Enterprises (AAA). Previously, she has served on the boards of CEC Enterprises (NYSE:CEC) and Spaghetti Warehouse (NASDAQ). In 2008, Ms. Pharr Lee co-founded Texas Women Ventures, a private equity firm, where she continues to serve on the investment committee. For NACD, Ms. Pharr Lee is director emeritus of the North Texas chapter and has earned NACD's designation of Board Leadership Fellow and also completed its CERT Cybersecurity Oversight Certification. She has also completed Harvard University's Executive Education Compensation Committee Institute and earned certification in digital marketing from its Division of Continuing Education.

Skills and Qualifications

As an experienced public company board member and communications executive, Ms. Pharr Lee brings to our Board substantial experience with marketing, branding and communications, reputation and risk management, strategy and other relevant Board matters.

Charles Macaluso

Director since 2002

Age: 75

Lead Director

Nominating and Corporate Governance Committee - Chairman

Since 1998, Mr. Macaluso has been a principal of Dorchester Capital, LLC, a management consulting and corporate advisory service firm focusing on operational assessment, strategic planning and workouts. From 1996 to 1998, he was a partner at Miller Associates, Inc., a workout, turnaround partnership focusing on operational assessment, strategic planning and crisis management. Mr. Macaluso currently serves as a director of the following companies: GEO Specialty Chemicals, where he serves as the chairman of the board; Global Power Equipment Group Inc., where he serves as chairman of the board; and Pilgrim's Pride Corporation, where he serves on the audit committee. During the past five years, Mr. Macaluso also served as a director of the Elder Beerman Stores Corp., Global Crossing Limited and Woodbine Acquisition Corporation.

Skills and Qualifications

Mr. Macaluso brings substantial experience from both private equity and public company exposure. His extensive experience serving on the boards of directors of numerous public companies brings to our Board valuable experience in dealing with the complex issues facing boards of directors today and makes him duly qualified to serve as our Lead Director.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Gary W. Mize

Director since 2016

Age: 68

Audit Committee

Compensation Committee

Since October 2009, Mr. Mize has held the position of partner and owner at MR & Associates, a provider of consulting and advisory services to agricultural based businesses. Mr. Mize served as President of Rawhide Energy LLC, an ethanol company, from April 2007 to April 2009. He also served as non-executive Chairman at Ceres Global AG, a Canadian public company that serves as a vehicle for agribusiness investments, from December 2007 to April 2010, and has served as an independent director of Ceres Global AG since October 2013, where he currently serves as the chairman of the audit committee and the nominating and corporate governance committee. Mr. Mize has also served as a director of Gevo, Inc. since 2011, where he currently serves as the audit committee chairman and as a member of the compensation committee. In addition, Mr. Mize served Noble Group, Hong Kong, as Global Chief Operating Officer and Executive Director from July 2003 to December 2005 and Non-Executive Director from December 2005 to December 2006. Previously, he was President of the Grain Processing Group at ConAgra Foods, Inc., President and Chief Executive Officer of ConAgra Malt and held various positions at Cargill, Incorporated.

Skills and Qualifications

Mr. Mize brings international business experience to the Board having previously held expatriate positions in Switzerland, Brazil and Hong Kong. His international experience, coupled with more than 35 years of experience in agribusiness make him a valuable addition to our Board.

