



Confidential

Ocean Freight Surcharge Schedule

1. Definitions

"Contract" means any contract agreed between the Buyer and the Seller for the supply of Products, including, without limitation: call-off or fixed term contracts; one-off orders; the Seller's standard terms and conditions and any of the Seller's other standard documents; the Pricing Confirmation Letter; relevant Product Pricing Schedule and attachments, including this Schedule; "Delivery Date" is defined in Clause 4 below.

"Products" means the goods agreed to be supplied by the Seller;

"Price" or "Pricing" means the price of the Products as set out in the Contract or otherwise agreed in writing, save as amended by the clauses in this Schedule or the Pricing Confirmation Letter; "Pricing Schedule" means the relevant Product Pricing Schedule, or other pricing agreement, pricing schedule or other agreed document (whether in writing or electronic form), which details the Price;

"Seller" or "Supplier" means Ingredion UK Limited, Ingredion Germany GmbH, Ingredion South Africa (Pty) Limited or Ingredion Holding LLC-Kenya Branch, as applicable.

2. Ocean Freight Surcharge

- 2.1. The Seller applies additional freight costs for various Products which are imported from the Asia Pacific Region or the Americas ("Ocean Freight Surcharge"). If the separate Ocean Freight Surcharge applies to Products, this is indicated on the Product Pricing Schedule, as updated from time to time ("OFS Products").
- 2.2. The Ocean Freight Surcharge is shown as a separate line item on the Product invoice or will be invoiced separately. The Buyer shall pay the Ocean Freight Surcharge. This overrides any contrary statement in any agreed INCOTERMs which apply to the sale and purchase.
- 2.3. The Products to which the Ocean Freight Surcharge applies, can be updated by the Seller – that is Products can be re-designated by the Seller as OFS Products, and therefore the Ocean Freight Surcharge will apply to those Products.
- 2.4. The Ocean Freight Surcharge can be amended by the Seller, in accordance with this Schedule and the Pricing Confirmation Letter.

3. Calculation of the Ocean Freight Surcharge

- 3.1. The Ocean Freight Surcharge is based on the Seller's assessment of the average costs of ocean freight transportation, relevant to the importation of the OFS Product (or the importation of the component product used to manufacture the OFS Products) into the EMEA Region from the Asia Pacific Region (for example Thailand) or from the Americas (that is, North America, Central America, South America or Canada). Since the Products are manufactured in different facilities in each export Region, the Seller selects a representative shipping route for the purposes of calculating the average costs (for example Shanghai to Rotterdam for Europe imports; New York to Rotterdam for USA imports).
- 3.2. The Seller adjusts this cost according to an appropriate public index, to determine the Ocean Freight Surcharge for each OFS Product. The indices for the respective routes can be found at: <https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry>.

4. Changes to the Ocean Freight Surcharge and/or OFS Products

- 4.1. The Ocean Freight Surcharge can be changed by the Seller. The Ocean Freight Surcharge is reviewed and may be amended, by the Seller in the last month of each Quarter. The revised Ocean Freight Surcharge shall apply to deliveries of the OFS Products from the beginning of the following Quarter.
- 4.2. For the purposes of this Schedule: "Quarter 1" means 1 January – 31 March; "Quarter 2" means 1 April – 30 June; "Quarter 3" means 1 July - 30 September; "Quarter 4" means 1 October - 31 December; and "Quarter" means any of the above as the context may require.
- 4.3. The Seller will review and decide on the amended Ocean Freight Surcharge, between the 15th and 25th day of the final month of each Quarter (therefore between the 15th and 25th day of March, June, September and December, respectively).



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- 4.4. Due to the ongoing high costs of ocean sea freight, the Ocean Freight Surcharge will come into effect from 1st November 2021 and shall apply until further notice from the Seller. The Seller will send a notification to the Buyer, between 15th and 25th October 2021, giving details of the Ocean Freight Surcharge which will be applied for deliveries on designated OFS Products, between 1st November – 31st December 2021.**

The Seller will review the Ocean Freight Surcharge again, between the 15th and 22nd day of December 2021, and notify the Buyer, before the end of December, of any updates to pricing or OFS Products. From 1st January 2022 the Ocean Freight Surcharge will follow the Quarterly update process, referred to in this Schedule.

