DARLING INGREDIENTS INC.
Form DEF 14A
March 28, 2018
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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):

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:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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March 28, 2018

Dear Fellow Stockholders:

I hope you will join us at the 2018 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.

In 2017, we continued our practice of conducting a robust stockholder outreach and engagement process. In this regard, we routinely interact with stockholders throughout the year about executive compensation and other matters. In addition, we continue to maintain our focus on key governance practices that we understand are important to stockholders. Among other things, we continually focus on ensuring that the Board is composed of high-integrity, highly capable Directors to represent the long-term interests of stockholders. Refreshing our Board with new perspectives and new ideas is critical to a forward-looking and strategic Board. Ensuring diverse perspectives, including a mix of skills, experience and backgrounds, and healthy turnover are also key to representing the interests of shareowners effectively. Notably, almost three-fourths of our directors have joined our Board in the past five years and we expanded our gender diversity representation on the Board in 2017.

In fiscal 2017, we continued to execute on our strategy of deleveraging the company and growing in businesses and geographic areas where sustainable and predictable margins can be achieved. In this regard, we paid down $112.5 million in debt, completed bolt-on acquisitions of a rendering company and a used cooking oil collection company in the United States, completed major expansion projects at our rendering facility in Poland and our gelatin facility in Spain, continued work on major expansion projects at two of our rendering facilities in the United States, continued construction of a new digester facility in Belgium and a new blood processing facility in Germany, and began construction on a new rendering facility in the United States. In addition, construction continued on the expansion of Diamond Green Diesel s (DGD s) production facility to increase annual production capacity from 160 million gallons of renewable diesel to 275 million gallons, with an anticipated completion date in the second quarter of 2018, and we began evaluating a project to further expand DGD s annual production capacity to 550 million gallons. 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.

Thank you for your continued trust and for your investment in our business.

Randall C. Stuewe	**Charles Macaluso**
Chairman and CEO	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 8, 2018

To the Stockholders of Darling Ingredients Inc.:

An Annual Meeting of Stockholders of Darling Ingredients Inc. (the Company) will be held on Tuesday, May 8, 2018, 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 ten 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 29, 2018 (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 14, 2018, 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 30, 2017 is enclosed or otherwise made available for your convenience.

By Order of the Board,

John F. Sterling

Secretary

Irving, Texas

March 28, 2018

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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 28, 2018.

2018 ANNUAL MEETING OF STOCKHOLDERS

Time and Date:

10:00 a.m., local time, Tuesday, May 8, 2018

Place:

Four Seasons Resort and Club,

4150 N. MacArthur Blvd., Irving, Texas 75038

Record Date: March 14, 2018

VOTING INFORMATION

Who is Eligible to Vote

You are entitled to vote at the 2018 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 164,619,524 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	TELEPHONE	MAIL	IN PERSON
Visit the applicable voting website:	Within the United States, U.S. Territories and	If you received a proxy card, complete, sign and mail your proxy card in the self-addressed	For instructions on attending the 2018

www.proxyvote.com	Canada, call toll-free: 1-800-690-6903	envelope provided.	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 8, 2018. The Proxy Statement and the 2017 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 ten nominees identified in this Proxy Statement as directors, each for a term of one year (Proposal 1)	**FOR**	12
2. The ratification of the selection of KPMG LLP as our independent registered public accounting firm for our fiscal year ending December 29, 2018 (Proposal 2)	**FOR**	63
3. An advisory vote to approve executive compensation (Proposal 3)	**FOR**	64

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PROXY SUMMARY

BOARD HIGHLIGHTS

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. With respect to Board refreshment, seventy percent (70%) of our current directors have served on the Board for less than five years. For more information on all of the director nominees, see page 12 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.

2017 PERFORMANCE HIGHLIGHTS

Fiscal 2017 presented a challenging operating environment, as our business continued to experience the impacts of a continued 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 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

- Paid down debt by a total of $112.5 million in 2017, against a target of $100 million, resulting in a reduction in the company s total debt to EBITDA ratio to 3.47 from 3.69 in 2016.

- Improved working capital (inventory, receivables, prepaids, accounts payable and accrued expenses) by $61.8 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 3.1% year-over-year, thereby increasing the amount of our finished product for sale.

Growth Achievements

Continued construction on 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 announced the evaluation of a project to further expand DGD s annual production capacity to 550 million gallons.

Completed expansion of rendering facility in Poland and gelatin facility in Spain.

Completed bolt-on acquisitions of a rendering business and a used oil collection business in the United States and purchased remaining minority interest in our Sonac China blood business.

Approved and began greenfield construction on new rendering plants in Grapeland, Texas, and Wahoo, Nebraska, and a new collagen peptide facility in Angoulême, France.

Approved and began construction on our first full scale black soldier fly protein conversion facility in EnviroFlight, LLC, our joint venture with Intrexon Corporation.

Continued construction on a new digester facility in Dunderleuw, Belgium and a new blood processing facility in Meering, Germany, as well as major expansions at our rendering facilities in Los Angeles, California, and Wahoo, Nebraska.

Realigned Capital Structure for Operating Conditions and Future Growth

Successfully refinanced the term loan B facility contained in the company s senior secured credit facility, including a reduction in borrowing costs and an extension of the term into 2024, thereby providing more flexibility going forward.

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PROXY SUMMARY

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 30 of this Proxy Statement); and

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

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						
2012	**2012**	**2013**	**2014***	**2015**	**2016**	**2017**
CEO Pay Measure:						
Realizable Pay 1-Year		$ 5,504	$ 8,463	$ 3,609	$ 7,148	$ 8,183
% Change			*54%*	*-57%*	*98%*	*14%*
Realizable Pay 1-Year (excl. Special)		$ 5,504	$ 6,647	$ 3,609	$ 7,148	$ 8,183
% Change			*21%*	*-46%*	*98%*	*14%*
TSR Index Measure:						
1-Year TSR Indexed to 2012=100	100.0	133.7	116.9	67.7	83.1	116.7
1-Year TSR %		*33.7%*	*-12.6%*	*-42.1%*	*22.7%*	*40.4%*

NOTES:

Total Shareholder Return (TSR) performance is indexed to 2012, where 2012 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 2017, realizable pay equals base salary plus annual incentives earned for 2017 performance plus options granted on February 6, 2017 and shares to be issued in the first quarter of 2020, assuming target PSU performance for 2017 to 2019 for PSUs awarded on February 6, 2017, 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.

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PROXY SUMMARY

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 Annual Meeting, approximately 98.6% of the votes cast were in favor of the advisory vote to approve executive compensation. 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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PROXY SUMMARY

GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY HIGHLIGHTS

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		

Corporate Social Responsibility/Sustainability

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. For more information, please see our Corporate Social Responsibility webpage (https://commitment.darlingii.com/).

251 O Connor Ridge Boulevard, Suite 300

Irving, Texas 75038

PROXY STATEMENT

FOR AN ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 8, 2018

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 8, 2018, 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 28, 2018. 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 ten 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 29, 2018, 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 30, 2017, Charles Adair, D. Eugene Ewing, Linda Goodspeed, Mary R. Korby, Cynthia Pharr Lee, Charles Macaluso, Gary W. Mize and Michael E. Rescoe, 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 30, 2017, the Board held five 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 30, 2017.

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. All communications sent to this address will be shared with the Board, or the Lead Director or any other specific director or group of directors, if so addressed.

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 directors attended our 2017 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 may add agenda items at his or her discretion;

- 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;

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CORPORATE GOVERNANCE

Board Leadership Structure

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 objective 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. 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. 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 and independent, outside auditors. The nominating and corporate governance committee periodically reviews our company s Corporate Governance Guidelines and their implementation, as well as evaluating regularly 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 Michael Rath as our Senior Vice President Commodities and Chief Risk Officer. Mr. Rath 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.

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 30, 2017. 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 Ms. Pharr Lee, 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. The audit committee met four times during the fiscal year ended December 30, 2017, during each of which meetings it also met directly with our independent 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 by Auditing Standard No. 1301;

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 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 eight times during the fiscal year ended December 30, 2017. 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 41 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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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. 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 30, 2017, Messrs. Adair and Mize and Mses. 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 30, 2017, 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 ten members. The nominating and corporate governance committee recommended and the Board approved the nomination of the following ten 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 and Randall C. Stuewe. Each of the director nominees currently serves on the Board and was elected by the stockholders at our 2017 Annual Meeting of Stockholders.

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: 55

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.

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: 66

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. Mr. Adair currently serves as a director of Aryzta AG, a public global bakery business based in Zurich Switzerland where he serves as chairman of the remuneration committee.

Skills and Qualifications

With over 36 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: 69

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 Compass Diversified Holdings, where he serves as chairman of the audit committee and as a member of the compensation and nominating/corporate governance committees. 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: 56

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; AutoZone, Inc., where she serves on the audit and compensation committees; and Global Power Equipment Group Inc., where she serves as chair of the compensation committee and a member of the audit committee. 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.

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 three 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: 63

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.

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: 73

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: 69

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: 74

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: 67

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: 65

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. Mr. Rescoe currently serves as a member of the board of directors of Global Power Equipment Group Inc. 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.

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

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 14, 2018, are as follows. Our executive officers serve at the discretion of the Board.

