



  
**Ingredion**  
 OUR JOURNEY TOWARD  
 A SUSTAINABLE TOMORROW  
 2017 Sustainability Update



COMPANY OVERVIEW  
 MESSAGE FROM OUR CEO  
 GOAL SUMMARY

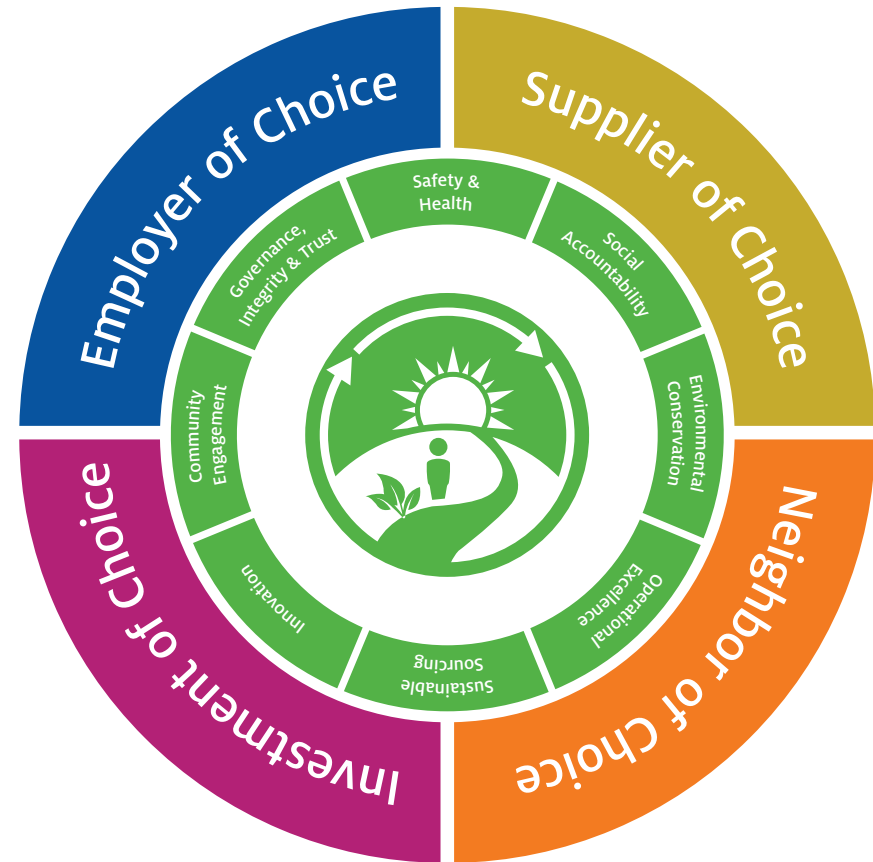
GOVERNANCE, INTEGRITY & TRUST  
 SAFETY & HEALTH  
 SOCIAL ACCOUNTABILITY

ENVIRONMENTAL CONSERVATION  
 OPERATIONAL EXCELLENCE  
 SUSTAINABLE SOURCING

INNOVATION  
 COMMUNITY ENGAGEMENT

# Our Mission: Create a Better, More Sustainable Business While Delivering Shared Value

Ingredion’s **Company of Choice for a Sustainable Tomorrow** plan was designed with our stakeholders in mind. We identified **eight focal areas** most material to our business and benchmarked them against the needs and expectations of our stakeholders. The intersection represents the foundation of our sustainability program — the shared value with our employees, customers, shareholders, and the communities in which we operate.





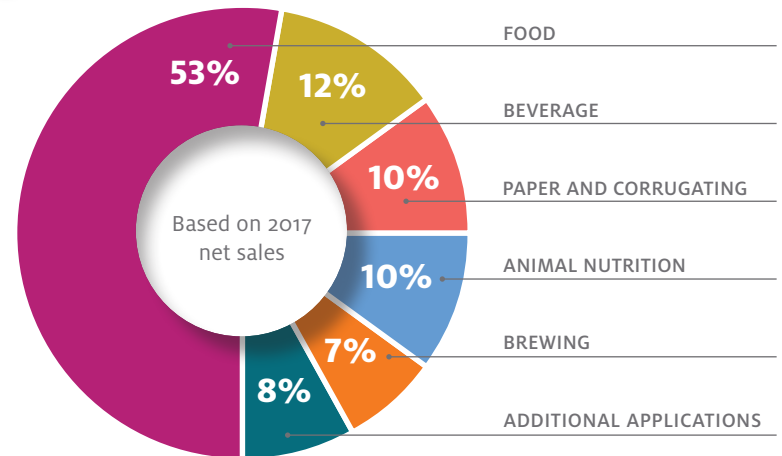
Ingredion is a leading global ingredient solutions provider. We turn grains, fruits, vegetables and other plant materials into ingredients that enhance our customers' products. Our ingredients make yogurts creamy, candy sweet, crackers crispy, paper stronger and add fiber to nutrition bars. Headquartered outside Chicago, Illinois, we serve more than 60 diverse sectors in the food, beverage, brewing, paper and corrugating and other industries.



