

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2019
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____
COMMISSION FILE NUMBER 1-13397

Ingredion Incorporated

(Exact name of Registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization)

22-3514823

(I.R.S. Employer Identification Number)

**5 WESTBROOK CORPORATE CENTER
WESTCHESTER, ILLINOIS**

(Address of principal executive offices)

60154

(Zip Code)

(708) 551-2600

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value per share	INGR	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

CLASS

OUTSTANDING AT APRIL 30, 2019

Common Stock, \$.01 par value

66,687,329 shares

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”) Condensed Consolidated Statements of Income (Unaudited)

(in millions, except per share amounts)	Three Months Ended March 31,	
	2019	2018
Net sales before shipping and handling costs	\$ 1,536	\$ 1,581
Less: shipping and handling costs	116	112
Net sales	1,420	1,469
Cost of sales	1,104	1,115
Gross profit	316	354
Operating expenses	150	156
Other expense (income), net	1	(2)
Restructuring/impairment charges	4	3
Operating income	161	197
Financing costs, net	22	16
Other, non-operating income	-	(1)
Income before income taxes	139	182
Provision for income taxes	37	39
Net income	102	143
Less: Net income attributable to non-controlling interests	2	3
Net income attributable to Ingredion	\$ 100	\$ 140
Weighted average common shares outstanding:		
Basic	66.8	72.3
Diluted	67.4	73.6
Earnings per common share of Ingredion:		
Basic	\$ 1.50	\$ 1.94
Diluted	\$ 1.48	\$ 1.90

See Notes to Condensed Consolidated Financial Statements

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”) **Condensed Consolidated Statements of Comprehensive Income** **(Unaudited)**

(in millions)	Three Months Ended March 31,	
	2019	2018
Net income	\$ 102	\$ 143
Other comprehensive income:		
(Losses) gains on cash flow hedges, net of income tax effect of \$3 and \$5, respectively	(9)	17
Losses on cash flow hedges reclassified to earnings, net of income tax effect of \$ — and \$1, respectively	2	3
Actuarial (losses) on pension and other postretirement obligations, settlements and plan amendments, net of income tax effect of \$ —	—	(1)
Unrealized gains on investments, net of income tax effect of \$ —	—	1
Currency translation adjustment	1	21
Comprehensive income	96	184
Less: Comprehensive income attributable to non-controlling interests	2	1
Comprehensive income attributable to Ingredion	<u>\$ 94</u>	<u>\$ 183</u>

See Notes to Condensed Consolidated Financial Statements

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”) Condensed Consolidated Balance Sheets

(in millions, except share and per share amounts)	March 31, 2019 (Unaudited)	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 255	\$ 327
Short-term investments	4	7
Accounts receivable, net	1,013	951
Inventories	862	824
Prepaid expenses	36	29
Total current assets	<u>2,170</u>	<u>2,138</u>
Property, plant and equipment, net of accumulated depreciation of \$2,963 and \$2,915, respectively	2,208	2,198
Goodwill	815	791
Other intangible assets, net of accumulated amortization of \$174 and \$167, respectively	453	460
Operating lease assets	146	—
Deferred income tax assets	11	10
Other assets	129	131
Total assets	<u>\$ 5,932</u>	<u>\$ 5,728</u>
Liabilities and equity		
Current liabilities:		
Short-term borrowings	\$ 153	\$ 169
Accounts payable and accrued liabilities	748	777
Total current liabilities	<u>901</u>	<u>946</u>
Non-current liabilities	203	217
Long-term debt	1,957	1,931
Non-current operating lease liabilities	113	—
Deferred income tax liabilities	193	189
Share-based payments subject to redemption	21	37
Ingredion stockholders' equity:		
Preferred stock — authorized 25,000,000 shares — \$0.01 par value, none issued	—	—
Common stock — authorized 200,000,000 shares — \$0.01 par value, 77,810,875 issued at March 31, 2019 and December 31, 2018, respectively	1	1
Additional paid-in capital	1,137	1,096
Less: Treasury stock (common stock: 11,131,668 and 11,284,681 shares at March 31, 2019 and December 31, 2018, respectively) at cost	(1,050)	(1,091)
Accumulated other comprehensive loss	(1,160)	(1,154)
Retained earnings	3,594	3,536
Total Ingredion stockholders' equity	2,522	2,388
Non-controlling interests	22	20
Total equity	2,544	2,408
Total liabilities and equity	<u>\$ 5,932</u>	<u>\$ 5,728</u>

See Notes to Condensed Consolidated Financial Statements

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”)
Condensed Consolidated Statements of Equity and Redeemable Equity
(Unaudited)

	Total Equity						Share-based
	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non- Controlling Interests	Payments Subject to Redemption
(in millions)							
Balance, December 31, 2018	<u>\$ 1</u>	<u>\$ 1,096</u>	<u>\$ (1,091)</u>	<u>\$ (1,154)</u>	<u>\$ 3,536</u>	<u>\$ 20</u>	<u>\$ 37</u>
Net income attributable to Ingredion					100		
Net income attributable to non- controlling interests						2	
Dividends declared					(42)		
Repurchases of common stock, net		32	31				
Share-based compensation, net of issuance		9	10				(16)
Other comprehensive loss				(6)			
Balance, March 31, 2019	<u>\$ 1</u>	<u>\$ 1,137</u>	<u>\$ (1,050)</u>	<u>\$ (1,160)</u>	<u>\$ 3,594</u>	<u>\$ 22</u>	<u>\$ 21</u>
	Total Equity						Share-based
	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non- Controlling Interests	Payments Subject to Redemption
(in millions)							
Balance, December 31, 2017	<u>\$ 1</u>	<u>\$ 1,138</u>	<u>\$ (494)</u>	<u>\$ (1,013)</u>	<u>\$ 3,259</u>	<u>\$ 26</u>	<u>\$ 36</u>
Net income attributable to Ingredion					140		
Net income attributable to non- controlling interests						3	
Dividends declared					(44)	(3)	
Share-based compensation, net of issuance		(6)	18				(9)
Other comprehensive income (loss)				41		(2)	
Balance, March 31, 2018	<u>\$ 1</u>	<u>\$ 1,132</u>	<u>\$ (476)</u>	<u>\$ (972)</u>	<u>\$ 3,355</u>	<u>\$ 24</u>	<u>\$ 27</u>

See Notes to Condensed Consolidated Financial Statements

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”)
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31,	
	2019	2018
Cash provided by operating activities		
Net income	\$ 102	\$ 143
Non-cash charges to net income:		
Depreciation and amortization	51	54
Mechanical stores expense	13	15
Deferred income taxes	5	8
Other	18	8
Changes in working capital:		
Accounts receivable and prepaid expenses	(70)	(56)
Inventories	(34)	(21)
Accounts payable and accrued liabilities	(67)	(57)
Margin accounts	1	16
Other	(1)	40
Cash provided by operating activities	<u>18</u>	<u>150</u>
Cash used for investing activities		
Capital expenditures and mechanical stores purchases	(80)	(95)
Payments for acquisitions, net of cash acquired of \$4 and \$ — , respectively	(41)	—
Short-term investments	3	3
Other	—	6
Cash used for investing activities	<u>(118)</u>	<u>(86)</u>
Cash provided by (used for) financing activities		
Proceeds from borrowings	225	46
Payments on debt	(217)	(258)
Repurchases of common stock, net	63	—
Issuances of common stock for share-based compensation, net of settlements	(1)	(3)
Dividends paid, including to non-controlling interests	(42)	(46)
Cash provided by (used for) financing activities	<u>28</u>	<u>(261)</u>
Effects of foreign exchange rate changes on cash	<u>—</u>	<u>3</u>
Decrease in cash and cash equivalents	(72)	(194)
Cash and cash equivalents, beginning of period	<u>327</u>	<u>595</u>
Cash and cash equivalents, end of period	<u>\$ 255</u>	<u>\$ 401</u>

See Notes to Condensed Consolidated Financial Statements

INGREDION INCORPORATED (“Ingredion”)
Notes to Condensed Consolidated Financial Statements

1. Interim Financial Statements

References to the “Company” are to Ingredion Incorporated (“Ingredion”) and its consolidated subsidiaries. These statements should be read in conjunction with the consolidated financial statements and the related notes to those statements contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018.

The unaudited Condensed Consolidated Financial Statements included herein were prepared by management on the same basis as the Company’s audited Consolidated Financial Statements for the year ended December 31, 2018 and reflect all adjustments (consisting solely of normal recurring items unless otherwise noted) which are, in the opinion of management, necessary for the fair presentation of results of operations and cash flows for the interim periods ended March 31, 2019 and 2018, and the financial position of the Company as of March 31, 2019. The results for the interim periods are not necessarily indicative of the results expected for the full years.

2. Summary of Significant Accounting Standards and Policies

For detailed information about the Company’s significant accounting standards, please refer to Note 2 of the Notes to the Consolidated Financial Statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018. Except for the items listed below, there have been no other changes to the Company’s significant accounting policies for the three months ended March 31, 2019.

Recently Adopted Accounting Standards

ASU No. 2016-02, Leases (Topic 842)

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which supersedes *Topic 840, Leases*. The Company adopted this updated standard as of January 1, 2019, using the modified retrospective approach and the effective date as its date of initial application. The Company elected the package of three practical expedients permitted under the transition guidance, which among other things allowed the Company to carry forward the historical lease classification of existing leases and to not reassess expired contracts for leases. The practical expedient for hindsight to determine lease term was not elected by the Company. The standard resulted in the initial recognition of \$170 million of total operating lease liabilities and \$161 million of net operating lease assets on the Condensed Consolidated Balance Sheet on January 1, 2019. The standard did not materially impact the Condensed Consolidated Statement of Income or Condensed Consolidated Statement of Cash Flows. The disclosures required by the recently adopted accounting standard are included in Note 8 of the Notes to the Condensed Consolidated Financial Statements.

ASU No. 2017-12 and ASU 2018-16, Derivatives and Hedging (Topic 815)

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*. This Update modifies accounting guidance for hedge accounting by making more hedge strategies eligible for hedge accounting, amending presentation and disclosure requirements, and changing how companies assess ineffectiveness. The intent is to simplify the application of hedge accounting and increase transparency of information about an entity’s risk management activities. The amended guidance is effective for annual periods beginning after December 15, 2018, with early adoption permitted. The Company has completed its assessment of these updates, including potential changes to existing hedging arrangements, and has determined the adoption of the guidance did not have a material impact on the Company’s Condensed Consolidated Financial Statements.

In October 2018, the FASB issued ASU 2018-16, *Derivatives and Hedging (Topic 815): Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as Benchmark Interest Rate for Hedge Accounting Purposes*. This Update permits use of the OIS rate based on the SOFR as a U.S. benchmark interest rate for hedge accounting purposes. The guidance should be adopted on a prospective basis. This Update is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. The Update did not have a material impact on the Company’s Condensed Consolidated Financial Statements.

New Accounting Standards

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. This Update simplifies the subsequent measurement of goodwill as the Update eliminates Step 2 from the goodwill impairment test. Instead, under the Update, an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should then recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value, with the loss recognized not to exceed the total amount of goodwill allocated to that reporting unit. This Update is effective for annual periods beginning after December 15, 2019, with early adoption permitted.

3. Acquisitions

On March 1, 2019, the Company completed its acquisition of Western Polymer LLC ("Western Polymer"), a privately held, U.S.-based company headquartered in Moses Lake, Washington that produces native and modified potato starches for industrial and food applications for \$41 million, net of cash acquired of \$4 million. The acquisition will expand the Company's potato starch manufacturing capacity, enhance processing capabilities, and broaden its higher-value specialty ingredients business and customer base. The results of the acquired operation are included in the Company's consolidated results from the acquisition date forward within the North America business segment. The Company has elected to record the results of Western Polymer within the Condensed Consolidated Financial Statements on a one-month lag.

A preliminary allocation of the purchase price to the assets acquired and liabilities assumed was made based on available information and incorporating management's best estimates. The assets acquired and liabilities assumed in the transaction are generally recorded at their estimated acquisition date fair values, while transaction costs associated with the acquisition are expensed as incurred. The initial purchase accounting for this acquisition is still in process and as of March 31, 2019, \$22 million of goodwill and \$19 million of net tangible assets have preliminarily been recorded. Goodwill represents the amount by which the purchase price exceeds the estimated fair value of the net assets acquired. The goodwill results from synergies and other operational benefits expected to be derived from the acquisitions. The goodwill related to Western Polymer is tax deductible due to the structure of the acquisition.