NAME	AGE	POSITION	
Randall C. Stuewe	55	Chairman of the Board and Chief Executive Officer	
Brad Phillips	58	Executive Vice President	Chief Financial Officer
John O. Muse	69	Executive Vice President	Chief Administrative Officer
Rick A. Elrod	57	Executive Vice President	Darling U.S. Rendering Operations
Jan van der Velden	54	Executive Vice President	International Rendering and Specialties
John Bullock	61	Executive Vice President	Specialty Ingredients and Chief Strategy Officer
Jos Vervoort	59	Executive Vice President	Rousselot
John F. Sterling	54	Executive Vice President	General Counsel and Secretary
Charles Adair (2)	66	Director	
D. Eugene Ewing (1) (3) (4)	69	Director	
Linda Goodspeed (2)	56	Director	
Dirk Kloosterboer	63	Director	
Mary R. Korby (2) (3)	73	Director	
Cynthia Pharr Lee (1) (2)	69	Director	
Charles Macaluso (3)	74	Director	
Gary W. Mize (1) (2)	67	Director	
Michael E. Rescoe (1) (4)	65	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 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 Mses. Goodspeed, Korby and Pharr Lee, 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 1, 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.

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.

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.

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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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

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 2017 compensation for our named executive officers (also referred to as our NEOs):

NAME	TITLE
Randall C. Stuewe	Chairman and Chief Executive Officer
John Bullock	Executive Vice President Specialty Ingredients and Chief Strategy Officer
Rick A. Elrod	Executive Vice President Darling U.S. Rendering Operations
Jan van der Velden	Executive Vice President International Rendering and Specialties
Patrick C. Lynch	Former Executive Vice President Chief Financial Officer
John O. Muse	Executive Vice President Chief Administrative Officer and Former Executive Vice President Chief Financial Officer
Dirk Kloosterboer	Former Chief Operating Officer

All of our NEOs are based in the United States, except for Mr. van der Velden, who is, and Mr. Kloosterboer, who was, based in Europe at our corporate offices in Son, the Netherlands. Messrs. van der Velden s and Kloosterboer s compensation is denominated in euros and translated into U.S. dollars herein at the average exchange rate during 2017 of 1.128369 dollars per euro. Mr. Muse ceased to be an executive officer of our company on March 2, 2017, when Mr. Lynch replaced him as our Chief Financial Officer. Effective January 1, 2018, Mr. Muse once again became an executive officer of our company with his appointment as our Executive Vice President and Chief Administrative Officer. Mr. Kloosterboer retired as an employee of our company on October 1, 2017. Mr. Lynch s employment with our company ended on December 14, 2017.

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 gelatin, 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 and disposal services for waste solids from the wastewater treatment

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

systems of industrial food processing plants. 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.

2017 Business Highlights

Fiscal 2017 presented a challenging operating environment, as our business continued to experience the impacts of a continued 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 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:

2017 PERFORMANCE HIGHLIGHTS

Key Operating Accomplishments

Paid down debt by a total of $112.5 million in 2017, against a target of $100 million, resulting in a reduction in the company s total debt to EBITDA ratio to 3.47 from 3.69 in 2016.

Improved working capital (inventory, receivables, prepaids, accounts payable and accrued expenses) by $61.8 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 3.1% year-over-year, thereby increasing the amount of our finished product for sale.

Growth Achievements

Continued construction on the expansion of DGD s production facility to increase annual production capacity from 160 million gallons to 275 million gallons of renewable diesel and announced the evaluation of a project to further expand DGD s annual production capacity to 550 million gallons.

Completed expansion of rendering facility in Poland and gelatin facility in Spain.

Completed bolt-on acquisitions of a rendering business and a used oil collection business in the United States and purchased remaining minority interest in our Sonac China blood business.

Approved and began greenfield construction on new rendering plants in Grapeland, Texas, and Wahoo, Nebraska, and a new collagen peptide facility in Angoulême, France.

Approved and began construction on our first full scale black soldier fly protein conversion facility in EnviroFlight, LLC, our joint venture with Intrexon Corporation.

Continued construction on a new digester facility in Denderleeuw, Belgium and a new blood processing facility in Meering, Germany, as well as major expansions at our rendering facilities in Los Angeles, California, and Wahoo, Nebraska.

Realigned Capital Structure for Operating Conditions and Future Growth

Successfully refinanced the term loan B facility contained in our company s senior secured credit facility, including a reduction in borrowing costs and an extension of the term into 2024, thereby 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;

Our effectiveness in deploying capital when compared to our Performance Peer Group (as defined on page 30 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

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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 **2017 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. Consistent EBITDA growth 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.

* 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.

** 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. For more information, see Components of Fiscal 2017 Executive Compensation Program Annual Incentive Compensation 2017 Performance Results and Award Payouts contained later in this Compensation Discussion and Analysis section of the Proxy Statement beginning on page 35.

YEAR	2013	2014*	2015	2016	2017
CEO Pay Measure:					
Realizable Pay 1-Year	$ 5,504	$ 8,463	$ 3,609	$ 7,148	$ 8,183
% Change		*54%*	*-57%*	*98%*	*14%*
Realizable Pay 1-Year (excl. Special)	$ 5,504	$ 6,647	$ 3,609	$ 7,148	$ 8,183
% Change		*21%*	*-46%*	*98%*	*14%*

Absolute Performance Measure:					
Reported Proforma Adjusted Combined EBITDA (non-GAAP)	$ 308.1	$ 594.2	$ 558.3	$ 531.6	$ 476.4

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 2017, realizable pay equals base salary plus annual incentives earned for 2017 performance plus options granted on February 6, 2017 and

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shares to be issued in the first quarter of 2020, assuming target PSU performance for 2017 to 2019 for PSUs awarded on February 6, 2017, 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 defined, as the performance measure under our **long-term incentive (LTI) program** since 2010. As in 2016, for 2017, we used return on capital employed (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:

INDEX YEAR						
2012	**2012**	**2013**	**2014***	**2015**	**2016**	**2017**
CEO Pay Measure:						
Realizable Pay 1-Year		$ 5,504	$ 8,463	$ 3,609	$ 7,148	$ 8,183
% Change			*54%*	*-57%*	*98%*	*14%*
Realizable Pay 1-Year (excl. Special)		$ 5,504	$ 6,647	$ 3,609	$ 7,148	$ 8,183
% Change			*21%*	*-46%*	*98%*	*14%*
TSR Index Measure:						
1-Year TSR Indexed to 2012=100	100.0	133.7	116.9	67.7	83.1	116.7
1-Year TSR %		*33.7%*	*-12.6%*	*-42.1%*	*22.7%*	*40.4%*

NOTES:

Total Shareholder Return (TSR) performance is indexed to 2012, where 2012 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 2017, realizable pay equals base salary plus annual incentives earned for 2017 performance plus options granted on February 6, 2017 and shares to be issued in the first quarter of 2020, assuming target PSU performance for 2017 to 2019 for PSUs awarded on February 6, 2017, 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.

The 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.

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 Annual Meeting, approximately 98.6% of the votes cast were in favor of the advisory vote to approve executive compensation. Additionally, in 2017, members of the committee and management reached out to stockholders representing over 82% of our outstanding shares and held direct conversations with every stockholder who responded to our engagement request. Overall, we spoke with stockholders representing approximately 14% of our outstanding shares, with the chairman of our compensation committee leading the discussions. In the past three years, as part of our stockholder engagement process, the chairman of our compensation committee, together with members of senior management, has spoken with stockholders representing approximately 62% of our outstanding shares, and has spoken with two different proxy advisory firms. These discussions, together with the 2017 say on pay results, indicated strong support for our significantly redesigned executive compensation program and influenced the committee s decision to maintain a consistent overall approach for 2017 and 2018. Stockholder engagement and the outcome of the say on pay vote results will continue to inform future compensation decisions.

BEST PRACTICES AND GOOD GOVERNANCE

Compensation Program Enhancements

Over the last several years, the 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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Ongoing Best Practices

The committee believes that our executive compensation program, as adjusted for these actions, continues to follow best practices aligned to long-term stockholder interests, as summarized below:

	WHAT WE DO	
	Significant portion of compensation is provided in the form of performance-based incentives	Consistent with goal of creating a performance-oriented environment. For CEO, 80% of annual target total direct compensation is performance-based.
	Alignment of pay and performance based on measurable goals for both annual and long-term awards	Annual incentive awards are based on internal EBITDA goals and the committee s review of strategic, operational and personal goals. PSUs are earned based on three-year average ROCE goals relative to peer companies, with a relative TSR modifier.
	Balanced mix of awards tied to annual and long-term performance	For CEO, target annual incentive award opportunity and target long-term incentive award opportunity represent 20% and 60% of annual target total direct compensation, respectively. 100% of annual and long-term awards for NEOs are performance-based.
	Targeted Pay at 50th percentile of peers	Committee targets total direct compensation at the 50th percentile of peers for commensurate performance.
	Benchmark peers of similar revenues and business complexities	Committee benchmarks our executive compensation program and reviews the composition of our peer groups annually with the assistance of the independent compensation consultant.
	Maximum payout caps for annual cash incentive compensation and performance stock unit awards	Committee establishes a maximum limit on the number of PSUs and the amount of annual cash incentive that can be earned.
	Include double trigger change in control provisions in equity awards	Award agreements provide for vesting following a change in control only if there is also an involuntary termination of employment (double-trigger).
	Robust stock ownership and retention policy	CEO must hold at least 5x base salary in company stock; other NEOs must hold at least 2.5x. Executives are also required to hold at least 75% of after-tax shares until the ownership requirement is met.
	Compensation recoupment (clawback) policy	Recovery of annual or long-term incentive compensation based on achievement of financial results that were subsequently restated due to misconduct.
	Retention of an independent compensation consultant to advise the committee	Compensation consultant (Pearl Meyer) provides no other services to the company.
X	**WHAT WE DON T DO**	
x	**No guaranteed annual salary increases or bonuses**	For NEOs, annual salary increases are based on evaluations of individual performance, market data and economic conditions, while

		their annual cash incentives are tied to corporate and individual performance.
x	**No supplemental executive retirement plans**	Consistent with focus on performance-oriented environment; reasonable and competitive retirement programs are offered.
x	**No change in control excise tax gross-ups**	Consistent with focus on performance-oriented environment and commitment to best practices aligned to long-term stockholder interests.
x	**No dividends on unearned PSUs**	Dividend equivalents are accrued but not paid on PSUs until the performance conditions are satisfied and the PSUs vest after the performance measurement period.
x	**No excessive perquisites**	We offer only limited benefits as required to remain competitive and to attract and retain highly talented executives.
x	**No discounted stock options, reload stock options or stock option re-pricing without stockholder approval**	Consistent with focus on performance-oriented environment and commitment to best practices aligned to long-term stockholder interests.
x	**No short-term trading, short sales, transactions involving derivatives, hedging or pledging transactions for executive officers**	Consistent with focus on performance-oriented environment and commitment to best practices aligned to long-term stockholder interests.

