

# All Life 2019 Sustainability Report

# Looking to a More Sustainable Future

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# To Our Customers, Shareholders, Employees and Neighbors:



s we publish Ingredion's ninth annual Sustainability Report, it is a time to reflect on the 50th anniversary of Earth Day, which will be celebrated around the globe. As a leading food ingredients company, Ingredion is increasingly focusing its energies and efforts on new ways to operate and innovate aligned with Earth Day's purpose of protecting the environment. As we grow our business globally, I am pleased that our sustainability results continue to drive environmental improvement within our communities for our customers, employees, suppliers and shareholders. During 2019, Ingredion's global Sustainability Council continued its historically collaborative outreach, consulting with customers, suppliers, NGOs and industry experts. As a result, we are working to further align our efforts with the United Nations Sustainable Development Goals (SDGs). We have made significant progress toward realizing our vision across principal areas of social and environmental impact, but we know more work must be done together with stakeholders inside and outside Ingredion.

The All Life sustainability plan sets out our bold ambition to drive meaningful change on social and environmental issues. Consumers today are looking for food and beverages made with real ingredients that are familiar, trusted and authentic. In support of this strong and growing consumer preference, **we are excited to share our bold commitment to sustainably source 100 percent of our corn, tapioca, potato, pulses and stevia by 2025**. These priority crops make up approximately 99 percent of our global crop purchases.

We are excited to also unveil Ingredion's 2030 sustainability goals, which support our vision for delivering sustainable growth within our purpose-led organizational framework. As we issue this report, economies and consumers around the world are impacted by the COVID-19 pandemic. Ingredion has always been a company that embraces its "Care First" value by making our employees' health and well-being our number-one priority. We are navigating this unprecedented situation with that same focus, while supporting our customers by ensuring the safety and integrity of the products we supply and ensuring the continuity of our operations. We believe the aftermath of the pandemic will continue to demonstrate the need for governments and businesses to work together to find ways to protect the fragile balance between humanity and the environment. Ingredion stands ready to play an important role in the solution.

This past year, we were once again encouraged to see our efforts acknowledged by third parties. For the 11th consecutive year Ingredion was recognized as one of the World's Most Admired Companies by *Fortune* magazine. We are also proud to be included in Bloomberg's Gender-Equality Index for the third consecutive year. For the seventh consecutive year Ingredion was named one of the World's Most Ethical Companies by Ethisphere. Throughout 2019, we continued to focus on themes of health and education and proudly entered our eighth year of collaboration with The Global FoodBanking Network.

Finally, as you read through our 2019 report, I hope you will see that sustainability is not just representative of our principles and values, it is a seamlessly integrated part of our business strategy. Our teams of dedicated employees are passionate about driving performance while improving our environment and are committed to making a difference in our communities and ensuring that we operate safely. I hope you are as excited as I am about our new ambitious sourcing priorities and our bold 2030 sustainability strategy. In closing, I want to thank our employees for living our values every day and for making a positive difference for our customers, shareholders and communities around the world as we work together to "Make Life Better."

Sincerely,

imos P. Zalli

James P. Zallie President and Chief Executive Officer April 22, 2020

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Category		2030 Goal	<b>UN SDG Alignment</b>	
Everyday Life	People & Product Safety	Build a productive culture where the safety of our people and products, as well as the long-term health of our employees and supply chain partners, is a priority	3 GOOD HEALTH AND WELLBEING AND WELLBEING AN	
	Human Rights	Advance respect for human rights in our operations and demonstrate 100% transparency across our global supply chain	8 DECENT WORK AND ECONOMIC GROWTH	
	Diversity, Equality, Inclusion (DEI) + Belonging	Have fully established a culture of belonging where every employee is able to bring their full self to work	5 EQUALITY	
	Innovation	Drive sustainable innovation in all new product launches by aligning with at least one of the UN Sustainable Development Goals (SDGs), contributing to society and customers meeting their sustainability goals	3 GOOD HEALTH AND WELLBEING 	
Planet Life	Environmental Impact	Protect and renew the planet's resources by enacting science-based targets and other conservation measures as catalysts to drive continuous innovation	6 CLEAR WHITE AND SAMUTATION 13 CLIMATE 413 ACTION	
	Biodiversity Protection	Implement programs in our crop sourcing areas to protect biodiversity or deliver a net positive impact	15 URE AND	
<b>Connected Life</b>	Sustainable & Regenerative Agriculture	Make life better for growers, mitigate supply chain risks and help drive food security by sustainably sourcing 100% of primary crops	11 SUSTAINABLE CITES AND PODDUCTION AND PRODUCTION AND PROD	
	Food Security	Improve food security within our value chain by catalyzing food waste reduction, minimizing crop losses at the farm level and enhancing product offerings that support food security objectives of the UN SDGs	2 HARGER	
	Community Impact	Make life better for more than 1 million people in the communities where we operate	2 HANGER SSSS 4 EDUCATION 17 FOR THE GOALS SSSS 17 FOR THE GOALS	

#### The United Nations Sustainable Development Goals (SDGs)

The 2030 Agenda for Sustainable Development was adopted by all United Nations Member States in 2015 and provides a shared blueprint for peace and prosperity for people and the planet, now and in the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries in global partnership. For more information on the UN SDGs, please visit https://sustainabledevelopment.un.org



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# MATERIALITY MATRIX



# RELEVANCE TO STAKEHOLDERS



#### Ingredion Sustainability Materiality Matrix

While we continue to incorporate our stakeholders' sustainability drivers into our efforts, we are increasingly looking at external standards to enhance how we communicate about our program. We continue to look at the Sustainability Accounting Standards Board (SASB) Materiality Map, as well as programs like the Task Force on Climate-related Financial Disclosures (TCFD). "We continue to look for opportunities to incorporate relevant inputs and further refine our sustainability materiality matrix," indicates Brian Nash, Vice President of Sustainability.

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# **AWARDS & RECOGNITION**

# **Ethisphere World's Most Ethical Companies**

(7 consecutive years)

# Fortune World's **Most Admired Companies**

(11 consecutive years)

# **RideWise 2019 Platinum Smart** Workplace Award

Our Innovation center in Bridgewater, New Jersey, received this award for providing employee commuting options and efforts to reduce the company's environmental impact.

# **Ethics and Values Industry Award**

Ingredion Mexico won the Award for Ethics and Values in the Industry in the Multinational Companies category from CONCAMIN, which continues to be a benchmark for corporate social responsibility.

# **Bloomberg Gender-Equality** Index

(3 consecutive years)

# **"Advanced Safety Unit**"Award

Ingredion's Shandong, China, site was recognized by the Pingyuan County government with its "Advanced Safety Unit" award for exceptional safety performance.

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Thank you for your interest in Ingredion's sustainability program. I am extremely pleased with the continued progress we made in 2019, and I am excited about where we are heading with sustainability in the future.



I am proud to be unveiling in this report Ingredion's new All Life plan. This is our new 2030 sustainability strategy, and it outlines the approach we will be taking as an organization to live our company purpose to make life better.

Some highlights you will see in our new All Life program are better alignment with the UN Sustainable Development Goals (SDGs), science- and

context-based environmental targets, a commitment to increased transparency across our supply chain and increased commitments that build upon our great foundation in sustainable agriculture. Our All Life plan has been designed to better align us with the increasing expectations of our customers and consumers, and ensure that Ingredion continues to do our part to deliver on a more sustainable world through 2030 and beyond.

As you read through the new goals and milestones that shape our 2030 All Life strategy, I want to signal to you that we have not fully defined how we will get to these targets. We are firmly committed to reaching for higher aspirations and will continue to refine our roadmap as we go forward. We do know that, as with achieving the SDGs, our success will rely heavily on collaboration. We will be looking for our customers, suppliers and other organizations with sustainability expertise to engage with us on this journey. I am extremely excited about the possibilities these collaborations will bring.