Pro-forma results of operations for the acquisition made in 2019 have not been presented as the effect of the acquisition would not be material to the Company's results of operations for any periods presented.

The Company incurred \$1 million of pre-tax acquisition and integration costs for the three months ended March 31, 2019, associated with its recent acquisition. The Company incurred immaterial pre-tax acquisition and integration costs for the three months ended March 31, 2018.

4. Revenue Recognition

The Company applies the provisions of ASC 606-10, *Revenue from Contracts with Customers*. The Company recognizes revenue under the core principle to depict the transfer of products to customers in an amount reflecting the consideration the Company expects to receive. In order to achieve that core principle, the Company applies the following five-step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when a performance obligation is satisfied.

The Company identified customer purchase orders, which in some cases are governed by a master sales agreement, as the contracts with its customers. For each contract, the Company considers the transfer of products, each of which is distinct, to be the identified performance obligation. In determining the transaction price for the performance obligation, the Company evaluates whether the price is subject to adjustment to determine the consideration to which the Company expects to be entitled. The pricing model can be fixed or variable within the contract. The variable pricing model is based on historical commodity pricing and is determinable prior to completion of the performance obligation. Additionally, the Company has certain sales adjustments for volume incentive discounts and other discount arrangements that reduce the transaction price. The reduction of the transaction price is estimated using the expected value method based on an analysis of historical volume incentives or discounts, over a period of time considered adequate to account for current pricing and business trends. Historically, actual volume incentives and discounts relative to those estimated and included when determining the transaction price have not materially differed. Volume

incentives and discounts are accrued at the satisfaction of the performance obligation and accounted for in Accounts payable and accrued liabilities in the Condensed Consolidated Balance Sheets. These amounts are not significant as of March 31, 2019 or December 31, 2018. The product price as specified in the contract, net of any discounts, is considered the standalone selling price as it is an observable input which depicts the price as if sold to a similar customer in similar circumstances. Payment is received shortly after the performance obligation is satisfied, therefore, the Company has elected the practical expedient under ASC 606-10-32-18 to not assess whether a contract has a significant financing component.

Revenue is recognized when the Company's performance obligation is satisfied and control is transferred to the customer, which occurs at a point in time, either upon delivery to an agreed upon location or to the customer. Further, in determining whether control has transferred, the Company considers if there is a present right to payment and legal title, along with risks and rewards of ownership having transferred to the customer.

Shipping and handling activities related to contracts with customers represent fulfillment costs and are presented as a reduction of net sales. Taxes assessed by governmental authorities and collected from customers are accounted for on a net basis and excluded from revenues. The Company applies a practical expedient to expense costs to obtain a contract as incurred as most contracts are one year or less. These costs primarily include the Company's internal sales force compensation. Under the terms of these programs, these are generally earned and the costs are recognized at the time the revenue is recognized.

From time to time the Company may enter into long-term contracts with its customers. Historically, the contracts entered into by the Company do not result in significant contract assets or liabilities. Any such arrangements are accounted for in Other assets or Accounts payable and accrued liabilities in the Condensed Consolidated Balance Sheets. There were no significant contract assets or liabilities as of March 31, 2019 or December 31, 2018.

The Company is principally engaged in the production and sale of starches and sweeteners for a wide range of industries, and is managed geographically on a regional basis. The Company's operations are classified into four reportable business segments: North America, South America, Asia-Pacific and Europe, Middle East and Africa ("EMEA"). The nature, amount, timing and uncertainty of the Company's Net sales are managed by the Company primarily based on its geographic segments. Each region's product sales are unique to each region and have unique risks.

(in millions)	Three Months Ended March 31,	
	2019	2018
Net sales to unaffiliated customers:		
North America:		
Net sales before shipping and handling costs	\$ 951	\$ 958
Less: shipping and handling costs	91	84
Net sales	<u>\$ 860</u>	<u>\$ 874</u>
South America:		
Net sales before shipping and handling costs	\$ 228	\$ 262
Less: shipping and handling costs	10	13
Net sales	<u>\$ 218</u>	<u>\$ 249</u>
Asia-Pacific:		
Net sales before shipping and handling costs	\$ 203	\$ 203
Less: shipping and handling costs	9	9
Net sales	<u>\$ 194</u>	<u>\$ 194</u>
EMEA:		
Net sales before shipping and handling costs	\$ 154	\$ 158
Less: shipping and handling costs	6	6
Net sales	<u>\$ 148</u>	<u>\$ 152</u>

5. Restructuring and Impairment Charges

For the three months ended March 31, 2019 and 2018, the Company recorded \$4 million and \$3 million of pre-tax restructuring charges, respectively. During 2018, the Company introduced its Cost Smart program, designed to improve profitability, further streamline its global business and deliver increased value to shareholders through anticipated savings in cost of sales, including freight, and SG&A. For the three months ended March 31, 2019, the Company recorded \$3 million of employee-related severance and other costs in the South America and North America segments as part of its Cost Smart SG&A program, including \$1 million of other costs associated with the Finance Transformation initiative in Latin America. The Company expects to incur less than \$1 million in other costs during the remainder of 2019 related to this Finance Transformation initiative. Additionally, the Company recorded \$1 million of other costs as part of the Cost Smart cost of sales program in relation to the prior year cessation of wet-milling at the Stockton, California plant. The Company expects to incur approximately \$1 million of additional costs during the remainder of 2019 to complete this project.

For the three months ended March 31, 2018, the Company recorded \$2 million of other costs related to the North America Finance Transformation initiative and \$1 million of other restructuring costs related to the leaf extraction process in Brazil, both of which were announced in 2017.

A summary of the Company's employee-related severance accrual as of March 31, 2019 is as follows (in millions):

Balance in severance accrual as of December 31, 2018	\$	10
Cost Smart cost of sales and SG&A		2
Payments made to terminated employees		(5)
Balance in severance accrual as of March 31, 2019	\$	7

Of the \$7 million severance accrual as of March 31, 2019, \$6 million is expected to be paid in the next 12 months.

6. Financial Instruments, Derivatives and Hedging Activities

The Company is exposed to market risk stemming from changes in commodity prices (primarily corn and natural gas), foreign currency exchange rates and interest rates. In the normal course of business, the Company actively manages its exposure to these market risks by entering into various hedging transactions, authorized under established policies that place clear controls on these activities. These transactions utilize exchange-traded derivatives or over-the-counter derivatives with investment-grade counterparties. Derivative financial instruments currently used by the Company consist of commodity-related futures, options and swap contracts, foreign currency-related forward contracts and interest rate swaps.

Commodity price hedging: The Company's principal use of derivative financial instruments is to manage commodity price risk relating to anticipated purchases of corn and natural gas to be used in the manufacturing process, generally over the next 12 to 24 months. The Company maintains a commodity-price risk management strategy that uses derivative instruments to minimize significant, unanticipated earnings fluctuations caused by commodity-price volatility. For example, the manufacturing of the Company's products requires a significant volume of corn and natural gas. Price fluctuations in corn and natural gas cause the actual purchase price of corn and natural gas to differ from anticipated prices.

To manage price risk related to corn purchases, the Company uses corn futures and options contracts that trade on regulated commodity exchanges to lock-in its corn costs associated with fixed-priced customer sales contracts. The Company uses over-the-counter natural gas swaps to hedge a portion of its natural gas usage. These derivative financial instruments limit the impact that volatility resulting from fluctuations in market prices will have on corn and natural gas purchases. A majority of corn derivatives have been designated as cash flow hedging instruments. The Company also enters into futures contracts to hedge price risk associated with fluctuations in the market price of ethanol and soybean oil. The Company's natural gas, ethanol and soybean oil derivatives have been designated as cash flow hedging instruments.

The Company enters into certain corn derivative instruments that are not designated as hedging instruments as defined by *ASC 815, Derivatives and Hedging*. Therefore, the realized and unrealized gains and losses from these instruments are recognized in cost of sales during each accounting period. These derivative instruments also mitigate commodity price risk related to anticipated purchases of corn.

For commodity hedges designated as cash flow hedges, unrealized gains and losses associated with marking the commodity hedging contracts to market (fair value) are recorded as a component of other comprehensive income ("OCI") and included in the equity section of the Condensed Consolidated Balance Sheets as part of accumulated other comprehensive income/loss ("AOCI"). These amounts are subsequently reclassified into earnings in the same line item affected by the hedged transaction and in the same period or periods during which the hedged transaction affects earnings, or in the month a hedge is determined to be ineffective. The Company assesses the effectiveness of a commodity hedge contract based on changes in the contract's fair value. The changes in the market value of such contracts have historically been, and are expected to continue to be, highly effective at offsetting changes in the price of the hedged items. Gains and losses from cash flow hedging instruments reclassified from AOCI to earnings are reported as Cash provided by operating activities on the Condensed Consolidated Statements of Cash Flows.

As of March 31, 2019, AOCI included \$11 million of losses (net of income taxes of \$5 million), pertaining to commodities-related derivative instruments designated as cash flow hedges. As of December 31, 2018, AOCI included \$2 million of losses (net of tax of \$2 million), pertaining to commodities-related derivative instruments designated as cash flow hedges.

Interest rate hedging: The Company assesses its exposure to variability in interest rates by identifying and monitoring changes in interest rates that may adversely impact future cash flows and the fair value of existing debt instruments, and by evaluating hedging opportunities. The Company maintains risk management control systems to monitor interest rate risk attributable to both the Company's outstanding and forecasted debt obligations as well as the Company's offsetting hedge positions. The risk management control systems involve the use of analytical techniques, including sensitivity analysis, to estimate the expected impact of changes in interest rates on future cash flows and the fair value of the Company's outstanding and forecasted debt instruments. Derivative financial instruments that have been used by the Company to manage its interest rate risk consist of interest rate swaps and T-Locks.

The Company has an interest rate swap agreement that effectively converts the interest rates on \$200 million of its \$400 million of 4.625 percent senior notes due November 1, 2020, to variable rates. This swap agreement calls for the Company to receive interest at the fixed coupon rate of the respective notes and to pay interest at a variable rate based on the six-month U.S. LIBOR plus a spread. The Company has designated this interest rate swap agreement as a hedge of the changes in fair value of the underlying debt obligations attributable to changes in interest rates and accounts for it as a fair value hedging instrument. The change in fair value of an interest rate swap designated as a hedging instrument that effectively offsets the variability in the fair value of outstanding debt obligations is reported in earnings. This amount offsets the gain or loss (the change in fair value) of the hedged debt instrument that is attributable to changes in interest rates (the hedged risk), which is also recognized in earnings. The fair value of the interest rate swap agreement as of March 31, 2019 was less than a \$1 million gain, and is reflected in the Condensed Consolidated Balance Sheets within Non-current liabilities, with an offsetting amount recorded in Long-term debt to adjust the carrying amount of the hedged debt obligations. As of December 31, 2018, the fair value of the interest rate swap agreement was a \$1 million loss, and is reflected in the Condensed Consolidated Balance Sheets within Non-current liabilities, with an offsetting amount recorded in Long-term debt to adjust the carrying amount of hedged debt obligations.

The Company periodically enters into T-Locks to hedge its exposure to interest rate changes. The T-Locks are designated as hedges of the variability in cash flows associated with future interest payments caused by market fluctuations in the benchmark interest rate until the fixed interest rate is established, and are accounted for as cash flow hedges. Accordingly, changes in the fair value of the T-Locks are recorded to AOCI until the consummation of the underlying debt offering, at which time any realized gain (loss) is amortized to earnings over the life of the debt. The Company did not have any T-Locks outstanding as of March 31, 2019 or December 31, 2018. As of March 31, 2019, AOCI included \$2 million of losses (net of income taxes of \$1 million) related to settled T-Locks. As of December 31, 2018, AOCI included \$2 million of losses (net of income taxes of \$1 million) related to settled T-Locks. These deferred losses are being amortized to Financing costs, net over the terms of the senior notes with which they are associated.

Foreign currency hedging: Due to the Company's global operations, including operations in many emerging markets, it is exposed to fluctuations in foreign currency exchange rates. As a result, the Company has exposure to translational foreign exchange risk when the results of its foreign operations are translated to U.S. dollars and to transactional foreign exchange risk when transactions not denominated in the functional currency are revalued. The Company primarily uses derivative financial instruments such as foreign currency forward contracts, swaps and options to manage its transactional foreign exchange risk. The Company enters into foreign currency derivative instruments that

are designated as both cash flow hedging instruments as well as instruments not designated as hedging instruments as defined by *ASC 815, Derivatives and Hedging*. The Company enters into both of these hedge types in order to mitigate transactional foreign exchange risk.