EXECUTIVE COMPENSATION HIGHLIGHTS

The committee has designed our executive compensation program to deliver pay in alignment with corporate, business unit and individual performance. A large portion of 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. See charts on page 31 for more information regarding the target annual compensation mix for our CEO and other NEOs.

Fiscal 2017 Compensation Actions at a Glance

With the exception of Mr. Muse, a substantial amount of the NEOs fiscal 2017 compensation was in the form of annual and long-term incentives, providing, as in prior years, a strong incentive to increase stockholder value. From 60% to 80% of the NEOs total direct compensation was performance-based. Mr. Muse did not participate in our fiscal 2017 incentive programs (annual or long-term) due to the planned cessation of his duties as an executive officer of our company in March 2017. The following summarizes the key compensation decisions for the NEOs for fiscal 2017:

- ***Base salary:*** The committee approved base salary increases in 2017 for each of our NEOs, except for Mr. Lynch who was not employed in 2016. Excluding Mr. van der Velden, who was not an NEO in 2016, these increases averaged 6.88%. This represents the first base salary increase in three years for Mr. Stuewe and in two years for Messrs. Bullock, Elrod and Muse.

- ***Annual Incentive Bonus:*** In fiscal 2017, the Company achieved global adjusted EBITDA of approximately 111.8% of target, and each of our NEOs achieved substantially all of their strategic, operational and personal (SOP) goals. As a result, Mr. Stuewe earned a 2017 annual incentive bonus equal to about 175% of his target and the other NEOs earned payouts ranging from about 141% to 200% of target.

- ***Long-Term Incentive (LTI) Awards:*** As in the prior year, LTI awards had a target grant date value of from 40% to 60% of the NEO s annual target total compensation, through a target value mix of performance share units (PSUs) (60%) tied to three-year, forward looking performance and stock options (40%).

These compensation decisions are discussed in more detail in this Compensation Discussion and Analysis and shown in the Summary Compensation Table and Grants of Plan-Based Awards Table that follow.

Compensation Program Objectives and Philosophy

The committee has designed our executive compensation program to serve several key objectives:

attract and retain superior employees in key positions, with compensation opportunities that are competitive relative to the compensation paid to similarly-situated executives at companies similar to us by generally setting target levels of annual total direct compensation opportunity for the NEOs at or near the 50th percentile of target total compensation for similarly-situated executives at an identified group of peer companies;

reward the achievement of specific annual, long-term and strategic goals; and

align the interests of our NEOs with those of our stockholders by placing a significant portion of total direct compensation at risk (80% for our CEO), and rewarding performance that exceeds that of our peer companies, through the use of equity-based LTI awards and a share ownership and retention policy, with the ultimate objective of improving stockholder value over time.

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In the chart below, we have summarized how the 2017 executive compensation program supports these executive compensation program objectives.

OBJECTIVE	HOW WE MET THIS OBJECTIVE IN 2017
Attract and retain superior employees in key positions, with compensation opportunities that are competitive relative to the compensation offered to similarly-situated executives at companies similar to us.	Designed the executive compensation program to provide a mix of base salary, target annual cash incentive awards and target LTI award values that is aligned with the program s principles and objectives and is competitive with the target compensation levels offered by our Pay Levels Peer Group.
Reward the achievement of specific annual, long-term and strategic goals.	Provided at least 60% (80% in the case of the CEO) of annual target total compensation in performance-based incentive awards tied to the achievement of annual, long-term, and strategic goals or, in the case of stock options, stock price appreciation. Provided sufficiently challenging upside opportunities on annual and long-term incentive compensation for exceeding target goals, balanced with reductions from target opportunities for performance below target goals. Tied payouts under the annual incentive plan to corporate and/or regional/business line financial objectives, as well as strategic, operational and personal goals, to focus executives on areas over which they have the most direct impact, while continuing to motivate decision-making that is in the best interests of our company as a whole. Based annual incentive awards primarily on quantifiable performance goals established by the committee at the beginning of the fiscal year, with payouts determined only after the committee reviews and certifies performance results. PSUs granted as part of LTI are tied to three-year, forward looking performance with vesting based on actual performance against goals established at the beginning of the performance period. Stock options granted as part of LTI require stock price appreciation to deliver value to the executive.
Align the interests of our NEOs with those of our stockholders by rewarding performance that exceeds that of our peer companies, through the use of equity-based LTI awards and a share ownership and retention policy, with the ultimate objective of improving stockholder value over time.	Tied payout of PSUs granted to our NEOs as part of LTI to three-year, forward-looking performance based on average ROCE with a TSR modifier, relative to our Performance Peer Group, while stock options granted as part of LTI require stock price appreciation to deliver value to the executive. Included a holding period requirement for the PSUs, such that vested and earned PSUs (net of shares needed to pay taxes) will be subject to a holding period (restriction on sale) for two years after the end of the performance period. Continued our stock ownership policy with guidelines of 5x annual base salary (for the CEO) and 2.5x annual base salary (for the other NEOs).

Continued our stock retention policy whereby each NEO must retain at least 75% of any shares of our common stock received in connection with incentive awards (after sales for the payment of taxes and shares withheld to cover the exercise price of stock options) until the NEO is in compliance with our stock ownership guidelines.

ROLES OF COMPENSATION COMMITTEE, MANAGEMENT AND INDEPENDENT CONSULTANTS

Compensation Committee

The committee has primary responsibility for overseeing our executive compensation program. The Board appoints the members of the committee. Each member of the committee is an outside director within the meaning of Section 162(m) of the Internal Revenue Code. Additionally, the Board has determined that each member of the committee meets the applicable requirements for independence established by applicable SEC rules and the listing standards of the NYSE. The committee:

- oversees our various compensation plans and programs and makes appropriate design decisions,
- retains responsibility for monitoring our executive compensation plans and programs to ensure that they continue to adhere to our company s compensation philosophy and objectives, and
- determines the appropriate compensation levels for all executives, including the NEOs.

The committee meets on a regular basis and generally without members of management present. The committee s duties and responsibilities are described in its charter, which can be found on our website at http://ir.darlingii.com/corporate-governance. The committee and the Board periodically review and, as appropriate, revise the charter.

As provided by its charter and discussed in greater detail below, the committee engages an independent compensation consultant to advise it on the design of our executive compensation program. As in the prior year, the committee engaged Pearl Meyer to advise it in connection with the 2017 executive compensation program. To determine the appropriate compensation levels, the committee considers, in conjunction with recommendations from its independent compensation consultant:

- Total compensation paid to the NEOs, including retirement and post-retirement benefits and fringe benefits.
- Our company s long-term and short-term strategic and financial objectives.
- Our company s performance, the industries in which we operate, the current operating environment, our relative total shareholder return performance and market compensation for similarly-situated executives.
- How to balance short-term and long-term compensation to provide fair near-term compensation, to align executive pay with long-term stockholder value, and to avoid structures that would encourage excessive risk taking.

The committee periodically reviews our executive compensation program to ensure that it remains competitive and provides the proper balance between cash and equity, and between short-term and long-term incentive compensation. The committee s regular analysis and refinement of the compensation program ensures continuing alignment of the elements of the compensation program with our company s business strategy and stockholder interests. During this process, the committee:

- Evaluates the design of our compensation program to align pay and performance;
- Evaluates the executive compensation policies to ensure a continued nexus between executive compensation and the creation of stockholder value;
- Seeks to ensure that our company s compensation programs remain competitive, including comparing the total direct compensation paid by our company with that of our Pay Levels Peer Group;
- Considers feedback received from our stockholders during our stockholder outreach efforts in which the committee chairman participates;
- Consults as needed with its independent compensation consultant to review and refine the elements of our compensation programs to ensure that our executive compensation meets our stated objectives and is consistent with the company s compensation philosophy; and

Takes into consideration appropriate corporate acquisitions and material investments, if any, and the resulting impact on the size and complexity of our company s business.

In addition to its responsibilities for executive compensation plans and programs, the committee also reviews and evaluates from time to time our director compensation plans, policies and programs and reports its findings to the nominating and corporate governance committee, and reviews compensation and benefit plans, policies and programs for management and other employees, as appropriate.