Michael E. Rescoe

Director since 2017

Age: 66

Audit Committee

Mr. Rescoe served as executive vice-president and chief financial officer of Travelport Ltd. (travel services), a privately-held company controlled by The Blackstone Group (BX), from November 2006 until October 2009. He served as executive vice president and chief financial officer of the Tennessee Valley Authority, a federal corporation that is the nation's largest public power provider, from July 2003 until November 2006. Mr. Rescoe was a senior officer and the chief financial officer of 3Com Corporation, a global technology manufacturing company specializing in Internet connection technology for both voice and data applications, from April 2000 until November 2002. During 1999 and 2000, Mr. Rescoe was associated with Forstman Little & Company, a leveraged buyout firm. Prior thereto, Mr. Rescoe was chief financial officer of PG&E Corporation, a power and natural gas energy holding company, from 1997. For over a dozen years prior to that, Mr. Rescoe was a senior investment banker with Kidder, Peabody & Co. and a senior managing director of Bear Stearns specializing in strategy and structured financing. From May 2011 until February 2014, Mr. Rescoe served on our Board, where he served as a member of the audit and compensation committees, and from December 2003 until October 2011, Mr. Rescoe served as a director of Global Crossing Ltd., where he served as chairman of the audit committee. From July 2014 until April 2018, Mr. Rescoe also served as a director of Global Power Equipment Group Inc.

Skills and Qualifications

Mr. Rescoe's strong financial background provides financial expertise to the Board, including a deep understanding of financial statements, corporate finance, accounting and capital markets and qualifies him to serve as one of the financial experts of the audit committee. His prior service on our Board gives him a thorough understanding of our feed ingredients business.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Nicole M. Ringenberg

Director since November 2018

Age: 57

Audit Committee

Ms. Ringenberg worked for Monsanto Company, a global leader in sustainable agriculture solutions, for over 32 years through June 2018, during which she served in numerous management roles, including Vice President and Controller from 2009 to June 2018, Vice President, Global Commercial Operations and Finance from 2007 to 2009, and CEO, Asia Pacific Region from 2004 to 2007.

Skills and Qualifications

Ms. Ringenberg's experience as an executive across multiple disciplines at a leading, global agribusiness company makes her a valuable addition to our Board. Her experience in the areas of corporate strategy, P&L responsibility and global finance provide a deeply informed global perspective and qualifies her to serve as one of the financial experts of the audit committee.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Director Nomination Process

The Board is responsible for approving nominees for election as directors. To assist in this task, the nominating and corporate governance committee is responsible for reviewing and recommending nominees to the Board. This committee is comprised solely of independent directors as defined by the rules of the NYSE and the SEC.

The Board has a policy of considering director nominees recommended by our stockholders. A stockholder who wishes to recommend a prospective Board nominee for the nominating and corporate governance committee's consideration can write to the Nominating and Corporate Governance Committee, c/o Secretary, Darling Ingredients Inc., P.O. Box 141481, Irving, Texas 75014-1481. In addition to considering nominees recommended by stockholders, our nominating and corporate governance committee also considers prospective Board nominees recommended by current directors, management and other sources. Our nominating and corporate governance committee evaluates all prospective Board nominees in the same manner regardless of the source of the recommendation.

As part of the nomination process, our nominating and corporate governance committee is responsible for reviewing with the Board periodically the appropriate skills and characteristics required of directors in the context of the current make-up of the Board. This assessment includes issues of judgment, diversity, experience and skills. In evaluating prospective nominees, including nominees recommended by stockholders, our nominating and corporate governance committee looks for the following minimum qualifications, qualities and skills:

highest personal and professional ethics, integrity and values;

outstanding achievement in the individual's personal career;

breadth of experience;

ability to make independent, analytical inquiries;

ability to contribute to a diversity of viewpoints among board members;

willingness and ability to devote the time required to perform board activities adequately (in this regard, the committee will consider the number of other boards of directors on which the individual serves); and

ability to represent the total corporate interests of our company (a director will not be selected to, nor will he or she be expected to, represent the interests of any particular group).

As set forth above, our nominating and corporate governance committee considers diversity as one of a number of factors in identifying nominees for director. It does not, however, have a formal policy in this regard. The committee views diversity

broadly to include diversity of experience, skills and viewpoint as well as traditional diversity concepts such as race, national origin and gender. The committee considers its current practice to be effective in identifying nominees for director who are able to contribute to the Board from diverse points of view.