Gains and losses from derivative financial instruments not designated as hedging instruments are marked to market in earnings during each accounting period. The notional volume of the Company's foreign currency derivatives not designated as hedging instruments included forward sales contracts of \$866 million and \$621 million as well as forward purchase contracts worth \$406 million and \$165 million as of March 31, 2019 and December 31, 2018, respectively.

The Company's foreign currency derivatives designated as cash flow hedging instruments include a \$1 million gain (net of income taxes of \$1 million) in AOCI as of March 31, 2019. The amount included in AOCI related to these hedges at December 31, 2018 was not significant. The notional volume of the Company's foreign currency cash flow hedging instruments included forward sales contracts of \$274 million and \$345 million as well as forward purchase contracts of \$227 million and \$275 million as of March 31, 2019 and December 31, 2018, respectively.

The fair value and balance sheet location of the Company's derivative instruments, presented gross in the Condensed Consolidated Balance Sheets, are reflected below:

Fair value of hedging instruments as of March 31, 2019								
Balance Sheet Location	Designated Hedging Instruments (in millions)				Non-Designated Hedging Instruments (in millions)			
	Commodity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Total	Commodity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Total
Accounts receivable, net	\$ 2	\$ 2	\$ —	\$ 4	\$ —	\$ 7	\$ —	\$ 7
Other assets	—	—	—	—	—	1	—	1
Assets	2	2	—	4	—	8	—	8
Accounts payable and accrued liabilities	12	—	—	12	4	7	—	11
Non-current liabilities	3	—	—	3	—	3	—	3
Liabilities	15	—	—	15	4	10	—	14
Net Assets/(Liabilities)	\$ (13)	\$ 2	\$ —	\$ (11)	\$ (4)	\$ (2)	\$ —	\$ (6)

Fair value of hedging instruments as of December 31, 2018								
Balance Sheet Location	Designated Hedging Instruments (in millions)				Non-Designated Hedging Instruments (in millions)			
	Commodity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Total	Commodity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Total
Accounts receivable, net	\$ 5	\$ 1	\$ —	\$ 6	\$ —	\$ 16	\$ —	\$ 16
Other assets	1	—	—	1	—	1	—	1
Assets	6	1	—	7	—	17	—	17
Accounts payable and accrued liabilities	6	—	—	6	3	9	—	12
Non-current liabilities	3	—	1	4	—	4	—	4
Liabilities	9	—	1	10	3	13	—	16
Net Assets/(Liabilities)	\$ (3)	\$ 1	\$ (1)	\$ (3)	\$ (3)	\$ 4	\$ —	\$ 1

As of March 31, 2019, the Company had outstanding futures and option contracts that hedged the forecasted purchase of approximately 77 million bushels of corn. The Company is unable to directly hedge price risk related to coproduct sales; however, it occasionally enters into hedges of soybean oil (a competing product to corn oil) in order to mitigate the price risk of corn oil sales. As of March 31, 2019, the Company had outstanding futures or option contracts hedging approximately 22 million pounds of soybean oil. The Company also had outstanding swap and option contracts that hedged the forecasted purchase of approximately 31 million mmbtu's of natural gas at March 31, 2019. Additionally, as of March 31, 2019, the Company had no outstanding ethanol futures contracts.

Additional information pertaining to the Company's fair value hedges is presented below:

Line item in the statement of financial position in which the hedged item is included (in millions)	Carrying Amount of the Hedged Assets/(Liabilities)		Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Amount of Hedged Assets/(Liabilities)	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Balance sheet date as of	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest Rate Contracts:				
Long-Term Debt	\$ (200)	\$ (199)	\$ —	\$ 1

Additional information relating to the Company's derivative instruments is presented below:

Derivatives in Cash-Flow Hedging Relationships (in millions, pre-tax)	Amount of Gains (Losses) Recognized in OCI		Location of Gains (Losses) Reclassified from AOCI into Income	Amount of Gains (Losses) Reclassified from AOCI into Income	
	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018		Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Commodity contracts	\$ (10)	\$ 20	Cost of sales	\$ 2	\$ (5)
Foreign currency contracts	(2)	2	Net sales/Cost of sales	(3)	1
Interest rate contracts	—	—	Financing costs, net	(1)	—
Total	\$ (12)	\$ 22		\$ (2)	\$ (4)

Location and Amount of Gain or (Loss) Recognized in Income on Fair Value and Cash Flow Hedging Relationships (in millions, pre-tax)	For the three months ended March 31, 2019		
	Net sales before shipping and handling costs	Cost of Sales	Financing costs, net
Income (expense) reported in earnings	\$ 1,536	\$ (1,104)	\$ (22)
Gains or (losses) on fair value hedging relationships:			
Interest Rate Contracts:			
Hedged Items	\$ —	\$ —	\$ —
Derivatives designated as hedging instruments	—	—	—
Gains or (losses) on cash flow hedging relationships:			
Commodity Contracts:			
Gain/(loss) reclassified from other comprehensive income into earnings	\$ —	\$ 2	\$ —
Foreign Exchange Contracts:			
Gain/(loss) reclassified from other comprehensive income into earnings	(3)	—	—
Interest Rate Contracts:			
Gain/(loss) reclassified from other comprehensive income into earnings	—	—	(1)

Location and Amount of Gain or (Loss) Recognized in Income on Fair Value and Cash Flow Hedging Relationships (in millions, pre-tax)	For the three months ended March 31, 2018		
	Net sales before shipping and handling costs	Cost of Sales	Financing costs, net
Income (expense) reported in earnings	\$ 1,581	\$ (1,115)	\$ (16)
Gains or (losses) on fair value hedging relationships:			
Interest Rate Contracts:			
Hedged Items	\$ —	\$ —	\$ (2)
Derivatives designated as hedging instruments	—	—	2
Gains or (losses) on cash flow hedging relationships:			
Commodity Contracts:			
Gain/(loss) reclassified from other comprehensive income into earnings	\$ —	\$ (5)	\$ —
Foreign Exchange Contracts:			
Gain/(loss) reclassified from other comprehensive income into earnings	1	—	—
Interest Rate Contracts:			
Gain/(loss) reclassified from other comprehensive income into earnings	—	—	—

As of March 31, 2019, AOCI included \$10 million of losses (net of income taxes of \$3 million) on commodities-related derivative instruments designated as cash flow hedges that are expected to be reclassified into earnings during the next 12 months. Transactions and events expected to occur over the next 12 months that will necessitate reclassifying these derivative losses to earnings include the sale of finished goods inventory, which includes previously hedged purchases of corn and natural gas. The Company expects the losses to be offset by changes in the underlying commodities costs. Additionally, as of March 31, 2019, AOCI included \$1 million of losses (net of an insignificant amount of taxes) on settled T-Locks and \$2 million of gains (net of an insignificant amount of taxes) related to foreign currency hedges which are expected to be reclassified into earnings during the next 12 months.

Presented below are the fair values of the Company's financial instruments and derivatives for the periods presented:

(in millions)	As of March 31, 2019				As of December 31, 2018			
	Total	Level 1 (a)	Level 2 (b)	Level 3 (c)	Total	Level 1 (a)	Level 2 (b)	Level 3 (c)
Available for sale securities	\$ 10	\$ 10	\$ —	\$ —	\$ 11	\$ 11	\$ —	\$ —
Derivative assets	12	1	11	—	24	4	20	—
Derivative liabilities	29	14	15	—	26	6	20	—
Long-term debt	1,969	—	1,969	—	1,954	—	1,954	—

- (a) Level 1 inputs consist of quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Level 2 inputs are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability or can be derived principally from or corroborated by observable market data.
- (c) Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The carrying values of cash equivalents, short-term investments, accounts receivable, accounts payable and short-term borrowings approximate fair values. Commodity futures, options and swap contracts are recognized at fair value. Foreign currency forward contracts, swaps and options are also recognized at fair value. The fair value of the Company's Long-term debt is estimated based on quotations of major securities dealers who are market makers in the securities. As of March 31, 2019, the carrying value and fair value of the Company's Long-term debt was \$2.0 billion.

7. Debt

As of March 31, 2019 and December 31, 2018, the Company's total debt consisted of the following:

(in millions)	As of March 31, 2019	As of December 31, 2018
3.2% senior notes due October 1, 2026	\$ 496	\$ 496
4.625% senior notes due November 1, 2020	399	399
6.625% senior notes due April 15, 2037	254	254
5.62% senior notes due March 25, 2020	200	200
Term loan credit agreement due April 12, 2021	165	165
Revolving credit facility	443	418
Fair value adjustment related to hedged fixed rate debt instruments	-	(1)
Long-term debt	1,957	1,931
Short-term borrowings	153	169
Total debt	\$ 2,110	\$ 2,100

The Company's long-term debt as of March 31, 2019 includes the Term Loan Credit Agreement ("Term Loan") of \$165 million that was due in April 2019. On April 12, 2019, the Company amended and restated the Term Loan to establish a 24-month senior unsecured term loan credit facility ("Amended Term Loan") in an amount of up to \$500 million that matures on April 12, 2021. The indebtedness outstanding under the Term Loan as of April 12, 2019, in the aggregate outstanding principal amount of \$165 million, will continue as indebtedness under the Amended Term Loan. Borrowings under the Amended Term Loan are to be used for general corporate purposes. This borrowing is included in

the long-term debt as the Company has the ability and intent to refinance it on a long-term basis prior to the maturity date.

8. Leases

The Company determines if an arrangement is a lease at inception of the agreement. Operating leases are included in operating lease assets, and current and non-current operating lease liabilities in the Company's Condensed Consolidated Balance Sheets. Lease assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease asset also includes in its calculation any prepaid lease payments made and excludes any lease incentives received from the arrangement. The Company's lease terms may include options to extend or terminate the lease, and the impact of these options are included in the lease liability and lease asset calculations when the exercise of the option is at the Company's sole discretion and it is reasonably certain that the Company will exercise that option. The Company will not separate lease and non-lease components for its leases when it is impractical to separate the two, such as leases with variable payment arrangements. Leases with an initial term of 12 months or less are not recorded on the balance sheet.

The Company has operating leases for certain rail cars, office space, warehouses, and machinery & equipment. The commencement date used for the calculation of the lease obligation is the latter of the commencement date of the new standard (January 1, 2019) or the lease start date. Certain of the leases have options to extend the life of the lease, which are included in the liability calculation when the option is at the sole discretion of the Company and it is reasonably certain that the Company will exercise the option. The Company has certain leases that have variable payments based solely on output or usage of the leased asset. These variable operating lease assets are excluded from the Company's balance sheet presentation and expensed as incurred. Leases with an initial term of 12 months or less are not material. The Company currently has no finance leases.

Lease expense for lease payments is recognized on a straight-line basis over the lease term. The components of lease expense were as follows:

Lease Cost (in millions)	Three Months Ended March 31, 2019
Operating lease cost	\$ 13
Variable operating lease cost	6
Lease cost	<u>\$ 19</u>

The following is a reconciliation of future undiscounted cash flows to the operating lease liabilities and the related operating lease assets as presented on our Condensed Consolidated Balance Sheet as of March 31, 2019.

Operating Leases (in millions)	As of March 31, 2019
2019 (Excluding the three months ended March 31, 2019)	\$ 41
2020	43
2021	32
2022	23
2023	18
Thereafter	33
Total future lease payments	<u>190</u>
Less imputed interest	35
Present value of future lease payments	<u>155</u>
Less current lease liabilities	42
Non-current operating lease liabilities	<u>\$ 113</u>
Operating lease assets	<u>\$ 146</u>

Additional information related to the Company's operating leases was as follows:

Other Information (\$ in millions)	Three Months Ended March 31, 2019
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 15
Right-of-use assets obtained in exchange for lease liabilities:	
Operating leases	\$ 161
Weighted average remaining lease term:	
Operating leases	5.5 years
Weighted average discount rate:	
Operating leases	5.7%

As the Company has not restated prior-year information for its adoption of ASC Topic 842, the following presents its future minimum lease payments for operating leases under ASC Topic 840 on December 31, 2018:

Operating Leases (in millions)	As of December 31, 2018
2019	\$ 53
2020	44
2021	40
2022	27
2023	22
Thereafter	27
Total future lease payments	<u>\$ 213</u>

9. Taxes

In January 2019, the Company's Brazilian subsidiary received a favorable decision from the Federal Court of Appeals in Sao Paulo, Brazil, related to the overpayment of certain indirect taxes in prior years. As a result of this decision, the Company expects to be entitled to credits against various Brazilian federal tax payments in 2019 and future years. The Company is currently calculating the amount of the credits and interest related to this court decision. The credit calculations, which span a period from 2005 to April 2018, are complex and there are pending decisions with the Brazilian courts that may result in changes to the calculations and the timing of the receipt of benefits. The Company anticipates completing its credit calculations later in 2019.