Role of Chief Executive Officer

The committee annually evaluates the performance of the Chief Executive Officer who, in turn, on an annual basis, reviews the performance of his direct reports, which include each of the NEOs other than himself. The Chief Executive Officer presents his conclusions and recommendations with respect to performance and pay, including recommendations with respect to base salary adjustments and incentive award amounts, to the committee. The committee considers this information and then exercises its judgment in adopting or modifying any recommended adjustments or awards to be made to the NEOs.

Use of an Independent Compensation Consultant

The committee s charter allows the committee to engage an independent compensation consultant to advise the committee on the design of our executive compensation. As in the prior year, for fiscal 2017, the committee engaged Pearl Meyer, an independent executive compensation consulting firm, to counsel the committee on various factors relating to the development of our 2017 executive compensation program.

Pearl Meyer is engaged directly by, and is fully accountable to, the committee. The committee has determined, after considering independence factors provided by the SEC and the NYSE, that Pearl Meyer does not have any conflicts of interest that would prevent them from being objective.

Use of Peer Companies in Setting Executive Compensation and Measuring Performance

Purpose

The committee uses peer groups for the following purposes:

To assess the company s performance with respect to annual and long-term incentive plans; and

To assess executive compensation opportunities.

We use different peer groups to evaluate the competitiveness of pay levels and to establish performance standards. The committee believes that it is appropriate to use companies that are generally similar in size to our company for pay comparisons (the Pay

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Levels Peer Group). For performance comparisons, however, the committee believes it is appropriate to use a broader peer group that is not limited by size or location to set the standards for long-term incentive plan performance, as company size and location do not materially influence performance comparisons (the Performance Peer Group). Although the committee is referencing two different peer groups, there is a substantial overlap of 14 companies as shown in the table that follows.

The committee uses competitive pay information derived from the Pay Levels Peer Group to generally inform its compensation decisions, but does not formulaically benchmark based on this data. The committee generally sets target levels of annual total direct compensation for the NEOs at or near the 50th percentile of target total compensation levels offered to similarly-situated executives at the peer companies. Variations from the 50th percentile level may occur due to the experience level of the individual and market factors, as well as performance that is significantly above or below goals.

Our company has a unique variety of product offerings and derives income from disparate industries. Therefore, it is difficult

to establish a group of peer companies for measuring the competitiveness of our compensation opportunities and for measuring our relative business performance. In particular, it is challenging to identify appropriate peers for our business performance among companies in our S&P 8-digit and 6-digit Global Industry Classification Standard (GICS) codes, as many of the companies in those GICS codes that are of roughly similar size manufacture, market, and distribute food for human consumption. These companies typically use agricultural commodities as ingredients in their products, and as a result these companies would typically experience reduced performance when these commodity prices rise. In contrast, our products are ingredients that our customers use in their products, and are not generally for human consumption. Our product prices generally track the performance of an identified group of agricultural commodities. As those agricultural commodities prices rise, our financial performance will generally improve, and conversely, as those commodities prices fall, our financial performance will generally be negatively impacted. As a result, our company tends to operate in opposite economic cycles from many of the other food or agricultural-related companies in our general GICS codes.

In light of these challenges, the committee began using two new peer groups as of fiscal 2015 and going forward one to assess the company s performance with respect to annual and long-term incentive plans (the Performance Peer Group) and a second to assess executive compensation opportunities (the Pay Levels Peer Group). Notably, 70% of the companies in the Pay Levels Peer Group were also members of the Performance Peer Group. The committee reviews the peer groups annually to determine whether any changes should be made to the members of the peer groups. Since 2015, the committee has determined that no such changes were needed to the original peer groups, except for the removal in fiscal 2017 of E. I. du Pont de Nemours and Company from the Performance Peer Group due to its merger into Dow Chemical Co. and the removal in fiscal 2016 of Penford Corporation from the Performance Peer Group due to its acquisition by another member of the Performance Peer Group, Ingredion Incorporated. Members of the Performance Peer Group and Pay Levels Peer Group are listed below.

PERFORMANCE PEER GROUP ONLY	OVERLAP IN BOTH PEER GROUPS	PAY LEVELS PEER GROUP ONLY
Aceto Corp.	Celanese Corporation	Colfax Corporation
Archer-Daniels-Midland Company	Clean Harbors, Inc.	Graphic Packaging Holding Company
Bunge Limited	Covanta Holding Corporation	Meritor, Inc.
Cal-Maine Foods, Inc.	FMC Corp.	PolyOne Corporation
Casella Waste Systems Inc.	Green Plains Inc.	Sonoco Products Co.
FutureFuel Corp.	Ingredion Incorporated	The Valspar Corporation**
Innophos Holdings Inc	International Flavors & Fragrances Inc.	
Koninklijke DSM N.V.	Renewable Energy Group, Inc.	
Pacific Ethanol, Inc.	Republic Services, Inc.	
Potash Corp. of Saskatchewan, Inc.*	Seaboard Corp.	
REX American Resources Corporation	Sensient Technologies Corporation	
Sanderson Farms, Inc.	Stepan Company	
SunOpta Inc.	The Andersons, Inc.	
Tyson Foods, Inc.	The Mosaic Company	
Waste Management, Inc.		

* On January 1, 2018, Potash Corp. of Saskatchewan, Inc. and Agrium Inc. completed a merger and were then acquired by Nutrien Ltd. (traded in both TSX and NYSE).

** Acquired by The Sherwin-Williams Company effective June 1, 2017.

Performance Peer Group

To better reflect the company s operating segments of Feed, Food, and Fuel and who we compete with for employee talent and capital, the Performance Peer Group was established for purposes of evaluating our performance under the company s incentive programs. In selecting the Performance Peer Group constituents, the committee considered the following criteria: (i) industry, (ii) business operations similar to those of the company, focused on Feed, Food, and/or Fuel, (iii) the extent to which operations were global, (iv) company size, as measured by revenues and market capitalization, and (v) availability of publicly-disclosed financial information.

Pay Levels Peer Group

In establishing the Pay Levels Peer Group and in order to create as much overlap with the Performance Peer Group as possible, the

committee first identified those companies within the Performance Peer Group that (i) were U.S.-based companies and (ii) were similar in size to us, as measured by revenues using the parameters of between one-third and three times our estimated revenues. As fourteen companies from the Performance Peer Group met those size criteria, in order to ensure that the peer group was of sufficient size to perform compensation comparisons that were not overly influenced by any one company, the committee worked with its independent compensation consultant at the time to identify six other companies that were U.S.-based, similar in size and industry, and subject to similar cyclicality and volatility as the company. The committee believes that this peer group is a reasonable peer group that is comprised of similarly-sized companies with operations similar to those of our company and/or influenced by similar cyclicality and volatility.

Mix of Salary and Incentive Awards (at Target)

The following charts illustrate the mix of total direct compensation elements for our NEOs at target performance. These charts demonstrate our executive compensation program s focus on variable, performance driven cash and equity-based compensation, a large portion of which is at-risk through long-term equity awards and annual cash incentive awards.

* Equity consists of performance based stock units and stock options.

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Components of Fiscal 2017 Executive Compensation Program

For fiscal 2017, the compensation for the NEOs included the following components (except for Mr. Muse who did not participate in our fiscal 2017 incentive programs (annual or long-term) due to the planned cessation of his duties as an executive officer of our company in March 2017):

Fiscal 2017 Compensation Components at a Glance

COMPENSATION COMPONENT	DESCRIPTION
Base Salary	Fixed compensation component. Periodically reviewed by the committee and adjusted based on competitive practices and economic conditions.
Annual Incentive Bonus	Short-term variable compensation component, performance-based, and payable in cash. Each NEO has a target award expressed as a percentage of salary (50% to 100% of base salary): Mr. Stuewe: 100% of base salary Other NEOs: 50% 70% of base salary Payouts based on (i) 2017 global and/or regional/business line EBITDA goals (65% weighting) and (ii) individual SOP goals (35% weighting). EBITDA based on overall company performance for Messrs. Stuewe and Lynch. For Messrs. Bullock, Elrod, Kloosterboer and van der Velden, the EBITDA portion is based 65% on their respective regional/business line performance and 35% on overall company performance. Payouts range from 0% to a maximum of 200% of target.
Long-Term Incentive Compensation	Long-term variable compensation component, performance-based grants settled in company stock. Each NEO has a target award expressed as a percentage of salary (ranging from 100% to 300% of base salary): Mr. Stuewe: 300% of base salary Other NEOs: 100% 150% of base salary Target award value is granted in a combination of performance share units (PSUs) and stock options. For all NEOs, weighted 60% PSUs and 40% stock options. Annual, overlapping PSU grants are tied to three-year, forward-looking performance on average ROCE relative to our Performance Peer Group, with a TSR modifier. Actual awards may vary between 0% and a maximum of 225% of the target number of PSUs, depending on the performance level achieved.

Number of PSUs earned to be reduced (up to 30%) or increased (capped at maximum payout) based on our company s total shareholder return (TSR) over the performance period relative to our Performance Peer Group.

Vested and earned PSUs (net of shares needed to pay taxes) will be subject to a holding period (restriction on sale) for two years after the end of the performance period.

Annual stock option grant vests 33-1/3% on the 1^{st}, 2^{nd} and 3^{rd} anniversaries of grant.

Retirement and Health and Welfare Benefits

For U.S. based NEOs, 401(k) plan and frozen pension plan.

Group health, life and other standard welfare plan benefits.

Benefits for Mr. van der Velden are per his employment agreement and customary for a Europe-based executive.

Termination/severance benefits per employment/severance agreement.