Stockholders who wish to submit a proposal for inclusion of a nominee for director in our proxy materials must also comply with the deadlines and requirements of our Amended and Restated Bylaws and of Rule 14a-8 of the Exchange Act promulgated by the SEC. Please see [Additional Information](#) in this Proxy Statement for more information regarding the procedures for submission by a stockholder of a director nominee or other proposals.

Required Vote

To be elected, each nominee for director must receive a majority of all votes cast (assuming a quorum is present) with respect to that nominee's election. Abstentions and broker non-votes will not be counted as a vote cast with respect to a nominee.

Recommendation of the Board

The Board recommends that stockholders vote FOR each of the nominees set forth in Proposal 1.

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OUR MANAGEMENT

Executive Officers and Directors

Our executive officers and directors, their ages and their positions as of March 13, 2019, are as follows. Our executive officers serve at the discretion of the Board.

NAME	AGE	POSITION
Randall C. Stuewe	56	Chairman of the Board and Chief Executive Officer
Brad Phillips	59	Executive Vice President Chief Financial Officer
John O. Muse	70	Executive Vice President Chief Administrative Officer
John Bullock	62	Executive Vice President Specialty Ingredients and Chief Strategy Officer
Rick A. Elrod	58	Executive Vice President Darling U.S. Rendering Operations
Jan van der Velden	55	Executive Vice President International Rendering and Specialties
Jos Vervoort	60	Executive Vice President Rousselot
John F. Sterling	55	Executive Vice President General Counsel and Secretary
Charles Adair ⁽²⁾	67	Director
D. Eugene Ewing ^{(1) (3) (4)}	70	Director
Linda Goodspeed ⁽²⁾	57	Director
Dirk Kloosterboer	64	Director
Mary R. Korby ^{(2) (3)}	74	Director
Cynthia Pharr Lee ^{(1) (2)}	70	Director
Charles Macaluso ⁽³⁾	75	Director
Gary W. Mize ^{(1) (2)}	68	Director
Michael E. Rescoe ^{(1) (4)}	66	Director
Nicole M. Ringenberg ^{(1) (4)}	57	Director

1. Member of the audit committee.
2. Member of the compensation committee.
3. Member of the nominating and corporate governance committee.
4. In accordance with requirements of the SEC and the NYSE listing requirements, the Board has designated Messrs. Ewing and Rescoe and Ms. Ringenberg as audit committee financial experts.

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OUR MANAGEMENT

Executive Officers and Directors

For a description of the business experience of Messrs. Stuewe, Adair, Ewing, Kloosterboer, Macaluso, Mize and Rescoe and Meses. Goodspeed, Korby, Pharr Lee and Ringenberg, see Proposal 1 Election of Directors.

Brad Phillips has served as our Executive Vice President Chief Financial Officer since January 2018. He has served in a number of different capacities for the Company since 1988. Most recently he served as our Vice President Treasurer since May 2014. Previously, he held the positions of Treasurer from January 1993 to May 2014, Assistant Treasurer from January 1991 to January 1993, and Assistant Controller from October 1988 to January 1991. Prior to that, he was the Corporate Accounting Manager at Republic Health Corporation from 1984 to 1988, and from 1982 to 1984 he served in the audit group at Arthur Andersen.

John O. Muse has served as Executive Vice President Chief Administrative Officer since January 2018. Prior to that, he served as our Chief Financial Officer from December 2014 to March 2017, our Chief Synergy Officer from January 2014 to December 2014, our Executive Vice President Chief Administrative Officer from September 2012 to December 2013, our Executive Vice President Finance and Administration from February 2000 to September 2012 and Vice President and Chief Financial Officer from October 1997 to February 2000. Prior to that, he was Vice President and General Manager at Consolidated Nutrition, L.C. from 1994 to 1997. He also held the position of Vice President of Premiere Technologies, a wholly-owned subsidiary of Archer-Daniels Midland Company from 1992 to 1994. From 1971 to 1992, Mr. Muse was Assistant Treasurer and Assistant Secretary at Central Soya Company, Inc.