10. Net Periodic Pension and Postretirement Benefit Costs

For detailed information about the Company's pension and postretirement benefit plans, please refer to Note 10 of the Notes to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

The following table sets forth the components of net periodic benefit cost of the U.S. and non-U.S. defined benefit pension plans for the periods presented:

(in millions)	Three Months Ended March 31,			
	U.S. Plans		Non-U.S. Plans	
	2019	2018	2019	2018
Service cost	\$ 1	\$ 1	\$ 1	\$ 1
Interest cost	4	3	3	3
Expected return on plan assets	(5)	(5)	(2)	(2)
Net periodic benefit cost (a)	<u>\$ —</u>	<u>\$ (1)</u>	<u>\$ 2</u>	<u>\$ 2</u>

The Company currently anticipates that it will make approximately \$4 million in cash contributions to its pension plans in 2019, consisting of \$3 million to its non-U.S. pension plans and \$1 million to its U.S. pension plans. For the three

months ended March 31, 2019, cash contributions of approximately \$1 million were made to the non-U.S. plans and less than \$1 million to the U.S. plans.

The following table sets forth the components of net postretirement benefit cost for the periods presented:

(in millions)	Three Months Ended March 31,	
	2019	2018
Service cost	\$ —	\$ —
Interest cost	1	1
Amortization of prior service credit	(1)	(1)
Net periodic benefit cost (a)	\$ —	\$ —

(a) The service cost component of net periodic benefit cost is presented within either cost of sales or operating expenses on the Condensed Consolidated Statements of Income. The interest cost, expected return on plan assets, amortization of actuarial loss, amortization of prior service credit and settlement loss components of net periodic benefit cost are presented as other, non-operating income on the Condensed Consolidated Statements of Income.

11. Inventories

Inventories are summarized as follows:

(in millions)	As of March 31, 2019	As of December 31, 2018
Finished and in process	\$ 512	\$ 522
Raw materials	296	250
Manufacturing supplies and other	54	52
Total inventories	\$ 862	\$ 824

12. Equity

Treasury stock: On October 22, 2018, the Board of Directors authorized a new stock repurchase program permitting the Company to purchase up to an additional 8 million of its outstanding common shares from November 5, 2018 through December 31, 2023. On December 12, 2014, the Board of Directors authorized a stock repurchase program permitting the Company to purchase up to 5 million of its outstanding common shares from January 1, 2015, through December 12, 2019. The parameters of the Company's stock repurchase program are not established solely with reference to the dilutive impact of shares issued under the Company's stock incentive plan. However, the Company expects that, over time, share repurchases will offset the dilutive impact of shares issued under the stock incentive plan.

On November 5, 2018, the Company entered into a Variable Timing Accelerated Share Repurchase ("ASR") program with JPMorgan ("JPM"). Under the ASR program, the Company paid \$455 million on November 5, 2018, and acquired 4.0 million shares of its common stock having an approximate value of \$423 million on that date. On February 5, 2019, the Company and JPM settled the difference between the initial price and average daily volume weighted average price ("VWAP") less the agreed upon discount during the term of the ASR agreement. The final VWAP was \$98.04 per share, which was less than originally paid. The Company settled the difference in cash, resulting in JPM returning \$63 million of the upfront payment to the Company on February 6, 2019 and lowering the total cost of repurchasing the 4.0 million shares of common stock to \$392 million. The Company adjusted Additional paid-in capital and Treasury stock by \$32 million and \$31 million, respectively, during the first quarter of 2019 for this inflow of cash.

Shared-based payments: The following table summarizes the components of the Company's share-based compensation expense:

(in millions)	Three Months Ended March 31,	
	2019	2018
Stock options:		
Pre-tax compensation expense	\$ 1	\$ 1
Income tax benefit	—	—
Stock option expense, net of income taxes	1	1
Restricted stock units ("RSUs"):		
Pre-tax compensation expense	2	3
Income tax benefit	—	(1)
RSUs, net of income taxes	2	2
Performance shares and other share-based awards:		
Pre-tax compensation expense	1	1
Income tax benefit	—	—
Performance shares and other share-based compensation expense, net of income taxes	1	1
Total share-based compensation:		
Pre-tax compensation expense	4	5
Income tax benefit	—	(1)
Total share-based compensation expense, net of income taxes	\$ 4	\$ 4

Stock Options: Under the Company's stock incentive plan, stock options are granted at exercise prices that equal the market value of the underlying common stock on the date of grant. The options have a 10-year term and are exercisable upon vesting, which occurs over a three-year period at the anniversary dates of the date of grant. Compensation expense is generally recognized on a straight-line basis for all awards over the employee's vesting period or over a one-year required service period for certain retirement eligible executive level employees. The Company estimates a forfeiture rate at the time of grant and updates the estimate throughout the vesting of the stock options within the amount of compensation costs recognized in each period.

The Company granted non-qualified options to purchase 247 thousand shares and 215 thousand shares for the three months ended March 31, 2019 and 2018, respectively. The fair value of each option grant was estimated using the Black-Scholes option-pricing model with the following assumptions:

	Three Months Ended March 31,	
	2019	2018
Expected life (in years)	5.5	5.5
Risk-free interest rate	2.5 %	2.5 %
Expected volatility	19.7 %	19.8 %
Expected dividend yield	2.7 %	1.8 %

The expected life of options represents the weighted average period of time that options granted are expected to be outstanding giving consideration to vesting schedules and the Company's historical exercise patterns. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the grant date for the period corresponding to the expected life of the options. Expected volatility is based on historical volatilities of the Company's common stock. Dividend yields are based on current dividend payments.

Stock option activity for the three months ended March 31, 2019 was as follows:

	Number of Options (in thousands)	Weighted Average Exercise Price per Share	Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in millions)
Outstanding as of December 31, 2018	2,079	\$ 80.25	5.51	\$ 42
Granted	247	91.85		
Exercised	(60)	32.99		
Cancelled	(22)	121.87		
Outstanding as of March 31, 2019	2,244	\$ 82.38	5.83	\$ 43
Exercisable as of March 31, 2019	1,783	\$ 75.57	5.16	\$ 42

For the three months ended March 31, 2019, cash received from the exercise of stock options was \$2 million. As of March 31, 2019, the unrecognized compensation cost related to non-vested stock options totaled \$5 million, which is expected to be amortized over the weighted-average period of approximately 1.8 years.

Additional information pertaining to stock option activity is as follows:

(dollars in millions, except per share)	Three Months Ended March 31,	
	2019	2018
Weighted average grant date fair value of stock options granted (per share)	\$ 14.02	\$ 24.01
Total intrinsic value of stock options exercised	\$ 4	\$ 8

Restricted Stock Units: The Company has granted RSUs to certain key employees. The RSUs are subject to cliff vesting, generally after three years provided the employee remains in the service of the Company. Compensation expense is generally recognized on a straight-line basis for all awards over the employee's vesting period or over a one-year required service period for certain retirement eligible executive level employees. The Company estimates a forfeiture rate at the time of grant and updates the estimate throughout the vesting of the RSUs within the amount of compensation costs recognized in each period. The fair value of the RSUs is determined based upon the number of shares granted and the market price of the Company's common stock on the date of the grant.

The following table summarizes RSU activity for the three months ended March 31, 2019:

(RSUs in thousands)	Number of RSUs	Weighted Average Fair Value per Share
Non-vested as of December 31, 2018	341	\$ 115.06
Granted	148	91.94
Vested	(123)	100.20
Cancelled	(15)	121.62
Non-vested as of March 31, 2019	351	\$ 110.25

As of March 31, 2019, the total remaining unrecognized compensation cost related to RSUs was \$23 million, which will be amortized over a weighted average period of approximately 2.2 years.

Performance Shares: The Company has a long-term incentive plan for senior management in the form of performance shares. Historically these performance shares awarded and vested were based solely on the Company's stock performance as compared to the stock performance of its peer group over the three-year vesting period. Now beginning with the 2019 performance share grants, the performance shares will have two performance metrics that the granted performance shares will be awarded and vested upon. Fifty percent of the performance shares awarded and vested will be based on the Company's stock performance as compared to the stock performance of its peer group, and the remaining fifty percent will be based on the calculation of the Company's three-year average Return on Invested Capital ("ROIC") against the set ROIC target.

For the 2019 performance shares awarded based on the Company's stock performance, the number of shares that ultimately vest can range from zero to 200 percent of the awarded grant depending on the Company's total shareholder

return as compared to the total shareholder return of the peer group. The share award vesting will be calculated at the end of the three-year period and is subject to approval by management and the Compensation Committee. Compensation expense is based on the fair value of the performance shares at the grant date, established using a Monte Carlo simulation model. The total compensation expense for these awards is amortized over a three-year graded vesting schedule.

For the 2019 performance shares awarded based on ROIC, the number of shares that ultimately vest can range from zero to 200 percent of the awarded grant depending on the Company's ROIC performance against the target. The share award vesting will be calculated at the end of the three-year period and is subject to approval by management and the Compensation Committee. Compensation expense is based on the market price of the Company's common stock on the date of the grant and the final number of shares that ultimately vest. The Company will estimate the potential share vesting at least annually to adjust the compensation expense for these awards over the vesting period to reflect the Company's estimated ROIC performance versus the target. The total compensation expense for these awards is amortized over a three-year graded vesting schedule.

For the three months ended March 31, 2019, the Company awarded 70 thousand performance shares at a weighted average fair value of \$92.57 per share.

As of March 31, 2019, the unrecognized compensation cost related to these awards was \$7 million, which will be amortized over the remaining requisite service period of 2.3 years.

The 2016 performance share awards vested in the first quarter of 2019, achieving a 0 percent pay out of the granted performance shares. Additionally, there were 3 thousand performance share cancellations during the three months ended March 31, 2019.

Accumulated Other Comprehensive Loss: The following is a summary of net changes in Accumulated other comprehensive loss by component and net of tax for the three months ended March 31, 2019 and 2018:

(in millions)	Cumulative Translation Adjustment	Deferred (Loss) Gain on Hedging Activities	Pension and Postretirement Adjustment	Unrealized (Loss) Gain on Investment	Accumulated Other Comprehensive Loss
Balance, December 31, 2018	\$ (1,080)	\$ (5)	\$ (69)	\$ —	\$ (1,154)
Other comprehensive income (loss) before reclassification adjustments	1	(12)	—	—	(11)
Amount reclassified from accumulated OCI	—	2	—	—	2
Tax benefit	—	3	—	—	3
Net other comprehensive income (loss)	1	(7)	—	—	(6)
Balance, March 31, 2019	\$ (1,079)	\$ (12)	\$ (69)	\$ —	\$ (1,160)

(in millions)	Cumulative Translation Adjustment	Deferred (Loss) Gain on Hedging Activities	Pension and Postretirement Adjustment	Unrealized (Loss) Gain on Investment	Accumulated Other Comprehensive Loss
Balance, December 31, 2017	\$ (951)	\$ (13)	\$ (51)	\$ 2	\$ (1,013)
Other comprehensive income (loss) before reclassification adjustments	21	22	(1)	1	43
Amount reclassified from accumulated OCI	—	4	—	—	4
Tax provision	—	(6)	—	—	(6)
Net other comprehensive income (loss)	21	20	(1)	1	41
Balance, March 31, 2018	\$ (930)	\$ 7	\$ (52)	\$ 3	\$ (972)

Supplemental Information: The following Condensed Consolidated Statements of Equity and Redeemable Equity provide the dividends per share for Common stock for the periods presented:

(in millions)	Total Equity						Share-based Payments Subject to Redemption
	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non-Controlling Interests	
Balance, December 31, 2018	\$ 1	\$ 1,096	\$ (1,091)	\$ (1,154)	\$ 3,536	\$ 20	\$ 37
Net income attributable to Ingredion					100		
Net income attributable to non-controlling interests						2	
Dividends declared, common stock (\$0.625/share)					(42)		
Repurchases of common stock		32	31				
Share-based compensation, net of issuance		9	10				(16)
Other comprehensive loss				(6)			
Balance, March 31, 2019	\$ 1	\$ 1,137	\$ (1,050)	\$ (1,160)	\$ 3,594	\$ 22	\$ 21

(in millions)	Total Equity						Share-based Payments Subject to Redemption
	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non-Controlling Interests	
Balance, December 31, 2017	\$ 1	\$ 1,138	\$ (494)	\$ (1,013)	\$ 3,259	\$ 26	\$ 36
Net income attributable to Ingredion					140		
Net income attributable to non-controlling interests						3	
Dividends declared, common stock (\$0.60/share)					(44)		
Dividends declared, non-controlling interests						(3)	
Share-based compensation, net of issuance		(6)	18				(9)
Other comprehensive income (loss)				41		(2)	
Balance, March 31, 2018	\$ 1	\$ 1,132	\$ (476)	\$ (972)	\$ 3,355	\$ 24	\$ 27

Supplemental Information: The following table provides the computation of basic and diluted earnings per common share ("EPS") for the periods presented:

(in millions, except per share amounts)	Three Months Ended March 31, 2019			Three Months Ended March 31, 2018		
	Net Income Available to Ingredion	Weighted Average Shares	Per Share Amount	Net Income Available to Ingredion	Weighted Average Shares	Per Share Amount
Basic EPS	\$ 100	66.8	\$ 1.50	\$ 140	72.3	\$ 1.94
Effect of Dilutive Securities:						
Incremental shares from assumed exercise of dilutive stock options and vesting of dilutive RSUs and other awards		0.6			1.3	
Diluted EPS	\$ 100	67.4	\$ 1.48	\$ 140	73.6	\$ 1.90

For the three months ended March 31, 2019 and 2018, approximately 1.0 million and 0.3 million share-based awards of common stock, respectively, were excluded from the calculation of diluted EPS as the impact of their inclusion would have been anti-dilutive.