Across everyday life, across industries, across the planet, you'll find Ingredion.

Our choices impact the well-being of our employees and our extended community of suppliers and distributors, and of food manufacturers and the consumers who buy their products.

What we do affects lives everywhere, so it is fitting that we focus our sustainability initiatives on practices that have a positive impact on our planet as a whole.

This is innovation for **All Life**.

Sincerely,

# **Larry Fernandes** Senior Vice President, Chief Commercial and Sustainability Officer April 22, 2020 Everyday We prioritize the well-being of our

# Planet l ife

We are committed to protecting and renewing the planet's

# Connected

We strive to improve the lives of our growers and our communities.

# **All Life**

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# Everyday



- People and Product Safety
- Human Rights
- DEI + Belonging
- Innovation

We prioritize the well-being of our employees, customers and suppliers.

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# **People and Product Safety**

Safety is of the utmost importance to Ingredion. This includes the safety of our employees, contractors and communities, as well as the safety of our ingredients and the products they go into. We have a tremendous culture of safety already, but we strive to be better as we continue our journey toward zero injuries. To that end, we have set the following 2030 goal and milestones:

# 2030 GOAL

Build a productive culture where the safety of our people and products, as well as the long-term health of our employees and supply chain partners, is a priority.

- Achieve an employee and contractor Total Recordable Incidence Rate of 0.18 by the end of 2025;
- Establish programs to enhance health and well-being in each major area of operation by the end of 2025;
- Increase the average hours of training per employee by 50% by the end of 2027;
- Achieve an employee and contractor TRIR of 0.15 by the end of 2030; and
- Further enhance our processes to achieve zero significant food safety-related incidents reaching consumers by the end of 2030.



# **Safety Performance**

Ingredion was on track to achieve improved year-over-year safety performance in 2019; however, three injuries that occurred late in the year in our Mexico operations caused us to record a slightly higher Total Recordable Incidence Rate than in 2018. We also regret to share that as a result of this incident Ingredion recorded its first employee fatality in more than five years. We have identified the root causes of these injuries, worked to implement corrective actions and shared the associated learning across our organization in an effort to prevent a future recurrence.

# 2020 Program Goal:

Achieve a Total Recordable Incidence Rate of **0.20** by the end of 2020

**Target: 0.20** 

2019 Actual: 0.27



contractors		
	Year	TRIR
	'10	1.01
	'11	0.61
	'12	0.42
	'13	0.54
	'14	0.41
	'15	0.30
	'16	0.31
	'17	0.13
	'18	0.23

**TRIR Performance Chart\*** 

\* New acquisitions are incorporated into safety statistics after the first full calendar year with the company. 2018 results for employees do not include acquisitions of Sun Flour and Huanong

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0.26

# **Safety Opportunities**

Analysis of both incident and leading indicator data, which are standardized across our business, is conducted as part of our routine management review process. Since 2013, we have made a significant improvement in hand injuries, reducing them by 60 percent. In 2019, we maintained and complemented our progress with a specific "Line of Fire" campaign. "Near-miss" and observation reporting, as well as the results of our internal audit processes, has indicated that moving vehicle risks still exist within our facilities. Specific assessments at each site are being conducted in 2020 to refresh our 2013 campaign on this issue.



# Annual Safety Poster Contest

Ingredion again held our annual safety poster design contest, which is a fun way to engage our employees in thinking about safety, while creating a visual reminder on the importance of safety to our operations that can be used in our facilities around the world. The winning entry was received from an employee at our Baranquilla, Colombia facility, and was chosen by the executive leadership team out of the 65 entries submitted from Ingredion locations around the globe.





# INFOCUS

#### Singapore Environmental, Health and Safety Day

The employees of Ingredion's Asia-Pacific headquarters office in Singapore participated in a series of educational and fun events during their Environmental, Health, Safety and Security (EHS&S) Day on September 13. The day started out with a focus on the importance of maintaining high levels of safety in Asia-Pacific, and then progressed to discuss environmental topics. Employees were later challenged to show their creativity in a reusable bag design contest, which was a fun way to highlight additional means to reduce waste in our lives. Our employees really get excited for the safety poster contest each year. They hold activities like local competitions to see which entries will be submitted, but more important they increase the safety dialogue that we try to promote in our day-to-day operations.

> David Carr, Senior Director of Health, Safety and Security



Valdirene Bastos-Licht, President, Asia Pacific (left), and Bob Compier, Vice President, Operations Asia Pacific (center), join some of the winning participants in the reusable shopping bag design competition. 200.5 Average number of EHS training hours per employee in 2019

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#### **Product Safety**

2020 Program Goal:

**100%** of manufacturing sites are GFSI certified by the end of 2016.

**Target: 100%** 

2019 Actual: 97%

### 2020 Program Goal:

**100%** of microbiological labs are ISO 17025 certified for pathogen testing by the end of 2017.

**Target: 100%** 

2019 Actual: 82%

In 2019, we progressed our efforts to continually improve product and food safety. We have maintained our focus on sites being certified to the Global Food Safety Initiative (GFSI). Last year we reported 100 percent of our sites were GFSI certified. In 2019, 97 percent were GFSI certified while a site that was part of an acquisition awaits certification. Our intention is to complete that work in 2020.

We continue to make progress toward the certification of our internal microbiological labs to ISO 17025 standards for pathogen testing. Certain laboratories in our South America region continue to progress toward certification in 2020.



# Enhancing Quality and Food Safety in 2019

In 2019, we continued to enhance the quality and food safety processes that are critical to our operations, so that we can continue to meet and exceed the expectations of our customers and their consumers. This year we successfully integrated Western Polymer, our newest acquisition, into the Ingredion Quality and Food Safety systems. We also are pleased to report that we launched a new Root Cause Analysis tool in conjunction with our global Continuous Improvement team.

We also used 2019 to prepare for the new Food Safety System Certification (FSSC) 22000 v5 standard. Version 5 marks the first revision to FSSC 22000 in nearly 14 years. It has been designed to provide better alignment with country food safety regulations, such as the US Food Safety Modernization Act, as well as Safe Foods for Canadians Regulations. Ingredion sites are scheduled to begin audits to the new standard starting in January 2020.



Food and product safety continues

to be of critical importance to Ingredion, our customers and the end consumer. To that end, we strive to continually improve our programs and processes to deliver industry-leading performance.

> Norm Lacourse Vice President, Quality and Regulatory, Corporate and North America

# **New Animal Testing Policy**

In 2019, Ingredion created a new Animal Testing and Welfare Policy, outlining our approach toward the limited amount of animal testing we conduct on select products. Our policy commits us to the prohibition of funding, conducting and commissioning of all animal testing unless it is explicitly required by law or regulation applicable to our business.

Ingredion worked with PETA—People for the Ethical Treatment of Animals—in the development of this policy, and we are proud to align our operations with the expectations of our customers and other stakeholders. A copy of our Animal Testing and Welfare Policy can be found on our website.

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# Human Rights

The protection of human rights in our operations and our supply chain is of the utmost importance to Ingredion. We recognize the right of our employees and those with whom we do business to be treated with dignity and respect, and in accordance with applicable laws. We will not tolerate the exploitation of children or the use of forced labor or human trafficking, and we are committed to enhancing transparency across our supply chain. To that end, we have set the following goal and milestones:

# 2030 GOAL

Advance respect for human rights in our operations and demonstrate 100% transparency across our global supply chain.

# **MILESTONES**

- Implement the ISO 26000 social responsibility guidance by the end of 2023;
- Assess the human rights protection practices across 100% of our agricultural supply chain for Tier 1 priority crops by the end of 2024;
- Audit 100% of suppliers meeting high-risk criteria for human rights by the end of 2027; and
- Validate human rights protection across Ingredion's operations and supply chain by the end of 2030.