John Bullock has served as our Executive Vice President Chief Strategy Officer since January 2014 and has been in charge of our U.S. Specialty Ingredients businesses since 2015. Prior to that, he served as our Senior Vice President Business Development from May 2012 to December 2013. Mr. Bullock began his career at General Mills, Inc. in 1978 in ingredient purchasing and risk management. From 1991 to 2004, Mr. Bullock worked for ConAgra Foods Inc., where he led the mergers and acquisitions group of the ConAgra Trading and Processing Companies, with responsibility for leading the company's growth initiatives and acquiring numerous businesses throughout the world. From 2004 to May 2012, Mr. Bullock operated JBULL INC., a boutique consulting firm he formed specializing in enhancing margin opportunities for agricultural business expansions and developing renewable fuels, during which time he consulted on numerous projects for our company, including its effort in the development and construction of the Diamond Green Diesel facility.

Rick A. Elrod has served as our Executive Vice President Darling U.S. Rendering Operations since April 2015. He has extensive experience in raw material procurement and plant operations, having served the Company in various managerial capacities since joining our subsidiary, Griffin Industries, in 1984. Most recently, he served as the Company's Senior Vice President Eastern Region from January 2011 to April 2015. Mr. Elrod is involved in several state associations within the industry as well as the National Chicken Council, the U.S. Poultry Protein Council and the National Renderers Association.

Jan van der Velden has served as our Executive Vice President International Rendering and Specialties since October 2017. He has served in a number of different capacities for Darling Ingredients International (formerly known as VION Ingredients) since June 1989. Most recently, he has served as the Executive Vice President ERS from

January 2014 to October 2017, Managing Director of ERS for VION Ingredients from March 2012 to January 2014, and the Vice President Raw Materials & Logistics for VION Ingredients from January 2001 to March 2012. From May 2005 to March 2012, he also served as the managing director of VION Ingredients Germany. He also served as a member of the board of VION Ingredients.

Jos Vervoort has served as our Executive Vice President – Rousselot since May 2017. He has served in a number of different capacities for Darling Ingredients International (formerly known as VION Ingredients) since March 2006. Most recently, he served as Vice President of Rousselot from November 2015 to May 2017. From January 2008 to November 2015, he served as Managing Director of Rousselot EMEA. He also served as a member of the board of VION Ingredients.

John F. Sterling has served as our Executive Vice President – General Counsel and Secretary since August 2007. From 1997 to July 2007, Mr. Sterling worked for Pillowtex Corporation, where he served as Vice President, General Counsel and Secretary since 1999. Mr. Sterling began his career with the law firm of Thompson & Knight LLP, where he was a member of the firm’s corporate and securities practice area.

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Compensation Discussion and Analysis

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The following discussion and analysis contains statements regarding future individual and company performance targets and goals. These targets and goals are disclosed in the limited context of our company's compensation programs and are not statements of management's expectations or estimates of results or other guidance.

Our Compensation Discussion and Analysis describes the key features of our executive compensation program and the compensation committee's (the committee's) approach in deciding fiscal 2018 compensation for our named executive officers (also referred to as our NEOs):

NAME	TITLE
Randall C. Stuewe	Chairman and Chief Executive Officer
Brad Phillips	Executive Vice President Chief Financial Officer
Jan van der Velden	Executive Vice President International Rendering and Specialties
Rick A. Elrod	Executive Vice President Darling U.S. Rendering Operations
Jos Vervoort	Executive Vice President Rousselot

All of our NEOs are based in the United States, except for Messrs. van der Velden and Vervoort, who are based in Europe at our corporate offices in Son, the Netherlands. Messrs. van der Velden's and Vervoort's compensation is denominated in euros and translated into U.S. dollars herein at the average exchange rate during 2018 of 1.181820.