13. Segment Information

The Company is principally engaged in the production and sale of starches and sweeteners for a wide range of industries, and is managed geographically on a regional basis. The Company's operations are classified into four reportable business segments: North America, South America, Asia-Pacific and EMEA. Its North America segment includes businesses in the U.S., Canada and Mexico. The Company's South America segment includes businesses in Brazil, Colombia, Ecuador and the Southern Cone of South America, which includes Argentina, Chile, Peru and Uruguay. Its Asia-Pacific segment includes businesses in South Korea, Thailand, China, Japan, Indonesia, the Philippines, Singapore, Malaysia, India, Australia and New Zealand. The Company's EMEA segment includes businesses in Germany, the United Kingdom, Pakistan and South Africa. The Company does not aggregate its operating segments when determining its reportable segments. Net sales by product are not presented because to do so would be impracticable.

(in millions)	Three Months Ended March 31,	
	2019	2018
Net sales to unaffiliated customers:		
North America:		
Net sales before shipping and handling costs	\$ 951	\$ 958
Less: shipping and handling costs	91	84
Net sales	<u>\$ 860</u>	<u>\$ 874</u>
South America:		
Net sales before shipping and handling costs	\$ 228	\$ 262
Less: shipping and handling costs	10	13
Net sales	<u>\$ 218</u>	<u>\$ 249</u>
Asia-Pacific:		
Net sales before shipping and handling costs	\$ 203	\$ 203
Less: shipping and handling costs	9	9
Net sales	<u>\$ 194</u>	<u>\$ 194</u>
EMEA:		
Net sales before shipping and handling costs	\$ 154	\$ 158
Less: shipping and handling costs	6	6
Net sales	<u>\$ 148</u>	<u>\$ 152</u>

(in millions)	Three Months Ended March 31,	
	2019	2018
Operating income:		
North America	\$ 125	\$ 143
South America	18	26
Asia-Pacific	20	23
EMEA	24	31
Corporate	(21)	(23)
Subtotal	166	200
Restructuring/impairment charges (a)	(4)	(3)
Acquisition/integration costs	(1)	—
Total operating income	<u>\$ 161</u>	<u>\$ 197</u>

(a) During the first quarter in 2019, the Company recorded \$4 million of pre-tax restructuring charges, comprised of \$3 million of employee-related severance and other costs as part of the Cost Smart SG&A program and \$1 million in other costs as part of the Cost Smart cost of sales program in relation to the cessation of wet-milling at the Stockton, California plant.

(in millions)	As of March 31, 2019	As of December 31, 2018
Total assets:		
North America (a)	\$ 3,919	\$ 3,737
South America	711	711
Asia-Pacific	806	792
EMEA	496	488
Total	<u>\$ 5,932</u>	<u>\$ 5,728</u>

(a) For purposes of presentation, North America includes Corporate assets.

ITEM 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are a major supplier of high-quality food and industrial ingredient solutions to customers around the world. We have 46 manufacturing plants located in North America, South America, Asia-Pacific and Europe, the Middle East and Africa ("EMEA"), and we manage and operate our businesses at a regional level. We believe this approach provides us with a unique understanding of the cultures and product requirements in each of the geographic markets in which we operate, bringing added value to our customers. Our ingredients are used by customers in the food, beverage, brewing, and animal nutrition industries, among others.

Our bold new strategic growth roadmap is based on the following five growth platforms and is designed to deliver shareholder value by accelerating customer co-creation and enabling consumer-preferred innovation. Our first platform is starch-based texturizers, the second platform is clean and simple ingredients, the third platform is plant-based proteins, the fourth platform is sugar reduction and specialty sweeteners, and finally, our fifth platform is value-added food systems.

For the three months ended March 31, 2019, operating income, net income and diluted earnings per share declined from the comparable 2018 period. Our decline in earnings for the three months ended March 31, 2019 was largely attributable to higher raw material and production costs, and continued foreign exchange impacts.

For the three months ended March 31, 2019 and 2018, we recorded \$4 million and \$3 million of pre-tax restructuring charges, respectively. During 2018, we introduced our Cost Smart program, designed to improve profitability, further streamline our global business and deliver increased value to shareholders through anticipated savings in cost of sales, including freight, and SG&A. For the three months ended March 31, 2019, we recorded \$3 million of employee-related severance and other costs in the South America and North America segments as part of our Cost Smart SG&A program, including \$1 million of other costs associated with the Finance Transformation initiative in Latin America. Additionally, we recorded \$1 million of other costs as part of the Cost Smart cost of sales program in relation to the prior year cessation of wet-milling at the Stockton, California plant. For the three months ended March 31, 2018, we recorded \$2 million of other costs related to the North America Finance Transformation initiative and \$1 million of other restructuring costs related to the leaf extraction process in Brazil, both of which were announced in 2017.

Our cash provided by operating activities decreased to \$18 million for the first quarter of 2019 from \$150 million in the year-earlier period, primarily driven by our decrease in earnings and changes in working capital. Our cash provided by financing activities of \$28 million during the first quarter of 2019 compared to cash used for financing activities of \$261 million during the first quarter of 2018 changed primarily due to higher proceeds from debt borrowing and cash inflow on February 6, 2019 from the settlement of the difference of the initial price per share to the final average daily volume weighted average price ("VWAP") per share for the Variable Timing Accelerated Share Repurchase ("ASR").

Looking ahead, in North America, we expect full year operating income to be flat to down versus the prior year assuming current market values for corn and corn by-products, which have been negatively impacted by crop inventory imbalances arising from a U.S. and China trade dispute. In South America, we expect operating income to be flat versus the prior year due to persistent macroeconomic challenges. We expect flat to modest growth for operating income in Asia-Pacific and EMEA.

Results of Operations

We have significant operations in four reporting segments: North America, South America, Asia-Pacific and EMEA. For most of our foreign subsidiaries, the local foreign currency is the functional currency. Accordingly, revenues and expenses denominated in the functional currencies of these subsidiaries are translated into U.S. dollars at the applicable average exchange rates for the period. Fluctuations in foreign currency exchange rates affect the U.S. dollar amounts of our foreign subsidiaries' revenues and expenses. The impact of foreign currency exchange rate changes, where significant, is provided below.

For the Three Months Ended March 31, 2019
With Comparatives for the Three Months Ended March 31, 2018

(in millions)	Three Months Ended March 31,		Favorable (Unfavorable) Variance	Favorable (Unfavorable) Percentage
	2019	2018		
Net sales	\$ 1,420	\$ 1,469	\$ (49)	(3)%
Cost of sales	1,104	1,115	11	1 %
Gross profit	316	354	(38)	(11)%
Operating expenses	150	156	6	4 %
Other expense (income), net	1	(2)	(3)	(150)%
Restructuring/impairment charges	4	3	(1)	(33)%
Operating income	161	197	(36)	(18)%
Financing costs, net	22	16	(6)	(38)%
Other, non-operating income	-	(1)	(1)	(100)%
Income before income taxes	139	182	(43)	(24)%
Provision for income taxes	37	39	2	5 %
Net income	102	143	(41)	(29)%
Less: Net income attributable to non-controlling interests	2	3	1	33 %
Net income attributable to Ingredion	\$ 100	\$ 140	\$ (40)	(29)%

Net income attributable to Ingredion. Net income attributable to Ingredion for the three months ended March 31, 2019 decreased by 29 percent to \$100 million from \$140 million for the three months ended March 31, 2018.

Results for the first quarter of 2019 include after-tax costs of \$3 million of net restructuring costs primarily associated with our Cost Smart cost of sales and SG&A programs and \$1 million of acquisition/integration costs related to the acquisition and integration of the business acquired from Western Polymer, LLC. Results for the first quarter of 2018 include after-tax restructuring costs of \$3 million consisting of \$2 million of costs associated with the North America Finance Transformation and \$1 million of costs related to our leaf extraction process in Brazil.

Net sales. Our net sales for the first quarter of 2019 of \$1.4 billion decreased by 3 percent compared to the three months ended March 31, 2018. The decrease was driven primarily by unfavorable foreign currency exchange rates of 6 percent and lower core volumes of 2 percent, partly offset by increased price/product mix primarily due to raw material and foreign exchange pricing pass-throughs of 5 percent.

Cost of sales. Cost of sales was \$1.1 billion for the three months ended March 31, 2019 and 2018. Our gross profit margin was 22 percent for the three months ended March 31, 2019, down from 24 percent for the three months ended March 31, 2018. Gross profit margin decreased primarily due to unfavorable currency translation and higher raw material and production costs in our North America segment.

Operating expenses. Operating expenses for the first quarter of 2019 decreased to \$150 million from \$156 million last year. This decrease was primarily driven by favorable expenses in North America as a result of the Finance Transformation cost reduction initiative and by favorable foreign currency translation. Operating expenses, as a percentage of net sales were flat at 11 percent for the three months ended March 31, 2019 and 2018.

Financing costs, net. Financing costs for the three months ended March 31, 2019 increased to \$22 million from \$16 million for the three months ended March 31, 2018, primarily driven by higher net debt and interest rates.

Provision for income taxes. Our effective income tax rate for the first quarter of 2019 increased to 26.6 percent from 21.4 percent a year ago.

The increase in the effective income tax rate was driven by a reduced excess tax benefit related to share-based payment awards and an increased valuation allowance on the net deferred tax assets of a foreign subsidiary. These items were partially offset by a reduction in our global intangible low-taxed income ("GILTI").

Segment Results

North America

(in millions)	Three Months Ended March 31,		Favorable (Unfavorable)	Favorable (Unfavorable)
	2019	2018	Variance	Percentage
Net sales to unaffiliated customers	\$ 860	\$ 874	\$ (14)	(2)%
Operating income	125	143	(18)	(13)%

Net sales. Our decrease in net sales of 2 percent for the first quarter of 2019, as compared to the three months ended March 31, 2018, was primarily driven by a 2 percent unfavorable impact in volume and 1 percent unfavorable foreign currency, partly offset by a 1 percent favorable impact from price/product mix.

Operating income. Our decrease in operating income of \$18 million for the three months ended March 31, 2019, as compared to the three months ended March 31, 2018, was primarily driven by higher inventory and production costs, higher net corn costs, and a modest impact from the extreme weather in the U.S. and Canada.

South America

(in millions)	Three Months Ended March 31,		Favorable (Unfavorable)	Favorable (Unfavorable)
	2019	2018	Variance	Percentage
Net sales to unaffiliated customers	\$ 218	\$ 249	\$ (31)	(12)%
Operating income	18	26	(8)	(31)%

Net sales. Our decrease in net sales of 12 percent for the first quarter of 2019, as compared to the three months ended March 31, 2018, was primarily driven by unfavorable foreign currency of 25 percent driven by the weaker Argentine peso and Brazilian real and a 6 percent decline in volume, partly offset by a 19 percent favorable impact from price/product mix.

Operating income. Our decrease in operating income of \$8 million for the first quarter of 2019 compared to the three months ended March 31, 2018, was primarily driven by unfavorable currency translation and lower volumes in Argentina and Brazil, partly offset by pricing actions.