# Human Rights Program Performance

# 2020 Program Goal:

**100%** of manufacturing sites have SMETA audits by the end of 2016.

Target: 100%

2019 Actual: 95%

# 2020 Program Goal:

**100%** of key suppliers are registered in Sedex and have SMETA audits by the end of 2017.

Target: 100%

2019 Actual: 75%

Ingredion continues to utilize the Supplier Ethical Data Exchange (Sedex) as our primary means to share supply chain data with our customers and suppliers. This system has enabled us to increase transparency, not only of our own operations, but also by linking our suppliers with customers where requested. We continue to use the Sedex Member Ethical Trade Audit (SMETA) as the primary method by which to assess our operations, as well as those of our suppliers, with regards to human rights. In 2019, we saw an increase in the number of customers seeking connectivity through Sedex and evaluation through SMETA. Ingredion is now linked to more than 120 customers in Sedex, and we have additional customers with whom we share the results of our audits outside of Sedex.

# **Key SMETA Audit Findings**

Ingredion continues to use the Sedex Member Ethical Trade Audit (SMETA) as a means to assess our operations and communicate the results with our customers. We audit our manufacturing facilities at least once every three years and continue to look for opportunities to address recommendations from these audits. In 2019, the most common findings in our audits are listed in the following table:

Common SMETA Finding	Response	
Employees working more than 60 hours in a work week	Ingredion's practice is to follow local labor law requirements on weekly working hours; however, we continue to look for opportunities to minimize occurrences. Many instances of work exceeding 60 hours are due to exceptional work circum- stances, such as absenteeism, vacations and demand increases in production. In some location, we have explored increasing job cross-training to have a broader pool of employees to offer overtime work.	
Employees working more than 7 days in a row without a day off	Ingredion's practice is to follow local labor law requirements for days off; however, we continue to look for opportunities to minimize instances where excesses occur.	
Fire evacuation drills not conducted on all shifts of operation	Ingredion's Environmental, Health and Safety (EHS) Management System includes a requirement to conduct evacuation drills on all shifts, and this finding is evaluated as part of our routine internal EHS audits.	

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# **Migrant Workers in Thailand**

In 2019, a concern was raised over migrant workers' activities on behalf of a service provider at our Rayong, Thailand, facility. As a result, we performed an investigation into the work practices related to this service provider and found the following:

- Sixteen migrant workers are supplied to our Rayong facility via a service provider. All of these workers have work permits or "pink cards" to work in Thailand;
- These workers are paid more than the minimum wage required by law, and if they work more than eight hours, overtime is paid in accordance with applicable law;
- These workers receive public holidays, annual leave, rest days and sick leave at levels that meet or exceed applicable law; and
- The workers have the appropriate social security card, pink card or passport required to receive medical attention, and additionally they may receive first aid care during working hours at the Rayong facility.



To drive continuous improvement, the management team in Thailand created a Thai Supplier Code of Conduct, which was rolled out through training to our suppliers in November. Seventy percent of suppliers participated in the initial training in the first week. The goal of this effort is to make certain suppliers are informed of the human rights expectations of Ingredion, and to open a dialogue to support our suppliers in meeting those expectations.

> of suppliers were **represented in initial training** for compliance with the Thai Code of Conduct.

# **Ingredion Peru Recognized for Good Labor Practices**

On June 5, Ingredion's Lima, Peru, facility was certified for its good labor practices by the Association of Good Employers (ABE), an institution that is part of the American Chamber of Commerce of Peru (AMCHAM). Every two

years, AMCHAM recognizes good corporate practices in companies from different industries. Ingredion was certified at a special event that brought together representatives from more than 100 large companies in the insurance, financial, food, agribusiness, mining and other industries.



#### **Indigenous Populations**

While Ingredion's operations do not regularly intersect with indigenous populations, we are aware of the increasing threat to indigenous peoples around the world. Additionally, there is a growing interest from our customers to make certain that their supply chains are not negatively impacting indigenous peoples. Ingredion supports the United Nations Declaration on Rights of Indigenous People, which was adopted in 2007, and we are committed to not impacting the land use rights of indigenous populations without their free, prior and informed consent and without offering adequate compensation. As a company, we have put into place a Social Accountability Management System that sets forth protocol on how we will manage any interaction with indigenous peoples.

We diligently work to evaluate our operations against leading human rights, safety and other criteria to offer good employment that is respectful of our employees. It is really rewarding when we see these efforts externally recognized.

> Brian Nash, Vice President of Sustainability for Ingredion

#### **Conflict Minerals Statement**

We periodically receive inquiries from our stakeholders on our use of conflict minerals. The four most commonly mined conflict minerals are tin, tungsten, titanium and gold—referred to as 3TG for their initials. The Conflict Mineral Reporting Template (CMRT) encourages companies to disclose where any 3TG are used in their products or production processes. Ingredion makes ingredients from nature-based materials such as corn, tapioca and other crops and does not use any 3TG minerals as raw materials or in our production processes.

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# Diversity, Equity, Inclusion (DEI) + Belonging

We are committed to creating a culture of inclusion and belonging where diversity is celebrated and leveraged to cultivate innovation and add value to our business. We continuously strive to strengthen the diversity of our teams because it not only helps us create a positive employee experience, but also achieves stronger and better business outcomes. We believe that developing a diverse and inclusive business makes us and society stronger, energizes our growth through customer engagement and helps us attract and retain talent. To that end we have set the following goal and milestones:

# 2030 GOAL

Have fully established a culture of belonging where every employee is able to bring their full self to work.

# MILESTONES

- Achieve 100% on the Human Rights Campaign Foundation's Corporate Equality Index as an employer of choice for LGBTQ+ employees by the end of 2022;
- Reach industry benchmarks on inclusion and belonging indicators on our employee engagement survey by the end of 2022;
- Minimize bias and maximize equity in our hiring and promotional practices by the end of 2022; and
- Improve the representation of women in management with a goal of gender balance by the end of 2025.

# 2019 Improvement in Diversity, Equity and Inclusion

As our inclusion in the Bloomberg Gender-Equality Index shows, Ingredion has continued its focus on creating a workplace where everyone feels a sense of belonging. Notable accomplishments from 2019 include:

- We launched an overarching core purpose statement creating a deeper connection with our employees, consumers, and communities, and to truly make life better for all;
- Introduced new family friendly policies globally including parental leave along with flexible workplace options that recognizes the needs of our employees as they manage work life integration;
- Completed a pay equity study;
- We refreshed and contemporized our company values to define shifts in mindsets and behaviors needed to win in a competitive marketplace and strengthen the employee experience;
- Completed a DEI maturity assessment to redefine our strategy, define target actions to accelerate impact and added a focus on sustainability and community partnerships;
- Revitalized our Global DEI Council and team infrastructure to better achieve our aspirations; and
- Increased Business Resource Groups by 250% from 2018 to 2019 to further enhance representation and inclusion of all our employees.

We remain focused on developing, nurturing and championing the best female talent in the world—groundbreaking women who are transforming the food and ingredient



solutions industry today and well into the future. We believe by caring for women in the global communities in which we live and work, we will continue to fuel innovation in our company and our industry.

> Elizabeth Adefioye Senior Vice President, Chief Human Resources Officer

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### **Business Resource Groups (BRG) at Ingredion**

At Ingredion, we leverage the diverse experience and skills of our Business Resource Groups (BRGs) to help inform our business strategy. Our BRGs are integral in creating a culture of inclusion and belonging and a workplace that supports and leverages diversity of background, thought and perspective to drive success in our ever-changing world.