**WE ARE A FORTUNE 500 GLOBAL INGREDIENT SOLUTIONS COMPANY WITH 2017 NET SALES OF \$5.8 BILLION.**

**Ingredients**  
We provide ingredient solutions to help our customers meet rapidly evolving consumer demands worldwide. 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 performance and affordability.

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



more than  
**1,000**  
ingredient solutions

customers in more than  
**120**  
countries

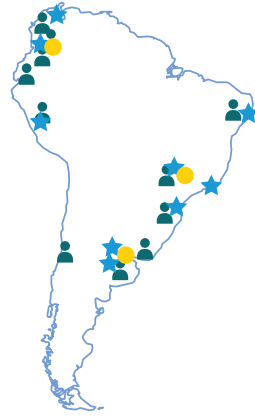
approximately  
**11,000**  
employees

# Worldwide Presence

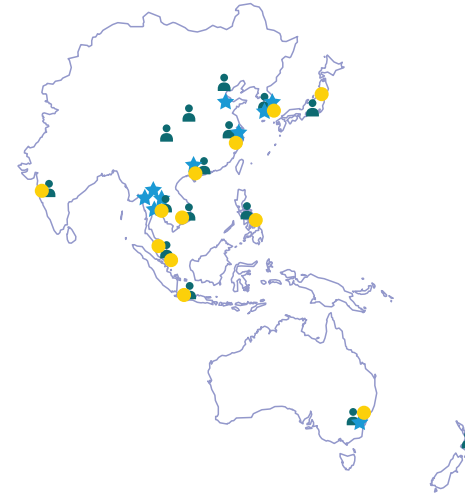
★ Company Headquarters  
 ★ Production Facility  
 ★ Ingredion Idea Labs® Headquarters  
 ● Ingredion Idea Labs® Innovation Center  
 ● Sales/Representative Office



NORTH AMERICA 2017			
<b>\$3.5B</b> of net sales	<b>\$661MM</b> operating income	<b>39%</b> of customers	<b>7%</b> of world's population



SOUTH AMERICA 2017			
<b>\$1.0B</b> of net sales	<b>\$80MM</b> operating income	<b>22%</b> of customers	<b>5%</b> of world's population



ASIA PACIFIC 2017			
<b>\$740MM</b> of net sales	<b>\$112MM</b> operating income	<b>25%</b> of customers	<b>57%</b> of world's population



EUROPE, MIDDLE EAST, AFRICA 2017			
<b>\$556MM</b> of net sales	<b>\$113MM</b> operating income	<b>14%</b> of customers	<b>31%</b> of world's population

## Ingredion Value Chain

Our value chain extends from the sourcing of agricultural and other raw materials to our global manufacturing network, and on to our customers who make foods, beverages, paper, personal care products and more for consumers around the world.



### Raw Materials

- Agricultural crops
- Corn
- Tapioca
- Potato
- Rice
- Fruits & Vegetables
- Gums



### Global Manufacturing

- Specialty Starches
- Sweeteners
- Industrial Starches
- Biopolymer Innovation
- Personal Care



### Customers

- Food
- Beverage
- Brewing
- Paper and Corrugating
- Animal Nutrition
- Beauty & Home



### Consumers

- Food
- Beverage
- Brewing
- Paper
- Beauty & Home

*“It is important that our efforts not only bring value to Ingredion, but also to the communities in which we operate.”*



## To Our Customers, Shareholders, Employees and Neighbors:

I am pleased to present Ingredion’s seventh annual Sustainability Update. This report reflects our commitment to respecting our people, the individuals with whom we do business, the communities in which we operate, and the planet we all share. It outlines our sustainability vision and the goals we are pursuing, and the belief that business has a vital role to play in creating a sustainable future. You will see that we have made significant progress against our 2020 goals, but we know that we must continue to establish new milestones to continually drive progress. I recognize that in my role as President and CEO, Ingredion’s commitment to sustainability starts with me. Simply stated, I believe sustainability at its core is smart business.

It is important that we focus not only on the value that sustainability provides to our business, but also to the shared value it provides to our customers and society as a whole. To that end, we are working to further align our efforts with the United Nations Sustainable Development Goals (SDGs). The SDGs offer a framework through which we can further evaluate our efforts. This helps us incorporate sustainability considerations in our planning processes and directly link them to the overall business strategy.

In 2014, we launched our Company of Choice for a Sustainable Tomorrow plan, which focuses on eight key areas related to our business where we can have the most profound long-term impact. These focal areas were selected based on input from our various stakeholders. Ongoing dialogue with these stakeholders helps us gain perspective as we continue to challenge ourselves toward increasing standards of excellence.

I want to highlight a few of our achievements from 2017. The safety and health of our employees is at the top of my priority list. On a daily basis, we commit to provide our employees with a safe and secure workplace as we strive to achieve zero injuries. We have made tremendous strides since 2010, both in employee and contractor injury rates, due to our acute focus and ongoing training.

Governance is at the heart of our business practices. For the fifth consecutive year, Ingredion has been recognized by Ethisphere as one of the World’s Most Ethical Companies. We are committed to operating with integrity and maintaining high ethical standards everywhere we do business. We recognize the rights of all people to fair and decent work, clean water, and to be treated with dignity and respect. As a signatory to the Global Compact, we are committed to aligning our global operations with universally recognized principles on human rights, labor, anti-corruption, and the environment. This aligns nicely with our efforts to maintain workplaces that are diverse and inclusive. We have been included on the inaugural Bloomberg Gender-Equality Index, and we are a signatory to the CEO Action for Diversity and Inclusion. Both of these are important indicators of our progress in this area.