Asia-Pacific

(in millions)	Three Months Ended March 31,		Favorable (Unfavorable)	Favorable (Unfavorable)
	2019	2018	Variance	Percentage
Net sales to unaffiliated customers	\$ 194	\$ 194	\$ —	— %
Operating income	20	23	(3)	(13)%

Net sales. Our net sales remained flat for the first quarter of 2019 compared to the three months ended March 31, 2018. A 6 percent increase in price/product mix was offset by a 2 percent decline in volume and unfavorable currency translation of 4 percent.

Operating income. Our decrease in operating income of \$3 million for the first quarter of 2019, as compared to the three months ended March 31, 2018, was primarily driven by higher regional corn costs and unfavorable currency translation, partly offset by specialty volume growth and improved price/product mix.

(in millions)	Three Months Ended March 31,		Favorable (Unfavorable) Variance	Favorable (Unfavorable) Percentage
	2019	2018		
Net sales to unaffiliated customers	\$ 148	\$ 152	\$ (4)	(3)%
Operating income	24	31	(7)	(23)%

Net sales. Our decrease in net sales of 3 percent for the first quarter of 2019 compared to the three months ended March 31, 2018 primarily reflects unfavorable currency translation of 14 percent, partly offset by a 7 percent increase in price/product mix and volume growth of 4 percent.

Operating income. Our decrease in operating income of \$7 million for the first quarter of 2019 compared to the three months ended March 31, 2018, primarily reflects unfavorable currency translation and higher raw material costs, partly offset by specialty and core volume growth and improved price/product mix.

Liquidity and Capital Resources

Cash provided by operating activities for the three months ended March 31, 2019 was \$18 million, as compared to \$150 million for the three months ended March 31, 2018. The decrease in operating cash flow primarily reflects a decrease in our net income and the changes in our working capital.

Capital expenditures and mechanical stores purchases of \$80 million for the three months ended March 31, 2019 are in line with our capital spending plan for the year. We anticipate that our capital expenditures and mechanical stores purchases will be approximately \$330 million to \$360 million for 2019.

As of March 31, 2019 and December 31, 2018, we had total debt outstanding of \$2.1 billion. As of March 31, 2019 our total debt consists of the following:

(in millions)	
3.2% senior notes due October 1, 2026	\$ 496
4.625% senior notes due November 1, 2020	399
6.625% senior notes due April 15, 2037	254
5.62% senior notes due March 25, 2020	200
Term loan credit agreement due April 12, 2021	165
Revolving credit facility	443
Fair value adjustment related to hedged fixed rate debt instruments	-
Long-term debt	1,957
Short-term borrowings	153
Total debt	\$ 2,110

As of March 31, 2019, there were borrowings of \$165 million outstanding under the Term Loan that was due in April 2019, and borrowings of \$443 million outstanding under the revolving credit facility (the “Revolving Credit Agreement”). On April 12, 2019, we amended and restated the Term Loan to establish a 24-month senior unsecured term loan credit facility in an amount of up to \$500 million that matures on April 12, 2021. The indebtedness outstanding under the Term Loan as of April 12, 2019, in the aggregate outstanding principal amount of \$165 million, will continue as indebtedness under the Amended Term Loan Credit Agreement (“Amended Term Loan”). Borrowings under the Amended Term Loan are to be used for general corporate purposes. In addition to the borrowing availability under the Revolving Credit Agreement, we have approximately \$526 million of unused operating lines of credit in the various foreign countries in which we operate.

The weighted average interest rate on our total indebtedness was approximately 4.6 percent for the three months ended March 31, 2019, compared to 4.5 percent in the three months ended March 31, 2018.

On March 20, 2019, our Board of Directors declared a quarterly cash dividend of \$0.625 per share of common stock. This dividend was paid on April 25, 2019 to stockholders of record at the close of business on April 1, 2019.

We currently expect that our available cash balances, future cash flow from operations, access to debt markets, and borrowing capacity under our credit facilities will provide us with sufficient liquidity to fund our anticipated capital expenditures, dividends and other investing and financing activities for the foreseeable future.

We have not provided foreign withholding taxes, state income taxes, and federal and state taxes on foreign currency gains/losses on accumulated undistributed earnings of certain foreign subsidiaries because these earnings are considered to be permanently reinvested. It is not practicable to determine the amount of the unrecognized deferred tax liability related to the undistributed earnings. We do not anticipate the need to repatriate funds to the U.S. to satisfy domestic liquidity needs arising in the ordinary course of business, including liquidity needs associated with our domestic debt service requirements. Approximately \$231 million of the total \$259 million of cash and cash equivalents and short-term investments at March 31, 2019 was held by our operations outside of the U.S. We expect that available cash balances and credit facilities in the U.S., along with cash generated from operations and access to debt markets, will be sufficient to meet our operating and other cash needs for the foreseeable future.

Hedging and Financial Risk

Hedging: We are exposed to market risk stemming from changes in commodity prices (primarily corn and natural gas), foreign currency exchange rates and interest rates. In the normal course of business, we actively manage our exposure to these market risks by entering into various hedging transactions, authorized under established policies that place clear controls on these activities. These transactions utilize exchange-traded derivatives or over-the-counter derivatives with investment grade counterparties. Our hedging transactions may include, but are not limited to, a variety of derivative financial instruments such as commodity-related futures, options and swap contracts, forward currency-related contracts and options, interest rate swap agreements and Treasury lock agreements (“T-Locks”). See Note 6 of the Notes to the Condensed Consolidated Financial Statements for additional information.

Commodity Price Risk: Our principal use of derivative financial instruments is to manage commodity price risk in North America relating to anticipated purchases of corn and natural gas to be used in our manufacturing process. We periodically enter into futures, options and swap contracts for a portion of our anticipated corn and natural gas usage, generally over the following 12 to 24 months, in order to hedge price risk associated with fluctuations in market prices. We also enter into futures contracts to hedge price risk associated with fluctuations in the market price of ethanol. We are unable to directly hedge price risk related to co-product sales; however, we occasionally enter into hedges of soybean oil (a competing product to our corn oil) in order to mitigate the price risk of corn oil sales. Unrealized gains and losses associated with marking our commodities-based cash flow hedge derivative instruments to market are recorded as a component of other comprehensive income (“OCI”). As of March 31, 2019, our accumulated other comprehensive loss account (“AOCI”) included \$11 million of losses (net of income taxes of \$5 million) related to these derivative instruments. It is anticipated that \$10 million of these losses (net of income taxes of \$3 million) will be reclassified into earnings during the next 12 months. We expect the losses to be offset by changes in the underlying commodities costs.

Foreign Currency Exchange Risk: Due to our global operations, including operations in many emerging markets, we are exposed to fluctuations in foreign currency exchange rates. As a result, we have exposure to translational foreign exchange risk when our foreign operations’ results are translated to U.S. dollars and to transactional foreign exchange risk when transactions not denominated in the functional currency of the operating unit are revalued. We primarily use derivative financial instruments such as foreign currency forward contracts, swaps and options to manage our foreign currency transactional exchange risk. We enter into foreign currency derivative instruments that are designated as both cash flow hedging instruments as well as instruments not designated as hedging instruments as defined by *ASC 815, Derivatives and Hedging*. As of March 31, 2019, we had foreign currency forward sales contracts with an aggregate notional amount of \$866 million and foreign currency forward purchase contracts with an aggregate notional amount of \$406 million not designated as hedging instruments.

As of March 31, 2019, we had foreign currency forward sales contracts with an aggregate notional amount of \$274 million and foreign currency forward purchase contracts with an aggregate notional amount of \$227 million designated as cash flow hedging instruments. The amount included in AOCI relating to these hedges at March 31, 2019, was a \$1 million gain (net of income taxes of \$1 million).

We have significant operations in Argentina. In the second quarter of 2018, the Argentine peso rapidly devalued relative to the U.S. dollar, which along with increased inflation, indicated that the three-year cumulative inflation in that country exceeded 100 percent as of June 30, 2018. As a result, we elected to adopt highly inflationary accounting as of

July 1, 2018 for our affiliate, Ingredion Argentina S.A. ("Argentina"). Under highly inflationary accounting, Argentina's functional currency becomes the U.S. dollar, and its income statement and balance sheet will be measured in U.S. dollars using both current and historical rates of exchange. The effect of changes in exchange rates on Argentine peso-denominated monetary assets and liabilities will be reflected in earnings in financing costs.

Interest Rate Risk: We occasionally use interest rate swaps and T-Locks to hedge our exposure to interest rate changes, to reduce the volatility of our financing costs, or to achieve a desired proportion of fixed versus floating rate debt, based on current and projected market conditions. We did not have any T-Locks outstanding as of March 31, 2019.

As of March 31, 2019, our AOCI account included \$2 million of losses (net of income taxes of \$1 million) related to settled T-Locks. These deferred losses are being amortized to financing costs over the terms of the senior notes with which they are associated. It is anticipated that \$1 million of these losses (net of an insignificant amount of taxes) will be reclassified into earnings during the next 12 months.

As of March 31, 2019, we have an interest rate swap agreement that effectively converts the interest rates on \$200 million of our \$400 million of 4.625 percent senior notes due November 1, 2020, to variable rates. This swap agreement calls for us to receive interest at the fixed coupon rate of the respective notes and to pay interest at a variable rate based on the six-month U.S. dollar LIBOR plus a spread. We have designated this interest rate swap agreement as a hedge of the changes in fair value of the underlying debt obligation attributable to changes in interest rates and account for it as a fair value hedge. The fair value of the interest rate swap agreement as of March 31, 2019 was less than a \$1 million gain, and is reflected in the Condensed Consolidated Balance Sheets within Non-current liabilities, with an offsetting amount recorded in long-term debt to adjust the carrying amount of the hedged debt obligations.

Key Financial Performance Metrics

We use certain key financial metrics to monitor our progress towards achieving our long-term strategic business objectives. In addition to the key financial metrics listed in our 2018 Form 10-K, as of January 2019, we have added the financial metric, Return on Invested Capital ("ROIC"). ROIC is a measure of the profitability and value-creating potential that considers the amount of initial capital invested. In 2019, fifty percent of the current year performance share awards granted from our Stock Incentive Plan are based on this metric. The performance share awards are more fully described in Note 12 of the Notes to the Condensed Consolidated Financial Statements.

The metric below includes certain information (including adjusted operating income, net of tax and Net Debt) that is not calculated in accordance with GAAP. Management uses non-GAAP financial measures internally for strategic decision-making, forecasting future results and evaluating current performance. By disclosing non-GAAP financial measures, management intends to provide a more meaningful, consistent comparison of our operating results and trends for the periods presented. These non-GAAP financial measures are used in addition to and in conjunction with results presented in accordance with GAAP and reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business.

Non-GAAP financial measures are not prepared in accordance with GAAP; therefore, the information is not necessarily comparable to other companies. These non-GAAP measures should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP. A reconciliation of non-GAAP historical financial measures to the most comparable GAAP measure is provided in our 2018 Form 10-K.

Return on Invested Capital (dollars in millions)	2018	2017
Adjusted operating income, net of tax (a)	\$ 569	\$ 627
Net Debt	1,766	1,260
Equity and share-based payments subject to redemption	2,445	2,953
Total	<u>\$ 4,211</u>	<u>\$ 4,213</u>
Average (b)	\$ 4,212	\$ 4,139
Return on Invested Capital (a ÷ b)	<u>13.5%</u>	<u>15.1%</u>

ROIC: Our long-term objective is to maintain a ROIC in excess of our cost of capital. For the year 2018, we achieved a ROIC of 13.5%. The ratio is calculated by dividing adjusted operating income, net of tax by the book value of both Net Debt and Equity. The decrease in ROIC percent is primarily a result of lower operating income in 2018.

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates are described in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our 2018 Annual Report on Form 10-K. See Note 2 of the Notes to the Condensed Consolidated Financial Statements for additional information regarding the Company's significant accounting policies. There have been no other changes to our critical accounting policies and estimates during the three months ended March 31, 2019.

FORWARD-LOOKING STATEMENTS

This Form 10-Q contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends these forward-looking statements to be covered by the safe harbor provisions for such statements.

Forward-looking statements include, among other things, any statements regarding the Company's prospects or future financial condition, earnings, revenues, tax rates, capital expenditures, cash flows, expenses or other financial items, any statements concerning the Company's prospects or future operations, including management's plans or strategies and objectives therefor and any assumptions, expectations or beliefs underlying the foregoing.