Executive Overview

COMPANY PERFORMANCE HIGHLIGHTS

Our Business

Our company is a global developer and producer of sustainable natural ingredients from edible and inedible bio-nutrients, creating a wide range of ingredients and customized specialty solutions for customers in the pharmaceutical, food, pet food, feed, industrial, fuel, bioenergy, and fertilizer industries. With operations on five continents, the company collects and transforms all aspects of animal by-product streams into usable and specialty ingredients, such as collagen, edible fats, feed-grade fats, animal proteins and meals, plasma, pet food ingredients, organic fertilizers, yellow grease, fuel feedstocks, green energy, natural casings and hides. The company also recovers and converts recycled oils (used cooking oil and animal fats) into valuable feed and fuel ingredients, and collects and processes residual bakery products into feed ingredients. In addition, the company provides environmental services, such as grease trap collection and disposal services to food service establishments. Our operations are organized into three segments: Feed Ingredients, Fuel Ingredients and Food Ingredients. Our Fuel Ingredients segment includes our share of the results of our equity investment in Diamond Green Diesel Holdings LLC (DGD), a joint venture with Valero Energy Corporation, to convert animal fats, recycled greases, used cooking oil, inedible corn oil, soybean oil, or other feedstocks that become economically and commercially viable into renewable diesel, a biomass-based fuel that is interchangeable with petroleum-based diesel fuel but has a carbon lifecycle low enough to meet the most stringent low-carbon fuel standards.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

2018 Business Highlights

Fiscal 2018 presented a challenging operating environment, as our business continued to experience the impacts of a continued multi-year deflationary cycle within the agriculture sector and continued pricing pressure from increased global supplies of grains, proteins and oilseeds. Despite these challenging operating conditions, we continued to successfully execute on our strategy to de-lever and to achieve operational and financial improvements intended to stabilize and grow profitability in businesses and geographic areas where sustainable and predictable margins can be achieved, as exemplified by the following:

2018 PERFORMANCE HIGHLIGHTS

Key Operating Accomplishments

- ⁿ Invested \$108 million in growth acquisitions with no net borrowings, resulting in a reduction in the company's total debt to EBITDA ratio to 3.13 from 3.47 in 2017.
- ⁿ DGD finished the year debt free, while at the same time expanding production capacity by 70%.
- ⁿ Improved working capital (inventory, receivables, prepaids, accounts payable and accrued expenses) by \$10.5 million year-over-year.
- ⁿ Diminished the impact of declining finished product prices on margins by appropriately adjusting raw material pricing globally.
- ⁿ Increased our total system raw material volumes by 3.3% year-over-year, thereby increasing the amount of our finished product for sale.

Growth Achievements

- ⁿ Completed the expansion of DGD's production facility to increase annual production capacity from 160 million gallons to 275 million gallons of renewable diesel and to expand outbound logistics to better service the many developing low carbon fuel markets around North America and worldwide.