We continue to work with our suppliers to improve sustainability across our supply chain. This involves working with our agricultural and non-agricultural suppliers to help drive improvement and deliver on the expectations of our various stakeholders.

Our stakeholders rightfully expect us to be transparent about our progress against goals, as well as our business practices. To that end, we continue to utilize recognized and respected

tools such as Sedex, CDP, and EcoVadis to align with recognized global standards.

It is important that our efforts not only bring value to Ingredion, but also to the communities in which we operate. Promoting prosperity in our communities is inherent in our business culture. We continue to focus on our themes of health and education. We do this with continued engagement through organizations like The Global FoodBanking Network, with which we are in our sixth year of collaboration.

This report highlights some of the 2017 activities in our much broader sustainability journey. I am proud of the measurable progress we have made as a company such as early achievement of our carbon emission reduction and sustainable sourcing targets. It is critical to our success that we operate sustainably as we strive to be the Company of Choice for a Sustainable Tomorrow for our employees, customers, neighbors, and investors.

Sincerely,








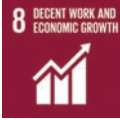




















James P. Zallie  
President and Chief Executive Officer  
April 22, 2018

The United Nations Sustainable Development Goals (SDGs) outline the global 2030 Agenda for Sustainable Development. The SDGs call for all countries to promote prosperity while protecting the planet. The SDGs outline 17 Goals for making the world more sustainable, with focus on topics such as eliminating poverty, promoting gender equality, and taking action to mitigate climate change. The Goals recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection and job opportunities while tackling environmental protection.



To better align our sustainability efforts with the greater needs of society, Ingredion utilizes the SDGs to benchmark our strategy. Aligning our Company of Choice for a Sustainable Tomorrow plan with key issues and our overall business strategy, and then mapping our sustainability program against the SDGs helps us do this. We believe that businesses are an important stakeholder in achieving the 17 Goals, and want to be mindful of how our business operations interrelate to the needs of society and the environment.



Company of Choice Plan	2017 Performance and Highlights	SDG Alignment
 <p>GOVERNANCE, INTEGRITY &amp; TRUST</p>	<ul style="list-style-type: none"> <li>Report on the business-relevant elements of the Global Reporting Initiative (GRI) by the end of 2017</li> </ul>	  
 <p>SAFETY &amp; HEALTH</p>	<ul style="list-style-type: none"> <li>Achieve employee Total Recordable Incidence Rate (TRIR) of 0.20 by 2020</li> </ul>	
 <p>SOCIAL ACCOUNTABILITY</p>	<ul style="list-style-type: none"> <li>Conduct certified social accountability audits of manufacturing sites by end of 2016</li> <li>Register key suppliers in Sedex and have social accountability audits by the end of 2017</li> </ul>	  
 <p>ENVIRONMENTAL CONSERVATION</p>	<ul style="list-style-type: none"> <li>10% reduction in carbon emission and water use intensities by the end of 2020 versus the 2010 baseline</li> </ul>	 
 <p>OPERATIONAL EXCELLENCE</p>	<ul style="list-style-type: none"> <li>All sites Global Food Safety Initiative (GFSI) certified for pathogen testing by the end of 2017</li> <li>80% of all employees trained in Lean Six Sigma (LSS) by the end of 2018</li> </ul>	 
 <p>SUSTAINABLE SOURCING</p>	<ul style="list-style-type: none"> <li>Sustainably source 1 million metric tons of crops by end the of 2018</li> </ul>	   
 <p>INNOVATION</p>	<ul style="list-style-type: none"> <li>100% of new innovation platforms assessed for sustainability considerations by the end of 2018</li> </ul>	 
 <p>COMMUNITY ENGAGEMENT</p>	<ul style="list-style-type: none"> <li>Triple our engagements in food bank-related activity by 2020</li> </ul>	  

\*Exclusive of recent acquisitions: SunFlour, Huanong and TIC Gums. \*\*Exclusive of Huanong acquisition



GOVERNANCE,  
INTEGRITY &  
TRUST



**Maintaining the highest business ethics**

Alessandra Gelman, Associate Engineer and Olawale Ojo, Director, Lean Enterprise Transformation

**GOAL:** Report on the business-relevant elements of the GRI by end of 2017

2017 Actual: **ongoing**

ongoing

*“Championing diversity and inclusion is a global priority for Ingredion, and being included on the Bloomberg Gender-Equality Index is an important marker of our progress on our journey. Diversity and inclusion bring our values to life and enable our growth in this dynamic global environment.”*

Elizabeth Adefioye,  
Senior Vice President  
and Chief Human Resources Officer

**STAKEHOLDER ENGAGEMENT:**

As Ingredion continues to improve our sustainability efforts, and as we look to develop new initiatives and future goals, we engage our various stakeholders to determine what matters most to them. In 2017, sustainable sourcing, human rights audits and water stewardship were recurring themes in these discussions.