Our executive compensation program is designed to deliver pay in alignment with corporate, business unit and individual performance, with a large portion of total direct compensation at-risk through long-term equity awards and annual cash incentive awards. See chart on page 31 for more information regarding the target annual compensation mix.

Fiscal 2017 Compensation Components Details

BASE SALARY

Our company provides NEOs with a base salary to compensate them for services rendered during each fiscal year. Base salary ranges for NEOs are determined for each executive based on his position and responsibility by using market data supplied by the committee s independent compensation consultant. Base salary is designed to be competitive when compared with the Pay Levels Peer Group. The committee periodically reviews base salaries of senior executives, including the NEOs, to determine if adjustment is necessary based on competitive practices and economic conditions. Base salary for senior executives will also be reviewed and adjustment may be made based on individual performance and the individual s skills, experience and background, or in connection with a promotion or other change in responsibilities. Mr. Kloosterboer s base salary was originally set based on the terms of his employment agreement with the company entered into as part of the VION Ingredients acquisition and included a holiday allowance customary for European employees. For 2017, the committee conducted an extensive review of the base salaries of each of the NEOs, including market data supplied by Pearl Meyer, the committee s independent compensation consultant. Based on this review, each of the NEOs received an increase in base salary for 2017 (except for Mr. Lynch who was not employed by our company in 2016). This increase represents the first base salary increase in three years for Mr. Stuewe and in two years for Messrs. Bullock, Elrod and Muse. In the case of Mr. van der Velden, it should also be noted that his increase took into account

the additional responsibilities he assumed with the retirement of Mr. Kloosterboer in October 2017.

The chart below summarizes how fiscal 2017 base salaries compare to fiscal 2016 base salaries for each of our NEOs.

EXECUTIVE	FISCAL 2016 ANNUAL SALARY	FISCAL 2017 ANNUAL SALARY	PERCENTAGE INCREASE
Mr. Stuewe	$ 1,000,000	$ 1,100,000	10.0%
Mr. Bullock	$ 384,500	$ 425,000	10.5%
Mr. Elrod	$ 425,000	$ 450,000	5.9%
Mr. van der Velden [1]	$ 332,869	$ 394,929	18.6% (2)
Mr. Lynch	N/A	$ 525,000	N/A
Mr. Muse	$ 500,000	$ 525,000	5.0%
Mr. Kloosterboer [1]	$ 744,507	$ 781,419	3.0% (2)

1. Mr. van der Velden is, and Mr. Kloosterboer was, based in the Netherlands and paid in euros. Accordingly, the amount shown in this table, as well as all other non-equity related amounts elsewhere in this Proxy Statement for Messrs. Van der Velden and Kloosterboer, represent data converted from euros. For 2017, compensation was converted at the average exchange rate during 2017 of 1.128369 dollars per euro. Mr. van der Velden s annual

base salary in fiscal 2016 was 295,000 and in fiscal 2017 was 350,000. Mr. Kloosterboer s annual base salary in fiscal 2016 was 672,350 and in fiscal 2017 was 692,521. Mr. Kloosterboer retired as an employee of the company on October 1, 2017.

2. Percentage increase for Messrs. van der Velden and Kloosterboer is calculated using their base salaries for 2016 and 2017 as denominated in euros.

ANNUAL INCENTIVE COMPENSATION

Overview

To motivate performance, each of our NEOs, except Mr. Muse, was provided with an annual incentive award opportunity for fiscal 2017 tied to (i) global and/or regional/business line EBITDA goals and (ii) the performance of the individual with respect to key SOP goals. The range of award payouts that an executive could earn (0% to 200% of target), as well as the performance goals, were established at the beginning of the year. Mr. Muse did not participate in our fiscal 2017 annual incentive program due to the planned cessation of his duties as an executive officer of our company in March 2017. Additional detail with respect to the design of the fiscal 2017 annual incentive program is provided below.

Annual Incentive Award Formula

In determining payouts under the fiscal 2017 annual incentive program, the committee used the following formula for the NEOs:

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Annual Incentive Award Opportunities

The chart below summarizes the target annual incentive award opportunities for the NEOs for fiscal 2017:

Fiscal 2017 Target Bonus Opportunities

EXECUTIVE	PERCENT OF BASE SALARY	IN DOLLARS
Mr. Stuewe	100%	$ 1,100,000
Mr. Bullock	60%	$ 255,000
Mr. Elrod	60%	$ 270,000
Mr. van der Velden	60%	$ 236,957
Mr. Lynch	70%	$ 367,500
Mr. Muse		
Mr. Kloosterboer	50%	$ 390,710

Annual Incentive Plan Performance Metrics and Range of Performance

For fiscal 2017 (as in fiscal 2016), the committee continued to measure financial performance based on a targeted level of EBITDA compared to the Performance Peer Group. The committee continued to balance the financial objectives of the organization with strategic, operational and personal objectives. These objectives are closely tied to the company s performance in other key areas of the business that drive stockholder value creation and focus executives on areas over which they have the most direct impact. Additional detail with respect to the performance metrics and range of performance is provided below.

***EBITDA** (65% weighting):* 65% of each NEO s payout was tied to a targeted level of EBITDA performance for fiscal 2017. Depending on the NEO s responsibilities, EBITDA was measured at the global level or in a mix of global and regional/business line results.

The committee selected global and/or regional/business line EBITDA as the sole annual financial performance metric because (i) EBITDA is one element of ROCE, which is a performance metric that is well understood internally, (ii) incenting the achievement of a targeted level of EBITDA is closely aligned with continued stockholder value creation, and (iii) it provides a separate metric from that used in our long-term incentive plan, while continuing to motivate performance that is tied to stockholder value creation. Based on those factors, the committee concluded that a targeted level of EBITDA was the most appropriate annual financial performance metric.

To focus executives on areas over which they have the most direct impact and motivate controllable performance, EBITDA was measured as follows:

Corporate and other executives who have a significant impact on global performance (Messrs. Stuewe and Lynch): 100% based on global EBITDA performance

Region/business line executives (Messrs. Bullock, Elrod, van der Velden and Kloosterboer): 65% based on region/business line performance and 35% based on global performance or, in the case of Mr. van der Velden, international performance.

The pre-defined calculation of EBITDA is subject to adjustment by the committee for certain one-time, unusual or extraordinary items in order to more fairly assess our company s performance for executive compensation purposes. These adjustments for compensation purposes may differ from the adjustments included in the company s reported adjusted EBITDA. For fiscal 2017, these committee adjustments consisted of approximately $1.5 million in severance expense, primarily related to a reduction in workforce in connection with the restructuring of our operations in Hurlingham, Argentina. In addition, adjusted EBITDA includes our company s portion of the EBITDA from our DGD joint venture, which is treated as an unconsolidated subsidiary in our financial statements but is a high performing asset and considered an important part of our strategy by providing a significant market and enhanced margins for our fats and oils and thereby a hedge to offset commodity exposure in our Feed Ingredients segment. Financial performance measures are adjusted to reflect budgeted levels of currency exchange in order to properly measure job performance, as our company is an operating company and not in the business of trading currencies.

In developing the 2017 annual EBITDA goals, target level performance was set by determining the EBITDA that would be achieved assuming ROCE performance for the prior fiscal year at the 50th percentile relative to our Performance Peer Group. These goals generally require a high level of performance to be achieved over the one-year period. Threshold and maximum levels are set as a percentage of target and are designed to provide a smaller award for lower levels of acceptable performance (threshold) as well as to reward exceptional levels of performance (maximum).

Fiscal 2017 Global EBITDA Performance Goals (In Millions)

ACHIEVEMENT	GLOBAL	AWARD PAYOUT (PERCENTAGE OF TARGET)
Below Threshold	Below $ 425.4	0%
Threshold	$425.4	25%
Target	$500.4	100%
Maximum or Above	$575.5	200%

Strategic, Operational and Personal Goals *(35% weighting):* Each of our NEOs also had SOP goals for fiscal 2017 that were tied to short- and long-term strategic objectives within the company. The SOPs were a blend of quantitative and qualitative goals for each NEO set at the beginning of the performance period, with a varying number of goals and weighting of those goals for each executive. The SOPs for our CEO and each of the other NEOs are reviewed and approved by the committee. The CEO makes recommendations to the committee on the SOPs for NEOs other than himself. The SOPs with respect to fiscal 2017 addressed items such as:

- growing the core business;
- achieving SG&A goals;
- achieving safety goals; and
- other specific business development goals and projects.

At the end of the fiscal year, the CEO submits to the committee a performance self-assessment and conducts a final review with each of the other NEOs and rates their performance. The CEO then submits to the committee a performance assessment for each of the other NEOs. These assessments consider completion of objectives and the quality of work performed, and incorporate an element of judgment on behalf of the committee in assigning individual levels of achievement. A maximum payout of 200% of the target for the SOP component is possible for exceptional performance.

2017 Performance Results and Award Payouts

For fiscal 2017, we achieved global adjusted EBITDA of approximately $559.3 million, which was approximately 111.8% of the target EBITDA and which resulted in award payouts equal to approximately 178% of target payout on the global EBITDA portion of the performance goal. As further explained below, this amount includes $92.9 million in EBITDA attributable to DGD and our North American biofuel operations that relates to 2017 performance and was included in the company s internal 2017 operating plan, but was not included in the company s or DGD s financial statements until the first quarter of 2018. As a biodiesel blender, DGD, as well as the company s own North American biodiesel operations, are eligible to receive a U.S. blenders tax credit. Although the blenders tax credits expired on December 31, 2016, in February 2018 they were retroactively reinstated by Congress for calendar year 2017. As a result, in the first quarter of 2018, DGD booked approximately $160.6 million in EBITDA (our company s share of which was $80.3 million) and our company booked approximately $12.6 million in EBITDA related to the blenders tax credit for fiscal year 2017. This $92.9 million in EBITDA will not be included in the adjusted EBITDA used to calculate the annual incentive payouts, if any, for fiscal 2018.