- ⁿ Approved the DGD joint venture moving forward with an additional expansion project expected to be completed in the fourth quarter of 2021, which will grow the facility's annual production capacity by an additional 400 million gallons from the current capacity of 275 million gallons of renewable diesel to 675 million gallons of renewable diesel, provide the capability to separate naphtha, a byproduct of the production process, for sale into low carbon fuel markets and expand inbound and outbound logistics to better service the many developing low carbon fuel markets around North America and worldwide.
 - ⁿ Implemented a growth strategy for our collagen peptide business, through approval of expansion projects in Belgium (Ghent), Brazil (Amparo and Epitacio) and France (Angoulême), thereby enabling us to better serve the fast-growing markets for this specialty protein ingredient.
 - ⁿ Completed bolt-on acquisitions in the United States of a rendering and used cooking oil collection business, thereby helping us to better serve our customers and the growing feedstock demand from DGD, and a wet pet food ingredient business, thereby further expanding our premium protein business for the growing pet food industry.
 - ⁿ Completed the acquisition of a food grade animal fat processing business in Poland, thereby enlarging our production portfolio with high-end food grade fats and strengthening our current position in Poland, an important growth area.
 - ⁿ Expanded our organic fertilizer business through upgrades to our existing facilities in the United States and the acquisition of a new organic fertilizer production facility in California to meet the needs of organic growers operating in California and the entire western region of the United States.
 - ⁿ Completed construction of a new rendering plant in Grapeland, Texas, a new digester facility in Denderleeuw, Belgium, and a new blood processing facility in Mering, Germany, as well as a major expansion project at our rendering facility in Los Angeles, California.
 - ⁿ Completed a major expansion project at our existing facility in Wahoo, Nebraska and continued construction of a new rendering plant next to our existing facility in Wahoo, Nebraska.
 - ⁿ Completed construction and startup of our first full-scale black soldier fly protein conversion facility in EnviroFlight, LLC, our joint venture with Intrexon Corporation.
- Realigned Capital Structure for Operating Conditions and Future Growth*
- ⁿ Successfully refinanced the company's 4.75% senior Euro-notes due 2022 through the issuance of new 3.625% senior Euro-notes due 2026, thereby reducing interest costs and providing more flexibility going forward.

Pay for Performance

The committee has designed our executive compensation program to deliver pay in alignment with corporate, business unit and individual performance primarily based on the following three factors, which in turn are expected to align executive pay with returns to stockholders over time:

Expansion of our company, both organically and through acquisitions, as well as through investments, such as DGD, within the context of the business cycle, as our scale creates the platform for future growth and influences the stability of our company's earnings;

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Compensation Discussion and Analysis

Our effectiveness in deploying capital when compared to our Performance Peer Group (as defined on page 33 below); and

The total shareholder return of our company as compared to our Performance Peer Group. Pricing of our finished products is heavily influenced by global grain and oilseed supplies, meat production trends, crude oil pricing and foreign currency values. We have diversified our business significantly during the last few years and remain a growth-oriented company focused on creating long-term value for our stockholders. However, deflationary cycles within the global commodity markets can have a significant impact on the price of our common stock, as it did in 2015. As such, we believe that the current best indicator of our long-term performance versus our Performance Peer Group is a comparison of how competitively we deploy capital versus our Performance Peer Group as measured by a return on capital standard. The other primary factor in aligning our pay and performance is whether we have remained a growth-oriented company as measured by EBITDA, which is also the numerator for return on capital.

Performance against pre-established EBITDA goals was a key element of our **2018 annual incentive plan**. In the last several years, we have used key acquisitions and a joint venture project to transform our platform and build future value through segment and product diversification and global expansion. EBITDA growth exceeding that of the median of our Performance Peer Group will result in greater annual incentive plan payouts, while shortfalls in EBITDA will result in below target payouts. As the chart below indicates, our CEO's total realizable compensation is well-aligned with our EBITDA performance.

- (1) For comparison purposes, 2016 Proforma Adjusted Combined EBITDA (non-GAAP) is also shown using 2014 exchange rates for the comparative period to enhance the visibility of the underlying business trends, excluding the impact of translation arising from foreign currency exchange rate fluctuations. Our company had no material foreign operations prior to fiscal 2014, which is the year that our company acquired our Darling Ingredients International businesses from VION Holding, N.V.
- (2) For comparison purposes, 2017 Proforma Adjusted Combined EBITDA (non-GAAP) is also shown using 2014 exchange rates, which results in an increase of \$50.8 million in EBITDA, and including \$92.9 million in EBITDA attributable to DGD and our North American biofuel operations that relates to 2017 performance. The \$92.9 million in EBITDA relates to U.S. blenders tax credits for which DGD and our company are eligible, which

for fiscal 2017 were not retroactively approved by Congress until February 2018. Although this \$92.9 million in EBITDA is not included in the company's or DGD's 2017 financial statements, since it directly related to 2017 performance and was included in the company's internal 2017 operating plan, in accordance with the annual incentive plan it was included for purposes of determining the achievement level of adjusted EBITDA used to calculate the payouts under the 2017 annual incentive plan.