**WORKFORCE EQUALITY**



Ingredion is committed to ensuring a diverse workplace with opportunities for advancement. During 2017:  
 Women comprised 18% of the total workforce  
 Women comprised 18% of senior management  
 Women comprised 29% of middle/other management  
 Women comprised 36% of employees promoted





## EMPLOYER OF CHOICE:



Ingredion's growth and innovation depend on a culture that values and champions **diversity and inclusion**. Fostering a culture of diversity and inclusion is a strategic priority for the company. To this end, Ingredion has piloted two programs in the United States – ABLE and WIN – designed to enhance its efforts.



The mission of ABLE is to recruit, advance and retain black employees through dialogue, development, support and active engagement.



The mission of WIN is to help Ingredion women realize their full potential.

## ECOVADIS

Ingredion continues to use globally-recognized platforms to communicate our sustainability initiatives with stakeholders. EcoVadis is one such platform. We are pleased to have been rated EcoVadis Silver in 2017 and work to continually improve our communication.



## INVESTMENT OF CHOICE:



Ingredion is pleased to have again been named to Ethisphere's World's Most Ethical Companies® list from 2014-2018. We continue to use Ethisphere's assessment and feedback program to evaluate areas for further improvement in our operations.

## REPORTING TO THE GRI

As we continue to engage with stakeholders, our thoughts on what elements of the GRI are relevant continues to evolve. As such, we believe this effort is ongoing and will continue to improve along with our sustainability program.

## INGREDION SUSTAINABILITY COUNCIL

In 2011, Ingredion formed a Sustainability Council comprised of senior leaders within the organization whose mission is to drive and integrate the sustainability strategy throughout the organization. There are 12 Council members with three from the Executive Leadership Team representing Operating Excellence, Legal and Human Resources. Additionally, there are three regional members representing Asia Pacific, EMEA and North America. The council reports to the Executive Leadership Team, as well as to the Corporate Governance and Nominating Committee of the Board of Directors. Oversight of Ingredion's sustainability and social responsibility programs is a charter responsibility for that Board Committee.



*“Maintaining the highest levels of corporate governance and ethics is important to Ingredion and our many stakeholders. Programs like Ethisphere and EcoVadis provide us with valuable feedback and challenge us to continually improve.”*

Christine Castellano,  
Senior Vice President,  
General Counsel, Corporate Secretary  
and Chief Compliance Officer



SAFETY & HEALTH

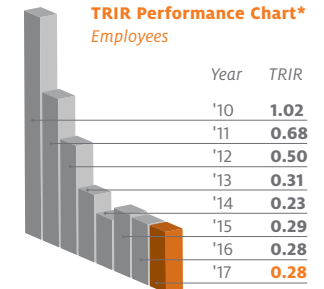


*Driving toward zero injuries*

Enrique Casillas, Director, Corporate Engineering and Olawale Ojo, Director, Lean Enterprise Transformation

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

2017 Actual: **0.28\***  
 ongoing



\* New acquisitions are incorporated into safety statistics after the first full calendar year with the company. While the Penford and Kerr Concentrates acquisitions were not included in 2016, they are for 2017. TRIR results without Penford and Kerr included would have been 0.25 for 2017. 2017 results do not include acquisitions of Sun Flour, Huanong and TIC Gums.

**PLANT AWARDS AND ACHIEVEMENTS**

- No Lost Time Injuries: Kalasin, Thailand (20 years); Goole, UK (16 years); London, Canada (14 years); and Cartago, Colombia (6 years)
- No Recordable Injuries: Sabanagrande, Colombia (8 years); Plover, USA (5 years); Lane Cove, Australia (1 year); Stockton, USA (1 year); and Winston-Salem, USA (1 year)
- “Million-Hour Award” to Hamburg, Germany from Starch Europe for working 1 million consecutive hours without a lost workday or fatality
- Incidence Rate Excellence Award from the Corn Refiners Association to Bedford Park and Indianapolis, USA



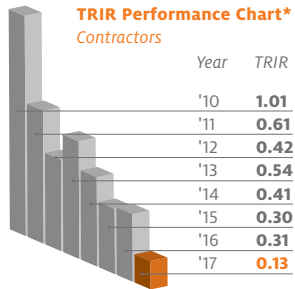
**EMPLOYER OF CHOICE:**

There is no greater priority than the safety and health of our employees. It is one of our core values and an integral part of our culture. We commit to provide employees with a safe and secure workplace as we strive ultimately to achieve zero injuries and corporate leadership in workplace safety.

**87%**  
 of Ingredion locations were  
**Lost Time Case (LTC) injury free**  
 in 2017

**CONTRACTOR SAFETY**

In 2017, we achieved a 59% reduction in total recordable contractor injuries. This achievement can be credited to focused efforts over many years to enhance contractor selection, improve site induction processes, and improve task risk assessment processes in the plants. In North America, further rollout and enhancement of our on-line contractor management system contributed to improved performance. We conducted more than 20,000 toolbox talks with contractors to help improve safety.



\* New acquisitions are incorporated into safety statistics after the first full calendar year with the company. While the Penford and Kerr Concentrates acquisitions were not included in 2016, they are for 2017.