These statements can sometimes be identified by the use of forward looking words such as "may," "will," "should," "anticipate," "assume," "believe," "plan," "project," "estimate," "expect," "intend," "continue," "pro forma," "forecast," "outlook," "propels," "opportunities," "potential," "provisional," or other similar expressions or the negative thereof. All statements other than statements of historical facts in this report or referred to in or incorporated by reference into this report are "forward-looking statements."

These statements are based on current circumstances or expectations, but are subject to certain inherent risks and uncertainties, many of which are difficult to predict and are beyond our control. Although we believe our expectations reflected in these forward-looking statements are based on reasonable assumptions, investors are cautioned that no assurance can be given that our expectations will prove correct.

Actual results and developments may differ materially from the expectations expressed in or implied by these statements, based on various factors, including the effects of global economic conditions, including, particularly, economic, currency and political conditions in South America and economic and political conditions in Europe, and their impact on our sales volumes and pricing of our products; our ability to collect our receivables from customers and our ability to raise funds at reasonable rates; fluctuations in worldwide markets for corn and other commodities, and the associated risks of hedging against such fluctuations; fluctuations in the markets and prices for our co-products, particularly corn oil; fluctuations in aggregate industry supply and market demand; the behavior of financial markets, including foreign currency fluctuations and fluctuations in interest and exchange rates; volatility and turmoil in the capital markets; the commercial and consumer credit environment; general political, economic, business, market and weather conditions in the various geographic regions and countries in which we buy our raw materials or manufacture or sell our products; future financial performance of major industries which we serve, including, without limitation, the food, beverage, paper and corrugating, and brewing industries; energy costs and availability; freight and shipping costs; and changes in regulatory controls regarding quotas; tariffs, duties, taxes and income tax rates, particularly United States tax reform enacted in 2017; operating difficulties; availability of raw materials, including potato starch, tapioca, gum Arabic and the specific varieties of corn upon which some of our products are based; our ability to develop or acquire new products and services at rates or of qualities sufficient to meet expectations; energy issues in Pakistan; boiler reliability; our ability to effectively integrate and operate acquired businesses; our ability to achieve budgets and to realize expected synergies; our ability to achieve expected savings under our Cost Smart program; our ability to complete planned maintenance and investment projects successfully and on budget; labor disputes; genetic and biotechnology issues; changing consumption preferences including those relating to high fructose corn syrup; increased competitive and/or customer pressure in the corn-refining industry; and the outbreak or continuation of serious communicable disease or hostilities including acts of terrorism.

Our forward-looking statements speak only as of the date on which they are made and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of the statement as a result of new information or future events or developments. If we do update or correct one or more of these statements, investors and others should not conclude that we will make additional updates or corrections. For a further description of these and other risks, see “Risk Factors” included in our Annual Report on Form 10-K for the year ended December 31, 2018 and subsequent reports on Forms 10-Q and 8-K.

ITEM 3

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See the discussion set forth in Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk at pages 31 to 32 in our Annual Report on Form 10-K for the year ended December 31, 2018, for a discussion as to how we address risks with respect to interest rates, raw material and energy costs and foreign currencies. There have been no material changes in the information that would be provided with respect to those disclosures from December 31, 2018 to March 31, 2019.

ITEM 4

CONTROLS AND PROCEDURES

Our management, including our Chief Executive Officer and our Chief Financial Officer, performed an evaluation of the effectiveness of our disclosure controls and procedures as of March 31, 2019. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures (a) are effective in providing reasonable assurance that all information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, has been recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms and (b) are designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in our internal control over financial reporting during the three months ended March 31, 2019 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1 LEGAL PROCEEDINGS

We are currently subject to claims and suits arising in the ordinary course of business, including labor matters, certain environmental proceedings, and other commercial claims. We also routinely receive inquiries from regulators and other government authorities relating to various aspects of our business, including with respect to compliance with laws and regulations relating to the environment, and at any given time, we have matters at various stages of resolution with the applicable governmental authorities. The outcomes of these matters are not within our complete control and may not be known for prolonged periods of time. We do not believe that the results of currently known legal proceedings and inquiries will be material to us. There can be no assurance, however, that such claims, suits or investigations or those arising in the future, whether taken individually or in the aggregate, will not have a material adverse effect on our financial condition or results of operations.

ITEM 2 UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities:

(shares in thousands)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet be Purchased Under the Plans or Programs at End of Period
January 1 – January 31, 2019	—	—	—	5,855 shares
February 1 – February 28, 2019	—	—	—	5,855 shares
March 1 – March 31, 2019	—	—	—	5,855 shares
Total	—	—	—	

On December 12, 2014, the Board of Directors authorized a stock repurchase program permitting us to purchase up to 5.0 million of our outstanding common shares from January 1, 2015, through December 31, 2019. On October 22, 2018, the Board of Directors authorized a new stock repurchase program permitting the Company to purchase up to an additional 8.0 million of its outstanding common shares from November 5, 2018 through December 31, 2023. As of March 31, 2019, we have 5.9 million shares available for repurchase under the stock repurchase programs.

ITEM 6
EXHIBITS

a) Exhibits

Exhibits required by Item 601 of Regulation S-K are listed in the Exhibit Index hereto.

All other items hereunder are omitted because either such item is inapplicable or the response is negative.

EXHIBIT INDEX

<u>Number</u>	<u>Description of Exhibit</u>
10.11	<u>Form of Performance Share Award Agreement for use in connection with awards under the Stock Incentive Plan.</u>
10.12	<u>Form of Stock Option Award Agreement for use in connection with awards under the Stock Incentive Plan.</u>
10.13	<u>Form of Restricted Stock Units Award Agreement for use in connection with awards under the Stock Incentive Plan.</u>
31.1	<u>CEO Section 302 Certification Pursuant to the Sarbanes-Oxley Act of 2002</u>
31.2	<u>CFO Section 302 Certification Pursuant to the Sarbanes-Oxley Act of 2002</u>
32.1	<u>CEO Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code as created by the Sarbanes-Oxley Act of 2002</u>
32.2	<u>CFO Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code as created by the Sarbanes-Oxley Act of 2002</u>
101	The following financial information from Ingrezion Incorporated's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2019 formatted in Extensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Income; (ii) the Condensed Consolidated Statements of Comprehensive Income; (iii) the Condensed Consolidated Balance Sheets; (iv) the Condensed Consolidated Statements of Equity and Redeemable Equity; (v) the Condensed Consolidated Statements of Cash Flows; and (vi) the Notes to the Condensed Consolidated Financial Statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INGREDION INCORPORATED

DATE: May 3, 2019

By /s/ James D. Gray
James D. Gray
Executive Vice President and Chief Financial Officer

DATE: May 3, 2019

By /s/ Stephen K. Latreille
Stephen K. Latreille
Vice President and Corporate Controller

Ingredion Incorporated
Stock Incentive Plan
2019 Performance Share Award Agreement

Ingredion Incorporated (the “Company”) has granted you an award of Performance Shares (the “Award”) under the Ingredion Incorporated Stock Incentive Plan (the “Plan”). This Award represents the right to receive shares of Company Common Stock in the future. The grant date of the Award and the number of Performance Shares covered by this Award are set forth in the document you have received entitled “Notice of Grant of Performance Shares.” The Notice of Grant of Performance Shares and this Performance Shares Award Agreement collectively constitute the Agreement relating to the Award. This Award Agreement and the Plan together govern your rights under the Award and the Plan and set forth all of the conditions and limitations affecting such rights.

Capitalized terms used in this Award Agreement shall have the meanings ascribed to them in the Plan or in this Award Agreement. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, except as otherwise expressly provided in the Plan, the Plan’s terms shall supersede and replace the conflicting terms of this Award Agreement.

Overview of Your Grant

1. **Performance Period.** The Performance Period commences on January 1, 2019, and ends on December 31, 2021.
2. **Grant Date.** February 8, 2019.
3. **Value of Performance Shares.** Each Performance Share shall represent and have a value equal to one share of Common Stock as detailed herein.
4. **Achievement of Relative Total Shareholder Return.**
 - (a) One-half of the number of Performance Shares to be earned under this Agreement shall be based upon the achievement of the Company’s pre-established Relative Total Shareholder Return (“TSR”) percentile ranking performance goal as approved by the Compensation Committee of the Company’s Board of Directors (the “Committee”) for the Performance Period (such Performance Shares, the “TSR Shares”), based on the following chart:

Total Shareholder Return

Payout Level	TSR Percentile Ranking Goal	Percent of TSR Shares Earned
Maximum	≥75 th	200%
Target	50 th	100%
Threshold	25 th	50%
Below Threshold	<25 th	0%

Linear interpolation shall be used to determine the percent of TSR Shares earned in the event the Company’s TSR Percentile Rank does not fall directly on one of the ranks listed in the above chart.

- (b) For this purpose, TSR shall be determined as follows:

$$\text{TSR} = \frac{\text{Change in Stock Price} + \text{Dividends Paid}}{\text{Beginning Stock Price}}$$

- (i) “Beginning Stock Price” shall mean the average of the Daily Averages for each of the twenty (20) trading days immediately prior to the first day of the Performance Period;
 - (ii) “Change in Stock Price” shall mean the difference between the Beginning Stock Price and the Ending Stock Price, which may be positive or negative;
 - (iii) “Daily Average” shall mean the average of the high and low stock prices on the applicable stock exchange of one share of common stock for a particular trading day;
 - (iv) “Dividends Paid” shall mean the total of all dividends paid on one (1) share of common stock during the applicable calendar quarter(s) during the Performance Period, provided that dividends shall be treated as though they are reinvested at the end of each calendar quarter based on the stock price at the end of each calendar quarter; and
 - (v) “Ending Stock Price” shall mean the average of Daily Averages for each of the last twenty (20) trading days of the Performance Period.
- (c) Following the TSR determination, the Company’s percentile rank against the “Peer Group” shall be determined. Once the Company’s percentile rank is determined, the Performance Shares to be awarded shall then be determined based on the chart in Section 4(a).
- (d) “Peer Group” shall mean the companies listed below, categorized by industry. If two companies in the Peer Group merge, or one is acquired, the new company will be included in the Peer Group. If a company merges with a company not in the Peer Group, the company will be removed, and its TSR will not be included as part of the Peer Group.

AAK AB (publ.)	Kerry Group plc
Albemarle Corporation	Koninklijke DSM N.V.
Archer-Daniels-Midland Company	McCormick & Company, Incorporated
Balchem Corporation	Novozymes A/S
Bemis Company, Inc.	Nutrien
Celanese Corporation	Sealed Air Corporation
Crown Holdings, Inc.	Sensient Technologies Corporation
Ecolab Inc.	Symrise AG
Givaudan SA	Tate & Lyle plc
Huntsman Corporation	The Mosaic Company
Innophos Holdings, Inc.	W. R. Grace & Co.
International Flavors & Fragrances Inc.	

5. **Achievement of Return on Invested Capital.**

- (a) One-half of the number of Performance Shares to be earned under this Agreement shall be based upon the achievement of the Company's three-year average annual Return on Invested Capital ("ROIC") goal as approved by the Committee for the Performance Period (such Performance Shares, the "ROIC Shares"), based on the following chart:

Return on Invested Capital

Payout Level	Average ROIC Goal	Percent of ROIC Shares Earned
Maximum	X% or more	200%
Target	X%	100%
Threshold	X%	50%
Below Threshold	Less than X%	0%

Linear interpolation shall be used to determine the percent of ROIC Shares earned in the event the Company's three-year average annual ROIC does not fall directly on one of the average ROIC goal percentages listed in the above chart.

- (b) For this purpose, ROIC shall be determined as follows:

$$\text{ROIC} = \frac{\text{Net Operating Profit after Taxes}}{\text{Average Net Debt + Equity}}$$

6. **Termination Provisions.** Except as provided below, the Participant shall be eligible for payment of awarded Performance Shares, as determined in Sections 4 and 5, only if the Participant's employment with the Company continues through the end of the Performance Period.

If the Participant's employment with the Company terminates after the first year and prior to the end of the Performance Period by reason of (i) death, (ii) retirement on or after (a) age 65, (b) age 62 with a minimum of 5 years of continuous employment or service with the Company or (c) age 55 with a minimum of 10 years of continuous employment or service with the Company or (iii) the occurrence of such Participant's Disability Date, subject to the Committee's approval, a pro-rated payment will be provided at the end of the Performance Period of all or any portion of the Award which would have been paid to such Participant for such Performance Period, based on the attainment of actual performance results.