- (3) For comparison purposes, 2018 Proforma Adjusted Combined EBITDA (non-GAAP) is also shown using 2014 exchange rates, which results in an increase of \$33.3 million in EBITDA, and excludes the \$92.9 million in EBITDA related to U.S. blenders tax credits attributable to DGD and our North American biofuel operations that was received in 2018 but relates to 2017 performance, as further described above. As of the date of this Proxy Statement, Congress had not yet acted to reinstate the blenders tax credit for calendar year 2018. Should Congress retroactively reinstate the blenders tax credit for 2018 at its historic level of \$1.00 per gallon, this would result in an additional estimated \$87.4 million in EBITDA related to 2018 performance (\$8.7 million attributable to Darling's North American biofuel operations and \$78.7 million attributable to Darling's share of DGD), which would result in a supplemental payment to the participants under the 2018 annual incentive program. For more information, see "Components of Fiscal 2018 Executive Compensation Program - Annual Incentive Compensation 2018 Performance Results and Award Payouts" contained later in this Compensation Discussion and Analysis section of the Proxy Statement beginning on page 39.

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Compensation Discussion and Analysis

YEAR	2014*	2015	2016	2017	2018
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CEO Pay Measure:

Realizable Pay 1-Year	\$ 8,463	\$ 3,609	\$ 7,148	\$ 8,183	\$ 4,292
<i>% Change</i>		-57%	98%	14%	-48%
Realizable Pay 1-Year (excl. Special)	\$ 6,647	\$ 3,609	\$ 7,148	\$ 8,183	\$ 4,292
<i>% Change</i>		-46%	98%	14%	-48%

Absolute Performance Measure:

Reported Proforma Adjusted Combined EBITDA (non-GAAP)	\$ 594.2	\$ 558.3	\$ 534.2	\$ 480.8	\$ 596.8
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NOTES:

EBITDA includes our DGD joint venture, but excludes transaction-related costs and foreign currency exchange impact on EBITDA. See Appendix A for a reconciliation to GAAP.

Realizable pay reflects the actual cash and intrinsic value of equity incentives awarded in a given year, using the stock price at the end of the year. For example, for 2018, realizable pay equals base salary plus annual incentives earned for 2018 performance plus options granted on January 29, 2018 and shares to be issued in the first quarter of 2021, assuming target PSU performance for 2018 to 2020 for PSUs awarded on January 29, 2018, plus the reported Summary Compensation Table values for Change in Pension Value and Non-Qualified Deferred Compensation Earnings and All Other Compensation.

*In 2014, the figures above also show the potential realizable value based on the December 31, 2014 stock price of a special award of performance share units awarded at the closing of the acquisition of VION Ingredients. One-third of the award relating to 2014 performance was earned and vested; the remaining two-thirds of the award relating to 2015 and 2016 annual performance results were not earned and were forfeited. The committee does not consider special award programs to be part of the ongoing compensation program.

We have used a return on capital standard as the performance measure under our **long-term incentive (LTI) program** since 2010. As in 2017, for 2018, we used return on capital employed (as defined, ROCE) as the performance metric for our LTI program, together with a relative total shareholder return (TSR) modifier. Our compensation committee believes, given the substantial growth of our company over the last ten years, that ROCE most appropriately measures our ongoing operating performance against peers because it excludes goodwill from the calculation and thereby focuses on the value of a particular asset and the working capital needed to operate that asset. Our return on capital targets are set to reflect the median historical performance levels for our Performance Peer Group. The following chart shows that by aligning our executive compensation with EBITDA and capital deployment performance, with a TSR modifier, the realizable pay levels provided by our executive compensation program to our CEO are aligned to our stock price performance over the long-term:

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INDEX YEAR

2013	2013	2014*	2015	2016	2017	2018
CEO Pay Measure:						