*“The safety of our employees and those with whom we do business is of the utmost importance to us. It’s part of our DNA, and is the foundation upon which we build our sustainability efforts..”*

Ron McCrimmond,  
Vice President,  
Environment, Health, Safety and Security



**MID-YEAR SAFETY CAMPAIGN**

This year, our Mid-Year Safety Campaign focused on the theme “Safety is for Your Life.” The anchor for the campaign was a multi-language video message from Ron McCrimmond, Vice President Environment, Health, Safety and Security focused on the far-reaching impact of safety incidents. Additionally, weekly communications were distributed throughout the company to further conversations around safety.

**62%**  
of Ingredion locations were  
**free of recordable injuries**  
in 2017

**We conducted more than 225,000 hours of Environmental, Health, and Safety training with employees in 2017. We continue to look for ways to further enhance our communication and education to ensure a safe workplace.**

**HAND SAFETY**

In 2017, we saw a 20% reduction in employee and contractor hand-related recordable injuries. We continued to emphasize the importance of hand safety through a multi-phase educational program that combined computer-based learning, group discussions, awareness posters and plant activities to identify potential hand-safety risks and how to avoid them.



## Protecting human rights across the supply chain

*Ingredion employees at our global headquarters work to progress social accountability.*

*We are mindful of emerging social concerns and the priorities of our stakeholders*

### PROTECTING THE RIGHTS OF ALL PEOPLE

Ingredion is committed to combating human trafficking, and in 2017, we trained additional personnel across the globe to raise awareness. We believe there is no tolerance for this issue in our supply chain and will continue to explore opportunities to enhance our efforts.

Further, we believe in protecting the rights of indigenous people in the areas in which we operate and have taken steps to do so by using the World Institute's Landmark Map to help identify critical areas of potential impact. We also incorporated guidance on potential impacts to indigenous populations in our social accountability management system. We aspire to use these tools and internal programs to guide us in conducting our operations with respect to people around our sites.

**GOAL:** Conduct certified social accountability audits of **100%** of our manufacturing sites by 2016

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**2017 Actual:** **100%**

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**GOAL:** Register **100%** of key suppliers in Sedex by 2016

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**2017 Actual:** **100%**

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**GOAL:** Conduct certified social accountability audits of **100%** of key suppliers by end of 2017

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**2017 Actual:** **39% complete**

↓

ongoing

**WORKING WITH KEY SUPPLIERS**

In 2016, we began working with our key suppliers to register them in Sedex and then conduct certified social accountability audits to validate their business practices. We have been successful with the registration process, and focused most of our efforts in 2017 on the auditing side. We held webinars with suppliers that had questions or were seeking additional assistance. While we have made good progress in this area, more work needs to be done to reach our target.



**SUPPLIER OF CHOICE:**

In 2017, employees in our plants in Thailand underwent cross-training on various positions. This ensured there was backup for critical positions, thereby minimizing emergency overtime hours. By doing so, the plants met voluntary external standards and the expectations of customers.

**OUR SUPPLIER EXPECTATIONS**

We encourage our suppliers to share our ethical business practices as stated in our [Supplier Code of Conduct](#). This document outlines a commitment to sustainability and protecting the fundamental rights of all people.

**SMETA AUDITS**

During the year, Ingredion completed the Sedex Member Ethical Trade Audits (SMETA) of our manufacturing facilities. SMETA uses the Ethical Trading Initiative (ETI) Base Code and the conventions of the International Labour Organization to cover Labor Standards, Health and Safety, Environment and Business Ethics. Our audits also incorporated specific ethical sourcing requirements from some of our multi-national customers. For many of our facilities, these audits were follow-ups to those conducted in 2014. New facility locations will be added to future audit schedules.





ENVIRONMENTAL CONSERVATION



*Protecting the environment as good stewards*

*Indianapolis, United States employees enhance the green space at a local school.*

**GOAL:** Reduce water use intensity **10%** by end of 2020 (vs. 2010 baseline)

2017 Actual: **-5.1%**  
↓  
ongoing

**GOAL:** Reduce carbon emission intensity **10%** by end of 2020 (vs. 2010 baseline)

2017 Actual: **-11.4%**  
↓

**During 2017, we spent approximately \$16 million for environmental control and wastewater treatment equipment to be incorporated into existing facilities and in planned construction projects. We currently anticipate that we will invest approximately \$12 million and \$9 million for environmental facilities and programs in 2018 and 2019, respectively.**

**ENVIRONMENTAL PERFORMANCE**

In 2017, a number of factors influenced our performance. Following Bureau Veritas (auditing entity) guidance on recognized carbon footprint protocols, we updated electrical grid factors used to determine carbon emissions. This resulted in a slightly favorable impact. Increases in water use were primarily attributable to one of our larger facilities using reverse osmosis to treat incoming water, causing a larger stream of rejected water, thereby increasing water throughput. We continue to look for avenues to counteract this increase.

**CDP**

Ingredion uses the CDP (formerly Carbon Disclosure Project) to report on Climate Change and Water to both the Investor and Supply Chain questionnaires.