We have implemented BRGs across our global operations. These BRGs play an essential role in connecting employees across regions and providing them with opportunities to enhance cultural awareness and enable collaboration. The resource groups provide employees with leadership development, as well as networking opportunities with leaders at all levels of the organization. Currently we have five global BRGs:

- A.BL.E—Ingredion's Alliance of Black Employees
- WIN—Women of Ingredion Network
- PRIDE at Ingredion—a network for LGBTQ+ employees and allies
- INSPIRE—Ingredion's Network for Supporting Intercultural Relations and Exchange; and
- NExT—Ingredion's Network of Early Talent

Our BRGs' mission and goals are aligned with Ingredion's Fit4Growth strategy. A key accountability in the work they do is to provide insights on global market trends to drive innovation and customer-focused product development. Each BRG is committed to forging relationships and driving positive social impact within our local communities. As we look to add or expand existing BRGs to Ingredion's locations across the globe, we expect that our connection to people, customers and communities will continue to grow.











### **Bloomberg Gender-Equality Index**

Ingredion was pleased to announce that it is one of 325 companies across 50 industries included in the Bloomberg Gender-Equality Index (GEI). Ingredion has now been named to the GEI for three consecutive years (2018–2020).

The GEI highlights companies that have made strong commitments to gender equality through self-reported internal company statistics, employee policies, external community support and engagement, and gender-conscious product and service offerings.

> 250% increase in Business Resource Groups from 2018 to 2019

### **Progressing Leadership Through BRGs**

We believe that diversity, equity and inclusion are key to building the strong leadership needed to grow our company into the future. We continue to ensure our BRG leaders are provided with opportunities to enhance leadership skills in a way that is inclusive of all our employees.



Members of Ingredion's WIN and ABLE BRGs conduct the company's 2019 Leadership Conference.

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# Innovation

At heart, we are an innovation company. The drive to innovate boldly is in our DNA and permeates how we operate as a business. As a plant-based ingredients company, we know we are poised to help our customers with the increasing demand to create sustainable products that provide consumers with an exceptional experience. We know that working together with our customers and supply chain partners is the best way to achieve a sustainable future. To that end, we have set the following goal and milestones:

# 2030 GOAL

Drive sustainable innovation in all new product launches by aligning with at least one of the UN Sustainable Development Goals (SDGs), contributing to society and customers meeting their sustainability goals.

# **MILESTONES**

- Develop and deploy a mechanism to allow for efficient product screening against our assessment criteria by the end of 2021;
- Engage in three circular economy projects within our supply chain by the end of 2025;
- Have 40% of all new products aligned with the UN SDGs by the end of 2025; and
- Have 75% of all new products aligned with the UN SDGs by the end of 2027.

# **Driving Sustainable Innovation**

# 2020 Program Goal:

**100%** of new innovation platforms assessed for sustainability considerations by the end of 2018.

Target: 100%

2019 Actual: 100%

When Ingredion launched our Company of Choice for a Sustainable Tomorrow plan in 2015, we wanted to incorporate sustainability into our new product development process. To do so, we created a Sustainability Scorecard, which measures the sustainability performance of a new product across multiple categories. These categories were well aligned with the sustainability interests of our customers at that time. The tool has been very effective at introducing various aspects of sustainability into discussions around our innovation process.

Going forward, we are looking to enhance this process by aligning our new product development with the UN Sustainable Development Goals (SDGs). We believe that this will better align with our customers' needs, and ultimately the needs of society.

# Ingredion Wins Ringier Technology Innovation Award

On June 20, Ingredion China received a Ringier Technology Innovation Award 2019 for its beauty and home care product FARMAL® MS 6135 multifunctional polymer. The product received the award in the Sensory Enhancer category. FARMAL MS 6135 multifunctional polymer is an aluminum-free, non-GMO starch that offers excellent oil absorption in leave-on cosmetic products. It reduces greasiness and leaves a soft, dry, velvety feel and matte finish with less whitening due to its better oil absorption, especially on sun-care formulations.

Customers continue to seek product reformulations using nature-based ingredients that provide the same or better product performance. "Our goal is to provide innovation that delivers superior performance, while also supporting the sustainability goals of our customers," said Manish Shah, Vice President of Global Research and Development.



Employees from Ingredion China accept the Ringier Technology Innovation Award 2019 for FARMAL® MS 6135 multifunctional polymer.

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# Ingredion's Partnership with a Food Business Incubator

In January 2018, Ingredion announced a partnership with The Hatchery Chicago, a nonprofit food business incubator. The partnership is part of Ingredion's Emerging Business initiative launched to help food and beverage companies turn innovation ideas into on-trend and scalable products.

This partnership connects local food and beverage start-ups, while helping to empower entrepreneurs with Ingredion's customer-centric ingredients solutions, deep food and beverage product development expertise, market insights, and e-commerce platform.

Throughout 2019, Ingredion worked with The Hatchery Chicago to offer classes, webinars and mentorship. One example was an on-site class designed to share insights with entrepreneurs on clean label and sustainability trends.

> 63% of global consumers are selecting plant-based food and beverages to promote long-term health

> > Source: HealthFocus International 2019

#### Launch of New Organic Pea Protein Isolate

In 2019, Ingredion announced the launch of a new certified-organic addition to its line of plant-based proteins, VITESSENCE® Pulse 1803 organic pea protein isolate. The isolate provides key formulation functionality while helping our customers create in-demand, high-protein products that support consumer-desired claims. With studies showing 63 percent of global consumers selecting plant-based food and beverages to promote long-term health, Ingredion is positioning itself with products that help meet the growing plant protein ingredient demand.



#### **Innovation Focuses on Co-Creation**

Ingredion continues to enhance our capabilities around Customer Co-Creation, using design thinking on rapid prototype development and moving from ideation to getting products on the shelf. Where traditional research and product development can take more than a year to get to the product production phase, Ingredion's Co-Creation model looks to reduce that time frame to as little as 90 days.

An example of our focus can been seen through Ingredion's team in Mexico, who participated in the 12th Food Technology Summit in Mexico City in late September. Their exhibit at the summit was designed to engage food-industry visitors in an atmosphere of co-creation. Themed "Experiencias a la Carta," the exhibit put the focus on meeting the needs of consumers who are seeking healthier options without putting aside enjoyment of texture or indulgence in sweet foods. Ingredion invited industry representatives to co-create delicious consumer products with the message that Ingredion's team of experts would support them

throughout the conceptualization and formula processes with timely responses to challenges, helping them to transform ideas into tangible realities.



An increasing number

of our customers are looking to innovate faster. They want to continue to provide new or enhanced products that meet consumer demand, which often includes a preference toward developing sustainable product offerings.

> Greg Aloi, Vice President of Customer Co-Creation and Open Innovation

#### **Ingredion Opens Allulose Plant**

In November 2019, Ingredion is pleased to have opened its first allulose production plant in San Juan del Rio, Mexico, where we will manufacture the sweetener ASTREA® Allulose. This work is being done in collaboration with Matsutani, which is licensing certain allulose-related intellectual property to Ingredion. ASTREA Allulose will enable food and beverage manufacturers to reduce calories from sucrose and other caloric sweeteners in a wide range of products. Allulose is an important product addition to our Sugar Reduction growth platform, supporting consumer trends around reducing sugar as part of a healthier lifestyle.

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# Planet Life

- Environmental Impact
- Protecting Biodiversity

We are committed to protecting and renewing the planet's resources.

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# **ENVIRONMENTAL IMPACT**

We believe that everyone has the right to access clean water, fresh air and the natural world around them. And we know that the success of our business is closely linked to protection and sustainable use of that natural world. Therefore, we strive to protect the environment and are committed to continually improving our performance. We are committed to using science-based approaches and working with our stakeholders to make a positive impact. To that end, we have set the following goal and milestones:

# 2030 GOAL

Protect and renew the planet's resources by enacting science-based targets and other conservation measures as catalysts to drive continuous innovation.