In addition, based on the committee s review of the performance assessments of our NEOs, the following achievement percentages were assigned for the SOPs: 95% for Mr. Stuewe; 99% for Mr. Bullock; 98% for Mr. Elrod; 100% for

Mr. van der Velden; 84% for Mr. Lynch; and 93% for Mr. Kloosterboer. For Mr. Stuewe, the committee noted the following achievements with respect to his stated SOP goals:

GOAL	RESULT
Achieve Cost Control Measures	Paid down debt by a total of $112.5 million in 2017 resulting in reduction in total debt to EBITDA ratio to 3.47 from 3.69 in 2016.
	Improved working capital (inventory, receivables, prepaids, accounts payable and accrued expenses) by $61.8 million year-over-year.
Continue to Drive Growth in the Core Businesses	Continued construction on the expansion of DGD s production facility to increase annual production capacity from 160 million gallons to 275 million gallons of renewable diesel and announced the evaluation of a project to further expand DGD s annual production capacity to 550 million gallons.
	Increased total system raw material volumes by 3.1% year-over-year, thereby increasing the amount of our finished product for sale.
	Completed expansion of rendering facility in Poland and gelatin facility in Spain.
	Completed bolt-on acquisitions of a rendering business and a used oil collection business in the United States and purchased remaining minority interest in our Sonac China blood business.
	Approved and began greenfield construction on new rendering plants in Grapeland, Texas, and Wahoo, Nebraska, and a new collagen peptide facility in Angoulême, France.
	Approved and began construction on our first full scale black soldier fly protein conversion facility in EnviroFlight, LLC, our joint venture with Intrexon Corporation.
	Continued construction on a new digester facility in Dunderleuw, Belgium and a new blood processing facility in Meering, Germany, as well as major expansions at our rendering facilities in Los Angeles, California, and Wahoo, Nebraska.

Further develop Sustainability and Corporate Social Responsibility Approach	Expanded sustainability and corporate social responsibility programs, including new website and appointment of newly created position of Director of Sustainability.

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The chart below provides a summary of the awards earned for fiscal 2017 EBITDA and SOP performance by each NEO, except for Mr. Muse who did not participate in the 2017 annual incentive plan. As noted above, the EBITDA payout for Messrs. Bullock, Elrod, van der Velden and Kloosterboer was also impacted by strong regional/business line performance.

Award Payouts Based on Actual Performance

EXECUTIVE	FISCAL 2017 TARGET BONUS OPPORTUNITY	EBITDA PAYOUT (65% WEIGHTING)	SOP PAYOUT (35% WEIGHTING)	TOTAL AIP PAYOUT	TOTAL PAYOUT AS A PERCENT OF TARGET
Mr. Stuewe	$ 1,100,000	$ 1,276,175	$ 652,813	$ 1,928,988	175.4%
Mr. Bullock	$ 255,000	$ 319,020	$ 169,632	$ 488,652	191.6%
Mr. Elrod	$ 270,000	$ 337,785	$ 177,337	$ 515,122	190.8%
Mr. van der Velden	$ 236,957	$ 308,045	$ 165,870	$ 473,915	200.0%
Mr. Lynch [1]	$ 367,500	$ 409,687	$ 184,753	$ 594,440	161.8%
Mr. Kloosterboer [2]	$ 390,710	$ 366,599	$ 182,595	$ 549,194	140.6%

1. In accordance with the terms of his Senior Executive Termination Benefits Agreement with our company, the amount of Mr. Lynch s award payout was prorated based on his last day of employment with our company (December 14, 2017).

2. The amount of Mr. Kloosterboer s award payout was prorated based on his last day of employment with our company (September 30, 2017).

LONG-TERM INCENTIVE COMPENSATION

Overview

With the exception of Mr. Muse who did not participate in our fiscal 2017 incentive programs (annual or long-term) due to the planned cessation of his duties as an executive officer of our company in March 2017, each of our NEOs was provided with long-term incentive award opportunities for fiscal 2017 that were tied to our performance. The principal objectives of the LTI design are to (i) motivate our NEOs to drive sustained long-term stockholder value creation, (ii) grant award opportunities that are based on the competitive market, but then adjusted for our performance, (iii) provide the NEOs with equity ownership opportunities that will further enhance their alignment with our stockholders interests and (iv) serve as an important retention tool. The committee believes that providing long-term equity-based awards incentivizes executives to balance short- and long-term decisions, which helps to mitigate excessive risk-taking by our executives. Under our LTI program first put in place in 2016, grants are generally made in the first quarter of each year; however, in limited, special situations, equity awards may be granted at other times to attract new executives and to retain existing executives. During 2017, one such grant was made in the form of a one-time grant to Mr. Lynch of 100,000 shares of restricted stock as part of his employment package, 33,333 shares of which vested immediately on the grant date, 33,333 shares of which were to vest on the first anniversary date of the grant date and 33,334 shares of which were to vest on the second anniversary of the grant date. This grant was made to help attract Mr. Lynch to our company and to compensate him in part for the value of equity awards he was forfeiting at his prior employer. In accordance with the terms of the underlying grant document, the remaining unvested shares of this award vested upon Mr. Lynch s separation from our company on December 14, 2017.

For 2016 and beyond, after reviewing trends in executive compensation and pay-related governance policies and in response to the results of our say on pay votes and stockholder feedback, the committee made significant changes to the company s LTI program. As illustrated in the charts below, under our current LTI program, participants receive (i) annual, overlapping grants of PSUs tied to three-year, forward-looking performance based on average return on capital employed (ROCE) relative to our Performance Peer Group and (ii) annual stock option grants that vest 33-1/3% on the 1st, 2nd and 3rd anniversaries of grant. LTI target level performance for the PSUs is based upon achievement of 50th percentile ROCE performance relative to our Performance Peer Group, subject to adjustment by a total shareholder return (TSR) modifier that reduces (or increases) the number of PSUs earned if TSR relative to our Performance Peer Group ranks near the bottom (or near the top). In addition, PSUs issued to NEOs and other executives in fiscal 2016 and 2017 contain a holding requirement, such that vested and earned PSUs (net of shares needed to pay taxes) will be subject to a holding period (restriction on sale) for two years after the end of the performance period.

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For performance between the 30th and 80th percentiles, the number of PSUs earned will be interpolated between threshold-target and target-maximum.

The committee views this program to be aligned with the objectives of motivating and rewarding executives for performance on key long-term measures, while also promoting retention of executive talent, and the program is well-designed to drive stockholder value creation and focus executives on areas over which they have the most direct impact.

Additional detail with respect to the design of the long-term incentive program is provided below.

Mix of Equity Awards

Under the 2017 Omnibus Plan, the committee may grant various types of equity-based awards. As in the prior year, the committee provided long-term incentives for fiscal 2017 to the NEOs, other than Mr. Muse (given the planned cessation of his duties as an executive officer of our company in March 2017), through a target value mix of stock options (40%) and PSUs (60%). The committee, with input from its independent compensation consultant, believes that this mix is consistent with market practice for these types of awards.

Stock Options. Stock option awards reflect the pay for performance principles of our executive compensation program by directly linking long-term incentives to stock price appreciation. Stock options require stock price appreciation to deliver value to an executive. We determined the February 2017 grant of nonqualified stock options by converting 40% of the target LTI value for each NEO (other than Mr. Muse) to a number of stock options using an estimated Black-Scholes option value. Stock options were granted to each NEO (other than Mr. Muse), and other eligible management employees, and the exercise price of such options was established on February 6, 2017. All of the options granted to our NEOs are nonqualified stock options with ten-year terms that vest in one-third increments on the first three anniversaries of the grant date. Information regarding the grant date fair value and the number of stock options awarded in 2017 under the 2017 LTI program to each of our NEOs (other than Mr. Muse) is set forth in the Grants of Plan-Based Awards Table on page 44.

Performance Share Unit Awards. PSUs are tied to our company s long-term performance to ensure that our NEOs pay is directly linked to the achievement of sustained long-term operating performance. Reflective of the desire to balance prudent use of capital and returns to our stockholders, the committee has determined that awards will be earned based on our ROCE relative to our Performance Peer Group for a three-year, forward-looking cycle. Awards based on ROCE are also subject to potential adjustment based on our TSR relative to the Performance Peer Group over the same period. Dividend equivalent units related to PSUs will be accrued and paid in company stock at the same time as PSUs, but only if and to the extent PSUs are earned.

As in the prior year, for purposes of the 2017 executive compensation program, ROCE was determined as follows:

ROCE	=	earnings before interest, taxes, depreciation, and amortization (EBITDA)	÷	**CAPITAL EMPLOYED**	where	**CAPITAL EMPLOYED**	=	the sum of (i) current assets (excluding cash) less current liabilities (excluding the current portion of any long-term debt), plus (ii) gross property, plant and equipment (including gross intangibles but excluding goodwill), plus (iii) equity in nonconsolidated subsidiaries

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In addition, under our executive compensation program, the committee adjusts the ROCE performance results (or components thereof) to exclude the impact of extraordinary, unusual or unanticipated events, such as acquisitions, divestitures or mergers, stock splits or stock dividends or other similar material circumstances affecting or with respect to our company or any member of the Performance Peer Group during the performance period. The committee determines whether any such adjustment is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the PSUs with the goal of fairly comparing our company s performance with the performance of the companies in the Performance Peer Group over the performance period.