CDP Water Score



Supply Chain Questionnaire Score



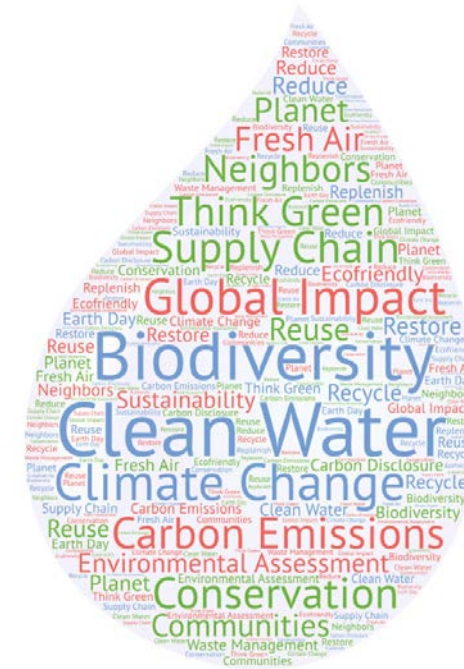
CDP Climate Score

**WATER STRESS ASSESSMENT**

We are committed to reducing water usage at all of our manufacturing facilities. To gauge our progress, we use the World Resource Institute’s Aqueduct Tool and the World Business Council for Sustainable Development’s Global Water Tool – which we average – to assess our water stress in the geographies in which we operate. Three geographies in which we have manufacturing plants are experiencing extremely high water stress (indicated below). To further our understanding of water considerations at the local level, we also conduct an annual survey of water usage at all manufacturing sites.

Extremely High Stress Area	10% Reduction*
Tlalneplantla, Mexico	Exceeded Target
San Juan del Rio, Mexico	Exceeded Target
Mehran, Pakistan	Exceeded Target

\*Since baseline, except Mehran 2013



**NEIGHBOR OF CHOICE:**  
 In 2017, Ingredion employees in Guadalajara reforested more than 200 trees at the Bosque La Primavera. And, at San Juan del Rio, employees and contractors worked together and successfully planted trees and cleaned up a section of the San Juan River.

**60%**  
 of all Ingredion manufacturing sites were **ISO 14001 certified** for environmental management.

**BIODIVERSITY**

The loss of biodiversity is one of the most important issues facing our planet today. Thus, we strive to understand where our activities may overlap with critical biodiversity loss areas. We have assessed our operations\*\* and agricultural raw material sourcing against Conservation International’s and the Critical Ecosystem Partnership Fund’s list of 35 global diversity hot spots. Of those 35 areas, we operate or source raw materials in seven. While our impact on the loss of biodiversity in these areas is not significant, it is important that we engage in proactive measures to help prevent loss of critical biodiversity, and we are committed to doing so.

Region	Hot Spot	Supporting Efforts
Asia-Pacific	Indo Burma	Active
North & Central America	California Floristic Province	Not Yet Active
	Madrean Pine-Oak Woodlands	Active
	Mesoamerica	Active
South America	Atlantic Forest	Active
	Cerrado	Active
	Tropical Andes	Active

\*\*Exclusive of TIC Gums



Ban Khao Din, Thailand employees work to protect natural habitat in the neighboring community.



OPERATIONAL EXCELLENCE



*Continuing our pursuit of excellence*

**DESIGN FOR SIX SIGMA**

In 2017, we further expanded our Lean Six Sigma (LSS) program to include Design for Six Sigma. Under this initiative, we specifically focus on developing new products aimed at improving critical-to-quality aspects and production efficiency. All of this aligns nicely with our other LSS efforts to reduce variance throughout our operations. We will begin rollout of a multi-week, customized set of training materials in 2018.

**EMPLOYEE ENGAGEMENT IN FOOD SAFETY**

In 2017, we informed and engaged all employees on the heightened importance of quality and food safety. A quality and food safety observation program was trialed in our facilities in Hamburg, Germany; Goole, UK; and North Kansas City, USA. Observation recommendations are then completed in a timely manner. The lessons learned from this process are shared at internal quality meetings, which occur on a regular basis and include quality personnel from across our global operations.



**GOAL:** Certify **100%** of manufacturing sites to GFSI by end of 2016\*

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2017 Actual: **100%**

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**GOAL:** Certify **100%** of microbiologic labs to ISO 17025 for pathogen testing by end of 2017

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2017 Actual: **78% complete**

↓

ongoing

**GOAL:** Train **80%** of all employees in Lean Six Sigma by end of 2018

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2017 Actual: **85% complete**

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\* Exclusive of Huanong acquisition



**ISO 17025 CERTIFICATION**

In 2017, we certified our internal labs in Colombia, Pakistan, Peru and South Korea for pathogen testing. We will focus on our labs in Argentina and Brazil in 2018. All Ingredion microbiology contract labs are certified. This effort is critical to maintaining future GFSI certification.



*“Meeting and exceeding our customers’ expectations in quality is of critical importance in maintaining the partnerships that drive the business.”*

Norman Lacourse,  
Vice President, Corporate Quality



**SUPPLIER OF CHOICE:**

In 2017, Pakistan achieved ISO 17025 pathogen testing certification for its microbiological labs at the Cornwala and Mehran plants. The certification covers competency using international standards around conducting analysis, calibration, and sampling. This third-party certification helps our operations in Pakistan meet the high expectations of Ingredion and our customers relative to food safety.