# MILESTONES

- Achieve plastic neutrality across our operations by the end of 2025;
- Achieve a 25% reduction in absolute GHG emissions by the end of 2030;
- Source 50% of our purchased electricity from renewable sources by the end of 2030;
- Reduce our water use intensity by 30% in all extremely high-stress geographies where we manufacture products by the end of 2030;
- Achieve 100% avoidance of waste to landfill by the end of 2030; and
- Reduce Chemical Oxygen Demand (COD) or Biological Oxygen Demand (BOD) by 10% from our waste water discharges by the end of 2030.

# **Environmental Performance**

# 2020 Program Goal:

Reduce carbon emission intensity by **10%** by the end of 2020 (*versus 2010 baseline*)

Target: -10%

2019 Actual: -12.4%

# 2020 Program Goal:

Reduce water use intensity by **10%** by the end of 2020 (versus 2010 baseline)

Target: -10%

2019 Actual: -10.8%

Ingredion continues to focus on reducing our environmental footprint through education, awareness and continuous improvement initiatives. In 2019, we exceeded our environmental reduction targets for both water use and carbon emission intensities. These reductions occurred even as we continue to increase production of our specialty products. Reductions in carbon emissions were the result of:

- A "greener" energy grid;
- Increased use of biogas, generated from wastewater treatment, to replace natural gas in some equipment; and
- Continued implementation of energy efficiency projects across our organization.

# **CDP** Highlights

Ingredion continues to share details of our environmental performance, risks and possible opportunities for the business through CDP (formerly Carbon Disclosure Project) reporting. Each year we look for ways to improve our performance, enhance our responses and provide stakeholders with accurate information. In 2019, we were pleased to have been awarded the following scores for our responses:



While we did experience challenges in understanding the CDP's scoring criteria in the 2019 questionnaires, we are very excited to see CDP pushing for better alignment with external standards such as the Task Force for Climate-related Financial Disclosures (TCFD).

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## **Assessing Water Stress**

Water is a very important consideration for Ingredion, as it is critical to our business processes. We believe that access to clean water is a basic human right, and therefore our use of water needs to be undertaken with a close understanding of how our use might directly or indirectly impact the communities in which we operate.

In 2019, we explored further opportunities to improve how we assess water stress in our supply chain. We use an ensemble of multiple water risk tools—both current and future facing—to evaluate water stress in the geographies where we manufacture products and have added the World Wildlife Fund's (WWF) Water Risk Filter to the list of tools we use. By utilizing a variety of tools, we seek to gain a more balanced view of the factors that impact water stress and understand how those factors might change over time.

We also utilized the World Wildlife Fund's (WWF) Water Risk Filter to assess water stress in some of our key suppliers. By doing this, we hope to better understand water stress risks in our supply chain and start a dialogue around how we can eliminate or mitigate risks.

## **Renewable Energy**

Looking ahead to our 2030 sustainability strategy, Ingredion seeks to increase the renewable content of our purchased electricity to 50 percent. We hope that this will not only help to reduce the overall carbon footprint of our business, but also support the growth of renewable energy in the areas where we operate. In 2020, we plan to begin an assessment of projected renewable energy growth in the countries where we operate, so that we can devise a strategy to best achieve our ambitious goal.

> 20,5% of Ingredion's purchased electricity comes from renewable sources



# **Energy Management**

All Ingredion facilities have programs to manage energy use. These programs help us reduce greenhouse gases, as well as combat rising utility costs. Our corporate engineering team runs a series of continuous

improvement networks that share best practices with our facilities around the globe and track performance.

Ingredion's Europe operations, however, have taken their efforts a step further, reaching to become certified to ISO 50001 for Energy Management. This certification demonstrates to our employees, customers and stakeholders how important efficient use of energy is to our operations.



# **Environmental Data Highlights**

Each year Ingredion reports on our environmental performance through CDP. While these reports are available on the CDP platform, we recognize the need to communicate data highlights from our CDP questionnaires in this report. The table below lists cumulative data from Ingredion's operations around the globe:

Category	Item	Annual Data	Comments
Carbon Emission	Scope 1	2,998,910 metric tons	From plant operations
	Scope 2	947,199 metric tons	From purchased electricity and utilities
	Scope 3	2,592,034 metric tons	From external sources, primarily agriculture
Water	Usage	120,801 megaliters	Usage from fresh surface water, ground- water (renewable), and third-party sources such as municipal water supplies
	Consumption	16,648 megaliters	Usage minus water returned to sources above; includes water contained in manufactured products

It should be noted that the data listed above for carbon emissions and water are from our 2019 CDP submissions, which represent year-end data for 2018. This data was validated externally by Bureau Veritas. Year-end data for 2019 has not yet been externally validated and therefore will not be reported publicly until our CDP reports are filed later in 2020.

Additional information on Ingredion's environmental performance, including estimated risks and opportunities associated with climate change and water, can be found in our annual CDP responses.

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# **BIODIVERSITY PROTECTION**

We believe in the need to protect the rich biodiversity offered by our planet. As a company that sources crops as our primary raw materials, we also believe that protecting biodiversity is critical to maintaining a healthy supply chain. To that end, we have set the following goal and milestones:

# 2030 GOAL

Implement programs to protect and improve biodiversity to drive a net positive impact in our crop sourcing areas.

# MILESTONES

- Engage with an NGO partner to identify any endangered species impacted by agricultural operations from which we source raw materials by the end of 2022;
- Assess agricultural biodiversity risks for priority crops and sourcing regions by the end of 2023;
- Identify local partners and engage in projects to have a net positive impact on any endangered species impacted by our supply chain by the end of 2025;
- Implement biodiversity conservation program in all crop sourcing areas located in biodiversity hotspots by the end of 2025; and
- Achieve zero deforestation, or 100% sustainable use of forest-based resources, by the end of 2030.

# **Increased Focus on Biodiversity**

Ever since the Planetary Boundaries report was released in 2009, the alarming rate of biodiversity loss on our planet has been highlighted as a critical issue. Over the past few years, Ingredion has seen an increase in customers and other stakeholders interested in reducing biodiversity loss. Like Ingredion, many of our customers see biodiversity protection as an important part of mitigating risk within our agricultural supply chain. We see our organization as having an important role to play in protecting biodiversity, as we leverage our efforts with both growers and customers to help introduce new projects centered around conservation of natural resources.

# CDP

This year, Ingredion reported to the CDP's Forest Questionnaire for the first time. While Ingredion does not directly utilize any major commodities (see table below) identified by the CDP as being the biggest contributors of global deforestation, we felt it was important to communicate that fact to customers and other interested stakeholders.

Commodity	Comments
Timber	We are not engaged in timber operations. We do purchase wooden pallets for use in shipping, and a few of our smaller facilities use wood chips from sustainable sources in biomass boilers.
Palm Oil We do not source or manufacture palm oil.	
Cattle Products	We do not source or manufacture cattle products. We do help customers looking to expand away from cattle products explore plant protein options.
Soy	We do not source or manufacture products from soy. Some of the growers that we source corn crops from may also grow soy, but our sustainable sourcing assessment with growers includes an evaluation for deforestation.

**ZECO** Ingredion **does not source** or use any of the **commodities** most associated with **global deforestation** 

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## **Assessing Deforestation Among our Growers**

Ingredion is proud to be a member of the Sustainable Agriculture Initiative Platform (SAI Platform), an organization that helps us achieve our sustainable sourcing aspirations. At the heart of the SAI Platform program is the Farm Sustainability Assessment (FSA), a survey that includes approximately 115 questions that growers can use to evaluate their on-farm activity. Growers must achieve minimum scores in Essential, Basic and Advanced categories in order to meet different performance levels of farm sustainability. If any of the 23 Essential questions are answered in the negative, the farm cannot reach the Bronze level, the minimum level Ingredion considers to be a sustainable farm. One of the essential questions determines if any trees have been cleared in the last five years to expand growing operations.