- 4.5. Save as referred to in Clause 4.4 above (regarding the implementation of the Ocean Freight Surcharge), the Seller shall notify the Buyer of the revised Ocean Freight Surcharges, before the end of each Quarter, through the re-issue the updated Product Pricing Schedule, and/or other written communication. Any decimal place pricing change on the OFS Product costs, will be rounded up if 0.5 or more, and down if less than 0.5. The revised Ocean Freight Surcharges shall be payable by the Buyer.
- 4.6. Save as referred to in Clause 4.4 above, the Seller shall notify the Buyer on not less than 4 weeks' notice before the end of each Quarter, if any additional Products will also be subject to the Ocean Freight Surcharge. The Seller will re-issue the updated Product Pricing Schedule showing the updated OFS Products where the Ocean Freight Surcharge will apply, and shall be payable by the Buyer.
- 4.7. Although a specific Ocean Freight Surcharge may be (i) quoted by the Seller at the time of acceptance of the order, and/or (ii) included in any Pricing Schedule; and/or (ii) included in any Annual Contract Volume agreement, **the Ocean Freight Surcharge which will be charged, and which is payable by the Buyer, is the Seller's Ocean Freight Surcharge applicable on the 'Delivery Date' of the relevant OFS Product.** For these purposes "Delivery Date" will generally mean the date of invoice and goods dispatch (from the Seller or third party on its behalf) for the relevant OFS Products. If the date of the invoice and the date of goods dispatch, are different, and this would result in different Ocean Freight Surcharge, the Seller will decide the appropriate Ocean Freight Surcharge payable by the Buyer, in the circumstances. **The Buyer cannot cancel, change or reject any accepted order/delivery, because of any change in Ocean Freight Surcharge and/or in the status of Products to OFS Products.** If the Buyer sends 'bulk' purchase orders, in advance, the Ocean Freight Surcharge applicable, is the surcharge at the relevant *Delivery Date*.
- 4.8. The Ocean Freight Surcharge will remain in place for the foreseeable future.
5. Ocean Freight Surcharge Prevails
- 5.1. For all Products imported from Asia Pacific Region or the Americas, the pricing is only valid for three months (for example, a Quarter). This pricing is subject to general review and amendment (eg each Quarter), unless otherwise expressly agreed in writing. In addition, this pricing always subject to the application of the Ocean Freight Surcharge to designated OFS Products, and the change in the status of Products to OFS Products, as referred to in this Schedule.
- 5.2. Changes to Ocean Freight Surcharges can be applied by the Seller to amend any Annual Contract Volume agreements. This includes changes to Ocean Freight Surcharge applicable to Products already identified as OFS Products, and/or the re-classification of Products as OFS Products. These amendments do not entitle the Buyer to (i) terminate the Annual Contract Volume agreement (in whole or in part); or (ii) cancel, change or reject any orders or deliveries.
- 5.3. The Ocean Freight Surcharge also applies (i) if the Buyer purchases OFS Products 'Ex-Works' (for example EXW Hamburg, EXW Liverpool, EXW Goole etc) if those OFS Products (or any component product used to manufacture those OFS Products) has been imported from the Asia Pacific Region or the Americas; (ii) in respect of any OFS Product (or any component product used to manufacture those OFS Products) which was originally imported from the APAC Region or the Americas, but which is subsequently delivered (eg 'shipped') to a Buyer based outside of Europe.
6. The Ocean Freight Surcharge clauses apply where the Seller is Ingredion UK, Ingredion Germany or Ingredion South Africa or Ingredion Kenya. The Ocean Freight Surcharge clauses are conditions which form part of the Contract to supply and shall apply, and take precedence, over any conflicting provisions in any supply arrangements between the Seller and the Buyer. The Ocean Freight Surcharge is part of the Price for the OFS Products. Notification of any changes to the Ocean Freight Surcharge and/or the Products to which the Ocean Freight Surcharge applies, will sent to the Seller's usual contact at the Buyer.

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