**FOREIGN MATERIAL PROTECTION**

In 2017, we continued to invest in upgrading our packing lines to meet best-in-class standards. These included investments in equipment such as screens, magnets, and metal detection. These projects are part of a comprehensive, multi-year effort to continually improve our quality processes. Overall, we have made significant capital expenditures to update, expand, and improve our facilities, spending \$314 million in 2017.

**DRIVING SUSTAINABILITY THROUGH CONTINUOUS IMPROVEMENT**

Throughout 2017, we strategically used continuous improvement principles to elevate our sustainability commitments. We focused on using less water, energy and labor in the production of our products. Additionally, our disciplined efforts to enhance food safety and efficiency enabled us to produce products while streamlining delivery times and helping to minimize price inflation. Continuous improvement and its contribution to sustainability will remain a focus for all employees.



Corporate Quality conducts an internal audit of the Kalasin, Thailand facility's laboratory.



SUSTAINABLE SOURCING



**Working with agricultural suppliers**

Michael McFeron, Senior Seed Technologist, working at Ingredion research farm.

**GOAL:** Sustainably source **1M metric tons** of crops by end of 2018

2017 Actual: **1,690,000 metric tons**



CORN	TAPIOCA	OTHER*
95%	3%	2%

\*The remaining 2% is comprised of potato, rice, berries, gum arabic, pulses, and other crops.

**REDUCING PESTICIDES**

We are committed to working with our growers to reduce the use of chemicals and other farm pesticides, where appropriate. Our use of sustainable agriculture programs like the Sustainable Agriculture Initiative (SAI) Platform and Field to Market help us assess aspects of farming such as pesticide use, and enable us to accelerate our sustainable sourcing efforts going forward. For more information on Ingredion's position on pesticide use, please see our [Statement on Agricultural Sustainability](#) online.



**SUPPLIER OF CHOICE:**

In 2017, our Brazil team sustainably sourced more than 130,000 metric tons of corn using both the SAI assessment as well as other programs. We have also started work to introduce tapioca growers to the SAI program. Switching growers to the SAI program will ultimately reduce the workload on the growers, and will use a standard that is more widely accepted across our customer base.

Continuing our work with lower volume agricultural raw materials, in 2017, we initiated or expanded efforts to work with suppliers of potatoes, pea proteins, berries and sugar using the SAI Farm Sustainability Assessment (FSA) protocol. Assessments of sugar supplies utilized the Bonsucro sustainable sugar program.

### USE OF GMO AND NON-GMO CROPS

We support the use of approved biotechnology, while recognizing consumer preference with respect to genetically modified organisms (GMOs). We provide both GMO and non-GMO product offerings to supply ingredients that our customers and their consumers desire. In geographies where the majority of supply comes from GMO crops, such as corn farming in the United States, we have dedicated growers and manufacturing operations to meet non-GMO demand. We also have other product offerings to meet customer demand, such as certified organic crops.



### DATA VALIDATION

To better assess our tracking processes and provide the most accurate data possible to our stakeholders, we contracted with Bureau Veritas to conduct a validation review of our sustainable sourcing data for volumes covered globally in 2017.

### MINIMIZING FOOD WASTE

Ingredion takes great measures to minimize the waste of potential food products. For example, when we mill corn to isolate the starch for production of our primary products, we are also able to generate additional co-product streams. This may include separation of the germ for use in vegetable oil or animal feed, separation of the fiber for animal feed, or even reclaiming the protein-rich water used to steep (soften) the corn for animal feed. For the residual material that may be left over after product and co-product generation, Ingredion has found beneficial outlets including composting and land application for farming.



### NEIGHBOR OF CHOICE:

In the United States, agricultural personnel worked with an external vendor to enhance the online software used to collect grower data around traceability. In the course of developing and implementing the new software, it was decided to also incorporate data-collection needs for Field to Market's Fieldprint Calculator, as well as the SAI platform's FSA. Implementing the program further streamlined sustainable sourcing data-collection efforts with United States growers, and will enable us to accelerate our sustainable sourcing efforts going forward.



INNOVATION

**Leveraging our innovative spirit**



Jenna Cameli, Specialist, Continuous Improvement

**GOAL:** Assess **100%** of new innovative platforms for sustainability considerations by end of 2017

2017 Actual: **100%**



*“Every day we drive to continually improve, creating new products and processes that enhance performance and deliver added value to our customers and their consumers. This is the spirit of innovation that we embrace.”*

Manish Shah, VP Global Research and Technology



**INNOVATION AND SUSTAINABILITY**

With our commitment to assess the sustainability of our innovation initiatives, came the need to help our developers understand the various considerations around product sustainability. Our internal process helps us assess products across a range of customer sustainability needs. From clean label and health and nutrition, to products that use less water or are sustainably sourced, we work with customers to create a complete line of innovative and sustainable product offerings. Our Ingestion Idea Labs® are always ready to work with customers seeking innovative ingredients that help them deliver on their sustainability efforts.



enhance nutrition



simplify labels



be green



save money

**LINKING TO THE UN SUSTAINABLE DEVELOPMENT GOALS**

As we continue to evolve our sustainability program, we recognize the importance of benchmarking our efforts to global initiatives, such as the UN SDGs. Keeping in mind the broader needs of society as well as the needs of our customers, it is important to understand how current product lines might connect with the SDGs.