We believe the FSA will be a critical tool for us as we look to implement additional programs to meet our 2030 biodiversity protection goal. Deforestation is not normally associated with the growing of corn crops, but using the FSA can help us identify where farmers may engage in cutting down trees, so that we can better understand why this may occur. We want to work with growers to help them recognize the need for biodiversity and encourage them to engage in initiatives to reduce habitat loss.

> We are proud to work with Ingredion through their use of our Farm Sustainability Assessment (FSA) tool and we value their contribution to advancing sustainable agriculture.

Nick Betts Director Americas, SAI Platform

#### Field to Market Biodiversity Metrics

Ingredion is looking at a number of tools to help us and our growers assess biodiversity considerations at the farm level. One such tool is the Field to Market Biodiversity metric. This metric is designed to measure the capacity of a farm to support a diverse community of plants and animals. It is measured by the Habitat Potential Index (HPI), a tool developed in 2014 by consultants hired by Field to Market. This biodiversity metric was incorporated at the farm field level in the Fieldprint Calculator 3.0, which considers all land in a farm's operation.

# **Biodiversity Hotspots**

As we have communicated in the past, Ingredion uses the Critical Ecosystem Partnership Fund's (www.cepf.net) list of 36 global biodiversity hotspots as part of our assessment process. The table below shows those hotspots where we have operations, and where we are engaged in activities to support biodiversity protection:

Region	Hot Spot	Local Protection Efforts
Asia-Pacific	Indo Burma	Active
North & Central America	Madrean Pine-Oak Woodlands	Active
	Mesoamerica	Active
South America	Atlantic Forest	Active
	Cerrado	Active
	Tropical Andes	Active

Going forward, we will build upon these and other current engagements to help deliver on our new 2030 goals.

> 100% of Biodiversity Hotspots in which we operate have active local engagements



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# **Connected Life**



- Sustainable and **Regenerative Agriculture**
- Food Security
- Community Impact

We strive to improve the lives of our growers and communities.

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# SUSTAINABLE AND REGENERATIVE AGRICULTURE

We believe in supporting the long-term sustainability of the agricultural and farming operations that provide us with raw material. To that end, we have set the following goal and milestones:

# 2030 GOAL

Make life better for growers, mitigate supply chain risks and help drive food security by implementing robust sustainable and regenerative agriculture programs with our growers.

# MILESTONES

- 100% of global waxy corn supply sustainably sourced by the end of 2022;
- 100% of Tier 1 priority crops sustainably sourced by the end of 2025;
- Implement water conservation projects with growers in 100% of extremely high water stressed sourcing geographies by the end of 2025;
- Confirm that 100% of our agricultural supply is not using pesticides of concern (as defined by the World Health Organization) by the end of 2025;
- Educate growers and/or implement integrated pest management in at least 70% of our agricultural supply chain by the end of 2027; and
- 100% of our Tier 1 and Tier 2 priority crops sustainably sourced by the end of 2030.

# Sustainable Sourcing Performance

# 2020 Program Goal:

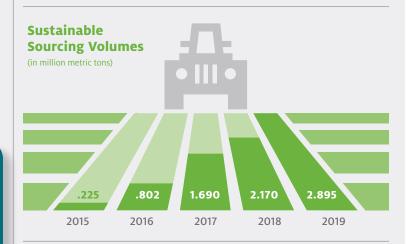
Sustainably source **1 million metric tons** of crops by the end of 2018

Target: 1 million

2019 Actual: 2.895 million

In 2019, we were able to sustainably source 2.89 million metric tons of crops across our global agriculture sourcing. Multiple initiatives helped us achieve this performance, including continued interest and support from our growers, enhanced knowledge on SAI Platform implementation within Ingredion's agricultural teams, increased efforts with some of our grain provider partners and continued collaboration with customers, particularly as part of our work with the SAI Platform.

Ingredion again conducted an external assurance audit of our global sustainable agriculture data. In 2019, this audit was conducted by Apex.



# **Defining Our Priority Areas**

As we look to further our sustainable agriculture efforts into the future, we are defining the priority areas most important to our business, our customers and our supply chain. The table below outlines the Tier 1 and Tier 2 priority areas referenced in our 2030 goals and milestones:

Tier 1	Tier 2
Corn	Rice
Таріоса	Strawberries
Potato	Blueberries
Pulses	Gums
Stevia	

Ingredion's Tier 1 priority crops represent approximately 99 percent of our global sourcing by volume and focus on our growth platforms and delivering the innovation and trends that consumers seek.

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## **Promoting Pesticide Safety**

We continue to work with our grower suppliers to reduce the use of pesticides within our supply chain. As some of our sourcing geographies are made up of smallholder farmers, it is important that we work closely with those growers to make certain they are using approved pesticides and managing them with safe practices. We have set a milestone of eliminating all World Health Organization (WHO) Pesticides of Concern by 2025. We understand that this is 5 years away, but we are still working to develop a baseline of standard practices across some of our crops and geographies. We aspire to achieve this goal sooner, particularly for our Tier 1 priority crops, but understand that challenges will persist. We are also mindful about making agronomic decisions that impact the economic viability of our grower partners without further dialogue and input from those growers.

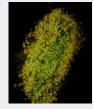
Similarly, we are working to develop a baseline for our growers' knowledge of integrated pest management (IPM) and how they use IPM in their farming practices, with the hope that we can accelerate our efforts here as well.



# **Combatting Aflatoxin in Pakistan**

Aflatoxin, a toxic byproduct of certain strains of fungus, is a serious threat to many of Pakistan's agricultural products, including corn that Ingredion procures as a raw material for our products. The government of Pakistan began looking at bio-controls for Aflatoxin around 2016. For the past few years, Ingredion has been working collaboratively on solutions to help growers prevent Aflatoxin growth on their corn crops. As an example, we

are working with atoxigenic strains of spores that use the corn germ as a delivery mechanism and can be applied at the field level. These atoxigenic strains establish themselves on the crops ahead of any fungal strains.



In the spring of 2019, Ingredion ran trials on 1,400 acres of farmland and sent samples collected to a USDA lab in Arizona. In the fall of 2019, trials were conducted

on 600 acres of farmland, which included soil and sampling from treated fields. This testing showed a reduction in Aflatoxic growth by more than 90 percent. It was also found that the atoxigenic spores tend to stay on the grain, further reducing the potential for Aflatoxin growth during storage.

We are very pleased with the progress this work has shown, as Aflatoxin poses a health threat not only to humans but also to the poultry and livestock that may consume contaminated corn as part of their feed. Ingredion intends to continue its work supporting growers in combatting Aflatoxin in 2020.

#### Sustainable Agriculture Product Labeling

The number of customers asking Ingredion about sustainable agriculture labeling on consumer-facing products continued to increase in 2019. Our market trend research shows that consumers, particularly millennials, are looking for products with transparent supply chains from sustainably sources. This is driving our customers to look for product certifications for sustainable agriculture that can be placed on labels. Examples include Fair Trade or Rainforest Alliance Certified labels; however, these are not certifications Ingredion traditionally considers, particularly for row crops farmed in developed areas such as Europe and the United States.

Ingredion is a member of both SAI Platform and Field to Market, two sustainable agriculture organizations that have looked at the questions and challenges around creating an on-package labor or certification. While definitive progress has not resulted from these discussions, Ingredion continues to be involved in the conversation and will continue to explore options to deliver on the transparency consumers desire.

#### **New Life from Ugly Fruit**

The United States Department of Agriculture (USDA) estimates that 30–40% of the US food supply is wasted each year. While much waste occurs on the consumer side of the equation, there is still waste at the farm level. In many cases, farmers are unable to find outlets for cosmetically imperfect, or "ugly", fruits and vegetables.