TSR is defined for purposes of the PSUs as follows:

TSR	=	cumulative amount of dividends for the performance period, assuming dividend reinvestment	+	the increase or decrease in the Average Stock Price from the first day of the performance period to the last day of the performance period	÷	the Average Stock Price determined as of the first day of the performance period	where	Average Stock Price is the average of the closing transaction prices of a share of our common stock, as reported on the NYSE, for 20 trading days immediately preceding the date for which the average stock price is being determined

The committee selected ROCE and TSR as the performance measures for the PSUs because they:

- Measure performance in a way that is tracked and well-understood by investors.
- Capture both income and balance sheet impacts, including capital management actions.
- Take into effect long-term stockholder value.

In addition, the committee believes that, given the substantial growth of our company over the last ten years, the use of ROCE is the most appropriate measure of our company s operating performance against its peers, since it excludes goodwill from the calculation and thereby better focuses on the value of a particular asset and the working capital needed to operate that asset.

For NEOs (other than Mr. Muse) and other executives, as in the prior year, for fiscal 2017, the committee included a holding period requirement for the PSUs, such that vested and earned PSUs (net of shares needed to pay taxes) will be subject to a holding period (restriction on sale) for two years after the end of the performance period.

ROCE Performance Levels

PERFORMANCE LEVEL	2017-2019 AVERAGE ROCE VS. PERFORMANCE PEERS	PAYOUT % OF TARGET # OF PSUs
Below Threshold	At or less than **30th** percentile	0%
Target	At **50th** percentile	100%
Maximum	Above **80th** percentile	225%

For performance between the 30th and 80th percentiles, the number of PSUs earned will be interpolated between threshold-target and target-maximum.

TSR Modifier

The number of PSUs determined to be earned based on ROCE as provided above shall be further adjusted in accordance with the schedule set forth below, based on our company s TSR relative to the TSR of the companies in the Performance Peer Group during the three-year performance period:

COMPANY S TSR VS. PERFORMANCE PEERS	VESTING ADJUSTMENT
At or less than **30th** percentile	30% reduction in shares eligible for vesting
Greater than **30th** percentile (but less than or equal to **80th** percentile)	No adjustment
Above **80th** percentile	30% increase in shares eligible for vesting, subject to a maximum vesting percentage of 225% of the target award

2017 Long-Term Incentive Awards

As previously mentioned, the committee decided to deliver 60% of the target LTI value in PSUs. The chart below summarizes the target LTI awards for the NEOs for fiscal 2017. Information regarding the fair market value and number of PSUs that the NEOs may earn at the end of the 2017-2019 performance period, subject to the performance metrics described above, is shown in the Grants of Plan-Based Awards Table on page 44. The starting value for the award, however, does not represent the actual compensation the NEOs will realize. These awards are intended to focus the NEOs on future company performance, and the actual value realized by an NEO will depend on our performance over time and the NEO s continued employment with our company.

Fiscal 2017 Target Long-Term Incentive Awards

EXECUTIVE	PERCENT OF BASE SALARY	IN DOLLARS	TARGET NUMBER OF PSUs	NUMBER OF STOCK OPTIONS
Mr. Stuewe	300%	$ 3,300,000	180,000	304,147
Mr. Bullock	125%	$ 531,250	28,977	48,963
Mr. Elrod	125%	$ 562,500	30,682	51,843
Mr. van der Velden	125%	$ 462,000*	25,200	42,581
Mr. Lynch	150%	$ 787,500	42,955	72,581
Mr. Muse				
Mr. Kloosterboer	100%	$ 731,302*	39,889	67,401

* The target number of PSUs and stock options were calculated for Messrs. van der Velden and Kloosterboer using this dollar amount, which was the amount of his base salary in U.S. dollars using the exchange rate at December 31, 2016 of 1.056 dollars per euro.

2016-2017 PSU Award Determinations

In order to facilitate the major shift from a backward-looking to a forward-looking plan design that was part of the significant changes implemented in our 2016 executive compensation program, a small portion (15%, or one quarter of the 60% weight on PSUs) of fiscal 2016 LTI value was granted in the form of one-time, non-incremental transition PSUs. The terms of the transition PSUs were identical to the terms described above for the regular PSUs, except that these grants were tied to a two-year, forward-looking performance period (2016-2017), instead of a three-year, forward-looking performance period. Following the end of a PSU performance cycle, the committee reviews and certifies the performance attained based on our reported audited financial statements, subject to the potential adjustments described above. Each PSU that vests is settled with a share of our common stock.

In February 2018, the committee reviewed and certified achievement of the performance metrics for the transitional PSUs granted in February 2016 for the 2016-2017 performance period. Relative ROCE for this 2-year performance cycle was at the 55th percentile. In addition, relative TSR for this same period was at the 86th percentile. Consequently, 157.6% of the target number of transitional PSUs granted in February 2016 were earned. The committee made no adjustments for non-recurring charges or one-time events. The performance scale and TSR modifier for the 2016-2017 cycle at threshold, target and maximum levels was the same as for the 2017-2019 cycle shown above. The value and number of PSUs that the NEOs earned for the 2016-2017 performance period are shown in the Stock Awards columns of the Option Exercises and Stock Vested Table on page 49.

Other Features of Our Compensation Program

RETIREMENT BENEFITS AND PERQUISITES

Retirement Benefits

We do not provide special or supplemental retirement benefits to our NEOs.

Our company offers a 401(k) plan to all of its eligible U.S.-based salaried employees. The 401(k) plan includes an employer contribution ranging from 3% to 6% of a participant s base salary, based on age, and a matching contribution of 25% of a participant s contributions up to 6% of a participant s base salary. Our company also maintains a Salaried Employees Retirement Plan

which was frozen effective December 31, 2011 and no future benefit will accrue after such date. Prior to December 31, 2011, participants accrued a benefit calculated on average monthly pay based upon the highest 60 consecutive months of the latest 120 months (and subject to certain limitations) and the years of service completed.

Messrs. Kloosterboer and van der Velden participate in a pension arrangement for which all Darling Ingredients International Dutch employees in the Netherlands are eligible. The pension arrangement consists of both a defined benefit and a defined contribution

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arrangement. Participation in the pension arrangement is compulsory for all covered employees in the Netherlands. All covered employees contribute one-third to the overall pension arrangement costs as a fixed percentage of their salary. See the Pension Benefits Table included on page 50 of this proxy statement for additional details on the defined benefit portion of the arrangement.

Perquisites and Other Personal Benefits

Our company provides NEOs with minimal perquisites and other personal benefits, generally in the form of a company automobile (or related allowance) and certain club dues, all as reflected in the All Other Compensation column in the Summary Compensation Table included on page 42 of this Proxy Statement. The committee believes these benefits are reasonable and consistent with our overall executive compensation program to better enable our company to attract and retain superior employees for key positions. The committee periodically reviews the levels of perquisites and other personal benefits provided to NEOs to ensure they are reasonable and in line with market practices.

EMPLOYMENT AND SEVERANCE AGREEMENTS

Our company previously entered into an employment agreement with Mr. Stuewe, and this agreement remains in effect. Mr. Stuewe agreed to an amendment to this employment agreement in March 2015 that made two key changes for the benefit of long-term stockholders and consistent with the agreements for other NEOs:

- Elimination of an excise tax gross-up related to potential change in control parachute payments; and

- Elimination of a modified single trigger severance provision that would have allowed him to resign, without good reason, during a period following a change in control and still be entitled to severance payments.

Our company has entered into Senior Executive Termination Benefits Agreements with Messrs. Bullock, Elrod and Muse that provide for, among other things, potential payments and other benefits upon termination of employment for a variety of reasons. We entered into employment agreements with Messrs. van der Velden and Kloosterboer in connection with the VION Ingredients acquisition that include certain notice period requirements for any termination of employment. Mr. Kloosterboer s employment agreement terminated upon his retirement on October 1, 2017. Mr. Lynch also had a Senior Executive Termination Benefits Agreement that provided him severance and certain other benefits upon his separation from our company on December 14, 2017. In addition, in accordance with the terms of the underlying grant documents, the stock options issued to Mr. Lynch as part of the 2017 LTI program vested in full upon his separation from our company and he remains eligible to earn a prorated portion (up to the date of his separation) of the PSUs awarded to him as part of the 2017 LTI program, based on actual performance, as certified by the committee following the end of the performance period.

Our company has no outstanding equity award agreements that include provisions automatically accelerating vesting upon a change in control (sometimes referred to as single-trigger vesting). Instead, the award agreements provide for vesting following a change in control only if there is also an involuntary termination (either by the company without cause or by the executive for good reason) within a stated period following the change in control, provided that the awards are assumed or replaced by the acquiring company. This is often referred to as double-trigger vesting, as it requires both a change in control (the first trigger) and a subsequent involuntary termination (the second trigger).

See Employment Agreements and Potential Payments upon Termination or Change-in-Control included elsewhere in this Proxy Statement for a description of these agreements, including the severance benefits thereunder.

The committee believes that these severance arrangements are an important part of overall compensation for our NEOs and an important recruitment and retention tool as most of our competitors have implemented similar arrangements for their senior employees. Certain of these agreements include committee approved change of control provisions to provide reasonable personal protection to our senior executives in the context of an actual or potential change of control of our company. The committee views these arrangements as preventing management distraction during the critical periods prior to and immediately following a change of control.