SDG #	Sustainable Development Goal	Ingredion Product Category
2 ZERO HUNGER	Zero Hunger	Affordability
3 GOOD HEALTH AND WELL-BEING	Good Health & Well Being	Clean Label; Health & Nutrition
6 CLEAN WATER AND SANITATION	Clean Water & Sanitation	Dry reaction products; Direct slurry (no product dewatering)
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Industry, Innovation and Infrastructure	Enabling innovative products for the developing world
13 CLIMATE ACTION	Climate Action	Lower carbon footprint products
14 LIFE BELOW WATER	Life Below Water	Health & Beauty (nature-based polymers for personal care products)

We are committed to further assessing how we might embed the SDGs into our innovation efforts.

**AWARD-WINNING INNOVATION**

We were pleased to receive the Food Ingredients Europe (FIE) Clean Label Innovation Award for our HOMECRAFT® Create multifunctional rice flour. This

**HOMECRAFT®** win highlights Ingredion’s efforts to remain at the forefront of the clean label movement, which focuses on products made without chemical modification, allowing customers in turn to create products “clean” of modified ingredients.

**LEVERAGING OUR INGREDION IDEA LABS®**

From powdered breakfast drinks that blend with no lumps, to bioplastic film that keeps food fresh longer, to instant sauce that thickens without adding heat, Ingredion Idea Labs® helps us partner with customers to create innovative, environmentally conscious ingredient solutions.



**NEIGHBOR OF CHOICE:**

Ingredion continues to work with the Colombian government in the production of Bienestarina, a nutritious powder supplement targeted toward young people. When a need arose to provide nutrition in areas where clean water may not be accessible, Ingredion collaborated to help produce the product in aseptic liquid form to address the issue.





COMMUNITY ENGAGEMENT



*Collaborating for prosperous communities*

**GOAL:** Triple our engagements in food bank activity by end of 2020

2017 Actual: 680%



*“As a company, we are increasingly focused not only on being a positive influence in our communities, but also in making certain we are aligned with the needs of society.”*

Brian Nash, Senior Director, Sustainability

**COMBATTING HUNGER**

We are proud of our continued collaboration with the The Global FoodBanking Network (GFN) as we identify additional opportunities to support food banks and combat hunger in the areas in which we operate.

This year, our collaboration included sponsorship of GFN’s 11th Annual Food Bank Leadership Institute’s (FBLI) annual meeting, which brought together food bank leaders from 32 countries. FBLI is the preeminent international forum dedicated to alleviating hunger and reducing food waste through food banking.

We also piloted a technical support program with a local food bank in Singapore, whereby Ingredion employees provided assistance to help improve safety, food safety, and logistics – three areas identified by food bank staff.



**NEIGHBOR OF CHOICE:**

We are dedicated to combatting hunger. Australia-New Zealand employees provided product to a local customer who in turn used it to produce 1 million jars of pasta sauce for families in need. Thailand employees and local villagers released 9,999 fish into a local waterway to help feed neighbors who rely on the river as a primary food source. Ingredion employees in numerous locations across the globe generously devoted both volunteer hours and monetary donations in support of local food banks.

**SUPPORTING EDUCATION**

Supporting quality education is also a key emphasis of Ingredion’s community engagement commitments. It is a critical component of our legacy efforts to continue to improve the quality of life in the communities in which we operate. 2017 highlights included:

- Providing ongoing support of Girls4Science in the United States, an organization dedicated to helping increase interest in the STEM (Science, Technology, Engineering and Math) fields among young women.
- Ban Kao Dihn, Thailand firefighting team went to two local primary schools to teach kids fire safety.
- Hamburg employees helped set up an outdoor workshop and play area for local kindergartners.
- Pakistan facility established a scholarship at the University of Agriculture in Faisalabad.
- Goole, United Kingdom is providing sensory experience through play equipment for visually impaired students.
- Employees in Kenya and South Africa have established partnerships with food science and technology universities across Africa to teach food starch technology.
- In South Africa, Ingredion donated an interactive learning board to a school in Johannesburg.
- Employees in Kenya worked with a local publisher to help launch a school library by donating 300 children’s books.



*Ingredion employees (left to right) Ian Manning, Lilia Guzman, and Brian Nash at the FBLI conference, along with Anthony Kitchen from GFN*

**INGREDION EMPLOYEES EMBRACE A SPIRIT OF COMMUNITY**

The generosity of Ingredion employees in terms of time and spirit knows no bounds. In addition to our primary support focused on combating hunger and supporting education, in 2017, our community engagement activities also included:

- Monthly donations for elderly and disabled adults living near our Korean plants.
- Volunteering to build homes for Habitat for Humanity in the United States.
- Donating 80 warm-weather jackets in Germany to help keep local food bank volunteers warm during the winter.
- United States employees contributed nearly \$124,000 to the annual Give campaign benefitting The American Red Cross, Feeding America and United Way.
- Employees in Peru collected and distributed water, food, and clothing for people near the facility impacted by flooding.
- Donating \$100,000 in support of relief efforts for Hurricanes Harvey and Irma.



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