Kerr Concentrates (www.kerrconcentrates.com) helps bring new life to this "ugly" produce. Kerr by Ingredion brings a diverse range of fruit and vegetable juices, purees, concentrates, essences, distillates and custom formulations that answer our customers' needs, such as creating a perfect flavor combination, reducing added sugar or incorporating vegetables for nutritional benefits.

Because Kerr prepares concentrates and other formulations, we can utilize second- or third-tier visual (less aesthetically pleasing) produce, giving growers an additional outlet for their crops. We continually look for opportunities to reduce waste along the supply chain, and turn "ugly" fruit and vegetables into value-added ingredients for the food and beverage industry. In 2019, we engaged in conversations with organizations like Full Harvest (www.fullharvest.com) that are looking to minimize food waste and connect growers to buyers for their produce. We will continue to look for opportunities to engage with like-minded organizations across our supply chain.



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# FOOD SECURITY

Food security means that all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their food preferences and dietary needs for an active and healthy life. As a leading global ingredient solutions provider, supporting food security is critical to Ingredion's long-term strategy. This will require that we work collaboratively with our supply chain partners in a number of areas, such as land use, sharing of technology related to sustainable agriculture, and helping food manufacturers identify cost and ecological smart ingredient solutions like plant-based proteins. To that end, we have set the following goal and milestones:

# 2030 GOAL

Improve food security within our value chain by catalyzing food waste reduction, minimizing crop losses at the farm level and enhancing product offerings that support food security objectives of the UN SDGs.

# MILESTONES

- Implement five product or supply chain initiatives in support of plant-based or alternative proteins by the end of 2025;
- Catalyze food waste awareness and reduction by implementing at least five projects with customers and/or suppliers to minimize food waste in our supply chain by the end of 2025; and
- Implement agricultural efficiency initiatives in support of smallholder farmers in 100% of applicable geographies in our supply chain by the end of 2027.

# **Expanding Capabilities in Plant-Based Proteins**

We continue to see a high demand from both consumers and our customers for plant-based protein alternatives in their food preferences. While Ingredion has been providing plant protein solutions to customers for some time now, we are making significant investments in this space. This year, we expanded our joint venture with Verdient Foods and increased aggregate investments in plant-based proteins by \$185 million. This comes in addition to our work to accelerate the transformation of a site in South Sioux City, Nebraska, to produce plant protein products.

> \$185M invested in plant-based proteins through 2020

# Ingredion Helps to Build the "Future of Food" at UC Berkeley

In mid-February, Ingredion scientists attended an event on meat alternatives at the Alternative Meat Laboratory held at the Sutardja Center for Entrepreneurship and Technology (SCET) at the University of California, Berkeley. Our employees engaged with students and presented Ingredion's technology and approaches to formulate using plant-based proteins. We also participated in a panel discussion on the state of meat alternatives led by representatives of Givaudan's MISTA innovation platform (of which Ingredion is a member), as well as leaders from Nestlé. The panel discussion was based on questions provided by an enthusiastic student audience.

Our employees were inspired by their interaction with the engaged group of students, who are trying to impact the food industry with innovations in plant-based meats. Ingredion sees engagement in technology and educational platforms like SCET as critical to supporting our efforts to promote a food-secure planet by 2030.

Ingredion sees collaboration with academic institutions, customers, suppliers and other stakeholders as a critical component to meeting our food security aspirations.



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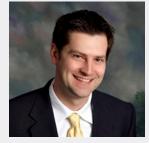
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# Work with Smallholder Farmers

In 2019, we continued our work with smallholder farmers in the locations where we source agricultural raw materials. Currently, Ingredion is working with smallholder farmers in geographies such as China, Colombia, Mexico, Pakistan and Thailand. Efforts to support our growers in these places include:

- Training tapioca growers in Thailand on various farming efficiencies through the Model Farmer Program, and helping to introduce integrated pest management solutions that mitigate crop losses;
- Evaluating local corn growers in Mexico using the Sustainable Agriculture Initiative Platform (SAI Platform) Farm Sustainability Assessment (FSA), which helps identify areas for improvement projects; and
- Training and supporting tapioca growers in Colombia to become certified in Colombia's GLOBALG.A.P. standard for sustainable agriculture, while also helping to form farmer cooperatives that make it more cost effective for growers to purchase services like crop insurance.

There are unique challenges in working with smallholder farmers that we don't necessarily see with



our larger-volume growers in places like the United States. In some instances there are language barriers, literacy challenges, a lack of access to technology, gender inequalities in training and a variety of other factors that provide challenges to our efforts to promote sustainable agriculture across our supply chain.

> Andrew Utterback, Senior Manager, Sustainability

As Ingredion looks to promote food security through our sustainability efforts, working closely with our smallholder farmers to addresses these challenges will be critical. While this task may seem daunting, we believe the solution lies in the power of collaboration. Ingredion continues to be a member of SAI Platform, where like-minded companies are working on the same challenges.

#### Engagement with SAI Platform

Since 2014, Ingredion has been a member of SAI Platform, which has been an invaluable resource in helping us progress our sustainable agriculture efforts. Our head of sustainability continued to serve as the Crops Work Group co-chair in 2019, which offered additional opportunities to engage with SAI Platform personnel and other member companies.

Smallholder farmers continue to be a topic of conversation, as members recognize the challenges of implementing the robust Farm Sustainability Assessment (FSA) program with small farms. Ingredion has been able to leverage the expertise of other members, operating in different agricultural supply chains, who have already spent years working to tackle these challenges. SAI Platform and its members all acknowledge the challenges of working with smallholder farmers, as well as the critical need to find solutions that help these farmers, so collaboration will continue in this area.



## **Helping to Secure Access to Food**

According to the United Nations Food and Agriculture Organization, there are four main components to obtaining food security: Food Availability, Food Access, Utilization and Stability. We recognize that food banks and other similar organizations play a critical role in tackling issues such as food access, availability of nutritious food and combatting food waste. They do this by working across the supply chain from the farm level to the retail level, helping to get available food to underserved populations. Ingredion continues to partner with The Global FoodBanking Network (GFN) to identify and work on opportunities to improve food availability and access in the areas where we operate.

For more information on Ingredion's efforts to combat hunger, including related goals and milestones, please see the Community Impact section of our report.



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# **COMMUNITY IMPACT**

The communities in which we operate are as diverse as the employees who enrich our business. Those communities have different needs, but we are committed to proactively engaging in those communities to drive a positive social, environmental and economic impact. We will do this by aligning our efforts with select UN Sustainable Development Goals so that our engagement helps contribute to the needs of society. To that end, we have set the following goal and milestones:

# 2030 GOAL

Make life better for more than 1 million people in the communities where we operate.

# MILESTONES

- Enact programs in 100% of the communities where we produce products to help eradicate childhood hunger by the end of 2025;
- Enact programs to support education and/or educational gender equality in 100% of our operational areas with low graduation rates by the end of 2025;
- Enact programs in support of local water conservation in 100% of extremely high-water stress communities where we produce products by the end of 2027; and
- Enact initiatives to support women entrepreneurs in 100% of the communities in which we operate that have a high gender equality imbalance.

# Supporting Food Banks and Combatting Hunger

# 2020 Program Goal:

**Triple** our engagement in food-bank-related activity by the end of 2020

Target: **300%** 

2019 Actual: 440%

Eliminating hunger in the areas where we operate continues to be a focus for Ingredion. In 2019, we continued to leverage our collaboration with The Global FoodBanking Network (GFN) to identify opportunities to support food banks and combat hunger in the communities in which we operate. We were proud to be a sponsor of GFN's Food Bank Leadership Institute (FBLI) conference, which was held for the first time this year in London. There we had an opportunity to engage with GFN members, who are food bank leaders from around the world. This conference offered us a unique opportunity to better understand the needs of food banks in various geographies and best identify how we might support their needs—whether through volunteerism, food donations or technical support for their operations. Ingredion's new 2030 strategy around Community Impact will continue to involve our work with GFN.