In connection with the retirement of Mr. Kloosterboer in fiscal 2017, and in consideration for his long-time service of 36 years and substantial contributions to our company, during fiscal 2017 the committee approved the accelerated vesting of 48,605 time-vested restricted shares issued to Mr. Kloosterboer under our 2014 and 2015 LTI programs. In addition, the committee accelerated the vesting of the unvested stock options awarded to Mr. Kloosterboer under the 2014 and 2015 LTI programs, with such options to remain outstanding for a period of three years from his retirement date. Furthermore, the committee provided that Mr. Kloosterboer shall remain eligible to earn a prorated portion (up to the date of their retirement) of the PSUs awarded to him under the 2016 LTI program, based on actual performance, as certified by the committee following the end of the performance period. These actions are consistent with how other long-term, retiring employees of our company have been treated in the past. Beginning in fiscal 2017, the PSU and stock option award agreements used in our LTI program were amended to treat retirement eligible employees consistent with the foregoing actions.

STOCK OWNERSHIP AND RETENTION POLICY

Our company has stock ownership guidelines to further align the interests of our non-employee directors and NEOs with those of our stockholders. The guidelines require our NEOs and

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non-employee directors to maintain an investment in our common stock at the following levels:

Chief Executive Officer: 5 times his annual base salary;

Other NEOs: 2.5 times his or her annual base salary; and

Non-employee Directors: 5 times his or her annual cash retainer.

Each of the NEOs and non-employee directors must retain at least 75% of any shares of our common stock received in connection with 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. In determining whether the required investment levels have been met, shares will be valued using the closing price of our common stock on the later of (i) the date(s) acquired, or (ii) March 23, 2011 (the date that the stock ownership guidelines were adopted).

POLICY AGAINST HEDGING AND PLEDGING COMPANY STOCK

The company has a policy that prohibits each NEO and non-employee director from (A) 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, (iv) hedging transactions or (v) any other contractual derivative transactions, such as total return swaps and (B) holding company securities in a margin account or pledging company securities as collateral for a loan.

COMPENSATION RECOVERY (CLAWBACK)

We maintain a compensation recovery policy that goes beyond the policies currently required by law. Specifically, the policy requires each executive officer to reimburse the company for all or a portion of any annual or long-term incentive compensation paid to the executive officer based on achievement of financial results that were subsequently the subject of a restatement due to the executive s misconduct, to the extent determined by the Board of Directors. The Board of Directors may also determine to require the forfeiture of unvested awards, reduce future compensation or take other disciplinary actions (including termination of employment). The committee believes that this compensation

recovery policy enhances our governance practices by creating direct financial costs to NEOs whose misconduct leads to a material financial restatement.

In addition, as required by the Sarbanes-Oxley Act of 2002, upon restatement of our company s financial statements, the Chief Executive Officer and Chief Financial Officer would be required to reimburse us for any (i) bonuses, (ii) other incentive or equity-based compensation, and/or (iii) profits from stock sales, received in the 12-month period following the filing of financial statements that were later required to be restated due to their misconduct. Our company will also implement the incentive compensation clawback provisions mandated by the Dodd-Frank Wall

Street Reform and Consumer Protection Act of 2010 in accordance with the requirements of that Act as the method of their implementation becomes finalized by the stock exchanges.

TAX CONSIDERATIONS

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to publicly-held corporations for annual compensation over $1,000,000 paid to certain covered employees of that corporation. Prior to 2018, the Internal Revenue Code generally excluded from the $1,000,000 limitation, performance-based compensation, assuming applicable regulatory requirements were satisfied. The committee has historically used, where practical, compensation policies and programs that were designed to preserve the tax deductibility of executive compensation; however, the committee, at its sole discretion, retained authority to approve payments of nondeductible compensation if the committee determined that it was in the best interest of our company to do so.

Effective for tax years beginning after December 31, 2017, U.S. tax law changes will expand the definition of covered employees under Section 162(m) to, include among others, the Chief Financial Officer and certain former executive officers, and eliminate the performance-based compensation exception beginning in 2018, except with respect to certain grandfathered arrangements. The committee will continue to view the tax deductibility of executive compensation as one of many factors to be considered in the context of its overall compensation philosophy, and will consider the tax law changes.

COMPENSATION COMMITTEE REPORT

The compensation committee of the Board has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on that review and those discussions, the compensation committee recommends to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

THE COMPENSATION COMMITTEE

Mary R. Korby, Chairman

Charles Adair

Linda Goodspeed

Cynthia Pharr Lee

Gary W. Mize

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EXECUTIVE COMPENSATION

Summary Compensation Table

Summary Compensation Table

The following table sets forth certain information with respect to the total compensation paid or earned by each of our named executive officers for our fiscal years 2017, 2016 and 2015.

NAME AND PRINCIPAL POSITION	YEAR	SALARY	BONUS	STOCK AWARDS	OPTION AWARDS	NON-EQUITY INCENTIVE PLAN COMPEN-SATION (2)	CHANGE IN PENSION VALUE AND NONQUALIFIED DEFERRED COMPEN-SATION EARNINGS (3)	ALL OTHER COMPEN-SATION	TOTAL
Randall C. Stuewe	2017	$1,100,000		$1,980,000[(1)]	$1,319,998[(1)]	$1,928,988	$45,184	$69,407[(4)]	$6,443,577
	2016	1,000,000		1,791,163	1,200,420	976,600	21,004	65,300	5,054,487
Chairman and Chief Executive Officer	2015	1,000,000		2,253,877	1,284,595	578,701		72,091	5,189,264
John Bullock	2017	425,000		318,747[(1)]	212,499[(1)]	488,652		60,356[(5)]	1,505,254
	2016	384,500		229,567	153,855	263,399		56,503	1,087,824
Executive Vice President Specialty Ingredients and Chief Strategy Officer	2015	384,500		433,308	70,562	122,202		102,154	1,112,726
Rick A. Elrod	2017	450,000		337,502[(1)]	224,999[(1)]	515,122		34,147[(6)]	1,561,770
	2016	425,000		253,749	170,061	201,020		33,385	1,083,215

	2015	425,000	478,951	77,995	114,065		33,910	1,129,921
Executive Vice President Darling U.S. Rendering Operations								
Jan van der Velden [11]	2017	394,929	277,200[1]	184,802[1]	473,915	(19,180)	87,798[7]	1,399,464
Executive Vice President International Rendering and Specialties								
Patrick C. Lynch [12]	2017	525,000	1,687,505[1]	315,002[1]	594,440		32,660[8]	3,154,607
Former Executive Vice President Chief Financial Officer								
John O. Muse [13]	2017	525,000				80,029	96,595[9]	701,624
	2016	500,000	298,525	200,069	317,395	30,317	156,643	1,502,949
Executive Vice President Chief Administrative Officer; Former Executive Vice President Chief Financial Officer	2015	500,000	563,466	91,757	193,765		151,301	1,500,289
Dirk Kloosterboer [14]	2017	586,064	505,329[1]	292,520[1]	549,194	(71,925)	105,940[10]	1,967,122
	2016	744,507	437,218	293,018	453,598	516,011	107,953	2,552,305
	2015	745,982	964,743	157,101	323,742		124,350	2,315,918

Former Chief
Operating
Officer

1. In the case of the stock awards column, represents the aggregate full grant date fair value computed in accordance with FASB ASC Topic 718 of the PSUs (the 2017 LTIP PSUs) granted to the named executive officers on February 6, 2017 under the 2017 LTI program; provided, that in the case of Mr. Lynch, $1,215,000 of the amount shown for him represents the aggregate full grant date fair value computed in accordance with FASB ASC Topic 718 of the one-time grant of restricted stock made to Mr. Lynch in connection with his acceptance of employment with our company and in the case of Mr. Kloosterboer includes the prorated amount (from October 1, 2017) of the annual grant of restricted stock units ($66,550) given to our non-employee directors as part of their annual compensation package. In the case of the option awards column, represents the aggregate full grant date fair value computed in accordance with FASB ASC Topic 718 of the stock option award granted to the named executive officers on February 6, 2017 under the 2017 LTI program. Amounts reported for these awards may not represent the amounts that the named executive officers will actually realize from the awards. Whether, and to what extent, a named executive officer realizes value will depend on our company s actual operating performance, stock price fluctuations and the named executive officer s continued employment. See Components of Fiscal 2017 Executive Compensation Program Long-Term Incentive Compensation on page 36. In addition, see Note 13 of the consolidated financial statements in our Annual Report for the fiscal year ended December 30, 2017 regarding assumptions underlying valuation of equity awards.

2. The amounts reported in the Non-Equity Incentive Plan Compensation column reflect the amounts earned and payable to each named executive officer for fiscal 2017, 2016 and 2015, as the case may be, under the applicable annual incentive plan. For fiscal 2017, these amounts are the actual amounts earned under the awards described in the fiscal 2017 Grants of Plan-Based Awards table on page 44. For fiscal 2017, payments under the annual incentive plan were calculated as described in Components of Fiscal 2017 Executive Compensation Program Annual Incentive Compensation on page 33. In accordance with the terms of his Senior Executive Termination Benefits Agreement with our company, the amount of Mr. Lynch s award payout was prorated based on his last day of employment with our company (December 14, 2017). The amount of Mr. Kloosterboer s award payout was also prorated based on his last day of employment with our company (September 30, 2017).

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