# **INFocus**

## Westchester Employees "Rise Against Hunger"

Employees from Ingredion's corporate office in Westchester, Illinois, joined a host of other volunteers to pack 20,503 meals in 75 minutes. The meals were shipped to people in need in Haiti. This initiative was part of the "Rise Against Hunger" event, sponsored by the Candy Production Club of Chicago and held in Buffalo Grove, Illinois, at the Long Grove Confectionery Company. Rise Against Hunger is an international hunger relief organization that distributes food and life-changing aid to the world's most vulnerable populations, with a mission to mobilize the resources needed to end hunger by 2030.

Engaging with other like-minded organizations in activities like this is critical to Ingredion reaching our 2030 goals, as well as our alignment with UN Sustainable Development Goal (SDG) #2, which is focused on Zero Hunger.



Employees from Ingredion's corporate office in Westchester, Illinois, participate in the Rise Against Hunger campaign

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### **Canada Team Conducts Training for Local Food Bank**

In our efforts to combat hunger globally, Ingredion continues to support food banks in the areas where we operate. While we have supported food banks through canned food drives and volunteering to sort and pack food, we recognize that food banks have a need for more technical volunteerism as well. Local organizations often request support in such areas as warehouse safety, food safety and logistics.

In 2019, the Ingredion team in Canada partnered with Food Banks Canada to provide technical training for some of its members. Our team delivered a training session on safe handling of packaged foods, covering topics such as employee and volunteer hygiene and recognizing where food containers may be compromised. We will continue to look for opportunities like this to enhance our collaboration with food banks going forward.

# South America's "Sabor Solidario"

For the third consecutive year, Ingredion South America held its "Sabor Solidario/Love That Feeds" campaign, with employees donating a total of 4,634 kilograms (10,216 pounds) of nonperishable food for people in need. The donations, which exceeded Ingredion's goal of 4,000 kilograms, were part of a campaign held within the framework of the United Nation's World Food Day on October 16. All of our businesses in the South America region joined forces to collect food and deliver it to local organizations dedicated to making life better.

"We celebrate one of Ingredion's most important social campaigns," said Analia Paz, Corporate Social Responsibility Specialist for South America. "This campaign represents our commitment to food security, and once again we have exceeded the goal we set for ourselves. I am very grateful for the efforts of each of our collaborators in this achievement. The people of Ingredion continue to demonstrate that they are the main ingredient in our recipe for social improvement."

Ingredion's sites in Alcantara, Brazil; Buenos Aires, Argentina; Lima, Peru; and Bogotá, Colombia achieved the highest donations per capita, and the company rewarded those sites by doubling their donations, bringing the total of food contributed to 7,000 kilograms.



# **Exploring Food Science with Girl Scouts**

Ingredion was happy to help host a group of Girl Scouts who visited The Hatchery Chicago, a nonprofit food business incubator supported by Ingredion. There the girls met with two women culinary entrepreneurs and participated in a hands-on food science demonstration by Ingredion's culinologist. The girls, who were from the Greater Chicago and Northwest Indiana council of Girls Scouts, spoke with the culinary entrepreneurs about recognizing market opportunities, innovating to meet a need, and the challenges and rewards of starting your own business.



Ingredion has been at the forefront of supporting and investing in STEM educational programs for many years. Based on these programs, many young people are developing confidence-building life skills and abilities that help prepare them for rewarding careers in STEM fields.

> Robin L. Brown, Vice President, Government Affairs and External Relations

# North America Celebrates Sustainability Day

Once again in 2019 Ingredion North America was proud to celebrate Sustainability Day across the region. Held on October 16 in conjunction with World Food Day, the day provides an opportunity to put an increased focus on the global need for more sustainable action, the initiatives our customers are engaged in and the strategies Ingredion relies upon to meet the needs of our stakeholders.

Again this year we broadcast a program for all employees across North America, with presentations from individuals from Ingredion and our customers. Also joining this year was an outside presenter on market insights and trends in consumer sustainability, which helped our employees understand one of the key drivers influencing corporate sustainability agendas.

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# GOVERNANCE

# 2030 GOAL

Further strengthen governance and disclosure to assure the delivery of our sustainability aspirations with transparency and integrity.

# Global Reporting Initiative (GRI)

In a continued effort to improve transparency of our operations with our shareholders, Ingredion has again produced a Global Reporting Initiative (GRI) Index, summarizing the information we report against that global standard. "We are constantly looking for opportunities to provide stakeholders with succinct and honest communication on our sustainability performance," indicates Brian Nash, Vice President of Sustainability for Ingredion's global operations. "We see a GRI Index, along with the information in our sustainability report, as a great start. And we will continue to have dialogues with our stakeholders on how we can improve our efforts."

# **EcoVadis**

We continued to use the EcoVadis online assessment platform as one of several means to communicate our sustainability progress with customers. In 2019, Ingredion again completed the assessment process of our operations at the global level, and were pleased to have been rated Silver by EcoVadis.



While we are pleased with our progress, we know that there is still room for improvement. While the Silver rating meets the expectation of our customers for their suppliers, we want to look for opportunities to continue to exceed those expectations.

Larry Fernandes, Senior Vice President and Chief Commercial and Sustainability Officer for Ingredion

# Updated Code of Conduct

In 2019, Ingredion updated its Code of Conduct, reflecting our updated corporate values and purpose, and better clarifying the manner in which we do business. Our new values-based Code of Conduct sets behavioral expectations and provides guidance on ethical decision making and ethics reporting channels so that employees can more easily seek advice, ask questions or report concerns. Ingredion's Code of Conduct can be accessed on our website at https://www.ingredionincorporated.com/ CorporateResponsibility/CodeofConduct.html.

# **UN Global Compact**

Ingredion is proud to be a signatory to the United Nations Global Compact and is committed to upholding its Ten Principles in how we do business. This sustainability report serves as our Communication on Progress in implementing those principles.

#	Guiding Principle	Ingredion Program	Report Page #
1	Support and protect international human rights	Human Rights	10-11
2	Do not be complicit in human rights abuses	Human Rights	10-11
3	Uphold freedom of association and collective bargaining	Human Rights	10-11
4	Eliminate all forms of forced and compulsory labor	Human Rights	10-11
5	Effective abolition of child labor	Human Rights	10-11
6	Elimination of discrimination	Human Rights	10-11
7	Support a precautionary approach to environmental challenges	Environmental Impact	17-18
8	Undertake initiatives to support greater environmental responsibility	Environmental Impact	17-18
9	Help develop and share environmentally friendly technologies	Innovation; Sustainable and Regenerative Agriculture	14-15 22-23
10	Work against all forms of corruption	Governance	28



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

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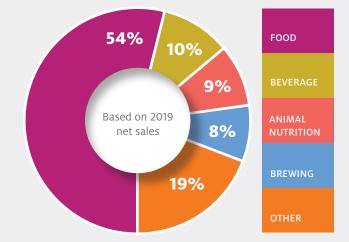
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# Ingredion is a Fortune 500 global ingredient solutions company with 2019 net sales of \$6.2 billion.

We are a leading global ingredient solutions provider. Headquartered outside Chicago, Illinois, we serve more than 60 diverse sectors in the food, beverage, animal nutrition, brewing and other industries.





approximately 11,000 employees

customers in more than

120 countries



We provide on-trend ingredient solutions to help our customers meet rapidly evolving consumer demands. Our starches, sweeteners, gums, biomaterials and specialty ingredients address key consumer trends in health and nutrition, clean and simple labels, texture and sensory appeal, convenience and affordability.

# Innovation

Ingredion and innovation are synonymous. We turn ideas into sciencebased solutions for customers through an expanding portfolio of starches, sweeteners, nutritional ingredients, natural concentrates, fibers and pulse proteins.

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Ingredients

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