Upon termination of employment prior to the end of the Performance Period under any other circumstances, the Committee, in its sole discretion and taking into consideration the performance of the Participant and the performance of the Company during the Performance Period, may authorize the payment to the Participant (or his legal representative) at the end of the Performance Period of all or any portion of the Award which would have been paid to the Participant for such Performance Period, based on the attainment of actual performance results..

If the Participant's employment with the Company terminates for any other reason prior to the end of the Performance Period, then the award which is subject to such Performance Period on the effective date of the Participant's termination of employment shall, except as otherwise authorized by the Committee pursuant to the preceding paragraph, be forfeited to and cancelled by the Company.

7. **Dividends.** The Participant shall have no right to any dividends which may be paid with respect to shares of Common Stock until any such shares are paid to the Participant following the completion of the Performance Period.
8. **Form and Timing of Payment of Performance Shares.**
- (a) Except as provided in Section 6, the payment of the Award shall be made to the Participant no later than two and one-half months after the end of the Performance Period. Payment of the Performance Shares awarded shall be made subject to the following:
 - (i) The Participant shall have no rights with respect to the Award until such Award shall be paid to such Participant.
 - (ii) If the Committee determines, in its sole discretion, that the Participant at any time has willfully engaged in any activity that the Committee, in its sole discretion, determines was or is harmful to the Company, any unpaid Award will be forfeited by the Participant.
 - (b) Performance Shares awarded, if any, will be paid out only in shares of Common Stock. Notwithstanding the foregoing, if the Participant is resident or employed outside of the United States, the Company may, in its sole discretion, settle the Award in the form of a cash payment, to the extent settlement in shares of Common Stock: (i) is prohibited under local law; (ii) would require the Participant, the Company and/or its Subsidiaries or affiliates to obtain the approval of any governmental and/or regulatory body in the Participant's country of residence (or country of employment, if different); (iii) would result in adverse tax consequences for the Participant or the Company; or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the Performance Shares in the form of shares of Common Stock but require the Participant to sell such shares immediately or within a specified period following the Participant's termination of employment (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Participant's behalf).
 - (c) Subject to the terms of the Ingreion Incorporated Supplemental Executive Retirement Plan, the Participant may defer receipt of all or any portion of the Performance Shares awarded hereunder, upon such terms and conditions stated in the deferral election form prescribed by the Company, by filing such written election with the Senior Vice President of Human Resources of the Company no later than six months prior to the termination of the Performance Period, provided such election is made in a manner which complies with the requirements of Code Section 409A and/or other applicable laws. Deferrals may only be made into the Ingreion Incorporated phantom unit investment option under the Ingreion Incorporated Supplemental Executive Retirement Plan or a successor to that investment option.
9. **Nontransferability.** Performance Shares may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, the Participant's rights under the Plan shall be exercisable during the Participant's lifetime only by the Participant or the Participant's legal representative.
10. **Income Tax and Social Insurance Contribution Withholding.** Prior to the issuance or delivery of any shares of Common Stock in settlement of the Performance Shares, the Company or the Subsidiary or affiliate that employs the Participant (the "Employer") (if applicable) shall have the right to require the Participant to pay any U.S. Federal, state, local or other taxes (including non-U.S. taxes, social insurance, payroll tax, payment on account or other tax-related withholding) ("Tax-Related Items")

which may be required to be withheld or paid in connection with the Performance Shares. Such obligation shall be satisfied either:

- (a) by the Company by withholding whole shares of Common Stock which would otherwise be delivered to the Participant, having an aggregate Fair Market Value determined as of the date the obligation to withhold or pay taxes arises in connection with the Performance Shares (the "Tax Date"), or by the Company or Employer withholding an amount of cash which would otherwise be payable to the Participant, in the amount necessary to satisfy any such obligation; or
- (b) by the Participant by any of the following means: (A) a cash payment to the Company or the Employer in the amount necessary to satisfy any such obligation, (B) delivery (either actual delivery or by attestation procedures established by the Company) to the Company of shares of Common Stock having an aggregate Fair Market Value, determined as of the Tax Date, equal to the amount necessary to satisfy any such obligation, (C) authorizing the Company to withhold whole shares of Common Stock which would otherwise be delivered having an aggregate Fair Market Value, determined as of the Tax Date, or withhold an amount of cash which would otherwise be payable to the Participant, equal to the amount necessary to satisfy any such obligation, or (D) any combination of (A), (B) and (C).

Any fraction of a share of Common Stock which would be required to satisfy such an obligation shall be disregarded and the Participant shall pay the remaining amount in cash.

Regardless of any action the Company or the Employer (if applicable) takes with respect to any or all Tax-Related Items, the Participant acknowledges and agrees that the ultimate liability for all Tax-Related Items legally due by the Participant is and remains the Participant's responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award or the shares of Common Stock issued upon settlement of the Award, and (ii) do not commit to structure the terms of the Award (or any aspect of the Performance Shares) to reduce or eliminate the Participant's liability for Tax-Related Items.

11. **Participant Data Privacy.** The Participant hereby explicitly and unambiguously consents to the collection, use, processing and transfer, in electronic or other form, of the Participant's personal data as described in this document by and among, as applicable, the Company, its affiliates and its Subsidiaries for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.

The Participant understands that the Company (and/or the Employer, if applicable) holds certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, date of birth, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport/visa information, age, language skills, driver's license information, nationality, C.V. (or resume), wage history, employment references, social insurance number, residence registration number or other identification number, salary, job title, employment or severance contract, current wage and benefit information, personal bank account number, tax-related information, plan or benefit enrollment forms and elections, option or benefit statements, any shares of stock or directorships in the company, details of all options or any other entitlements to shares of stock awarded, canceled, purchased, vested, unvested or outstanding for purpose of managing and administering the Plan ("Data").

The Participant understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan including, but not limited to, the affiliates of the Company and/or Morgan Stanley Smith Barney LLC, or any successor. These third-party recipients may be located in the Participant's country or elsewhere, and the recipient's country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of the Data by contacting Corporate Human Resources.

The Participant authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any shares of Common Stock acquired. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan.

The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing Corporate Human Resources.

The Participant understands, however, that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that the Participant may contact Corporate Human Resources.

Finally, upon request of the Company or the Employer, the Participant agrees to provide an executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from the Participant for the purpose of administering the Participant's participation in the Plan in compliance with the data privacy laws in the Participant's country, either now or in the future. The Participant understands and agrees that he or she will be unable to participate in the Plan if the Participant fails to provide any such consent or agreement requested by the Company and/or the Employer.

12. **Administration.** This Agreement and the rights of the Participant hereunder are subject to all the terms and conditions of the Plan, as the same may be amended from time to time, as well as to such rules and regulations as the Committee may adopt for administration of the Plan. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of the Plan and this Agreement, all of which shall be binding upon the Participant. Any inconsistency between the Agreement and the Plan shall be resolved in favor of the Plan.

13. **Clawback Policy.** This Agreement and the Performance Shares are subject to the Company's Policy on Recoupment of Incentive Compensation and any similar policy or policies that have been or may be adopted by the Company.

14. **Miscellaneous.**

- (a) *Change in Control.* Notwithstanding the effect that Section 5.8(a)(1) of the Plan would otherwise have, unless otherwise determined by the Committee, in the event of a Change

in Control pursuant to Section 5.8(b)(3) or (4) of the Plan in connection with which the holders of Common Stock receive shares of common stock that are registered under Section 12 of the Exchange Act (and, for the avoidance of doubt, not in the event of a Change in Control to which Section 5.8(a)(2) of the Plan applies), the Performance Period will be deemed to have lapsed, the Performance Measures shall be deemed satisfied at the target level, the Performance Shares will be considered earned and the Target Performance Share Award amount will be paid out in accordance with the Plan as a result of such Change in Control upon the earlier to occur of (i) your continued employment or service through (i) the last day of the Performance Period, and (ii) the termination of your employment with the Company or any of its Subsidiaries or affiliates for Good Reason, or the termination of your employment by the Company or any of its Subsidiaries or affiliates without Cause, within two years following such Change in Control (the "Protection Period"). Such deemed earned Performance Shares shall be paid out as soon as practicable following the last day of the Performance Period or your termination of employment following such Change in Control. In the event of such Change in Control pursuant to Section 5.8(b)(3) or (4) of the Plan in connection with which the holders of Common Stock receive shares of common stock that are registered under Section 12 of the Exchange Act, there shall be substituted for each share of Common Stock relating to the Performance Shares the number, type and class of shares into which each outstanding share of Common Stock shall be converted pursuant to such Change in Control.

For purposes of the foregoing, "Good Reason" shall mean:

- (i) There has occurred a material reduction by the Company, a Subsidiary or affiliate in your base salary in effect immediately before the beginning of the Protection Period or as increased from time to time thereafter;
- (ii) The Company, a Subsidiary or affiliate, without your written consent, has required you to be relocated anywhere in excess of thirty-five (35) miles from your office location immediately before the beginning of the Protection Period, except for required travel on the business of the Company, a Subsidiary or affiliate to an extent substantially consistent with your business travel obligations immediately before the beginning of the Protection Period; or
- (iii) The Company or a Subsidiary has reduced in any manner which you reasonably consider important your title, job authorities or responsibilities immediately before the beginning of the Protection Period.

You may exercise your right to terminate your employment for Good Reason by giving the Company a written notice of termination specifying in reasonable detail the circumstances constituting such Good Reason. However, the Company shall have thirty (30) days to "cure," such that the circumstances constituting such Good Reason are eliminated. Your employment shall terminate at the end of such thirty (30)-day period only if the Company has failed to cure such circumstances constituting the Good Reason. Your termination of employment within a Protection Period shall be for Good Reason if one of the occurrences specified in this Section 14 shall have occurred (and subject to the cure provision of the immediately preceding paragraph), notwithstanding that you may have other reasons for terminating employment, including employment by another employer which you desire to accept.

- (b) *Continuation of Employment.* The selection of any employee for participation in the Plan and this Agreement shall not give such Participant any right to be retained in the employ of the Company or the Employer (as the case may be). The right and power of the Company and/or the Employer to dismiss or discharge the Participant is specifically reserved. The Participant or any person claiming under or through the Participant shall not have any right or interest in the Plan or any Award thereunder, unless and until all terms, conditions and provisions of the Plan that affect the Participant have been complied with as specified herein.
- (c) *Nature of the Award.* In accepting the Award, the Participant acknowledges that: (1) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, suspended or terminated by the Company at any time, as provided in the Plan and this Agreement; (2) the grant of the Performance Shares is voluntary and occasional and does not create any contractual or other right to receive future grants of Performance Shares, or benefits in lieu of Performance Shares, even if Performance Shares have been granted repeatedly in the past; (3) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (4) the Participant's participation in the Plan is voluntary; (5) the Performance Shares and any shares of Common Stock subject to the Performance Shares are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (6) the grant of Performance Shares is provided for future services to the Company and its affiliates and is not under any circumstances to be considered compensation for past services; (7) in the event that the Participant is an employee of an affiliate or Subsidiary of the Company, the grant will not be interpreted to form an employment contract or relationship with the Company or an employment contract with the affiliate or Subsidiary that is the Participant's employer; (8) the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty; (9) no claim or entitlement to compensation or damages arises from forfeiture or termination of the Performance Shares or diminution in value of the Performance Shares or the shares of Common Stock, and the Participant irrevocably releases the Company, its affiliates and/or its Subsidiaries from any such claim that may arise; (10) in the event of involuntary termination of the Participant's employment, the Participant's right to receive Performance Shares and/or shares of Common Stock under the Plan, if any, will terminate in accordance with the terms of the Plan and will not be extended by any notice period mandated under local law; furthermore, the Participant's right to earn the Performance Shares after such termination of employment, if any, will be measured by the date of termination of the Participant's active employment and will not be extended by any notice period mandated under local law; and (11) if the Participant is resident or employed outside the United States, neither the Company nor any of its Subsidiaries or affiliates shall be liable for any change in the value of the Performance Shares, the amount realized upon settlement of the Performance Shares or the amount realized upon a subsequent sale of any shares of Common Stock, resulting from any fluctuation of the United States Dollar/local currency exchange rate.
- (d) *Application of the Law.* This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

- (e) *Amendments to Conform to Law.* Notwithstanding any other provision of this Agreement or the Plan to the contrary, the Board may amend the Plan or this Agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or Agreement to any present or future law relating to plans of this or similar nature (including, but not limited to, Code Section 409A), and to the administrative regulations and rulings promulgated thereunder.
- (f) *Right to Amend or Terminate Agreement.* With the approval of the Board, the Committee may terminate, amend, or modify this Agreement; provided, however, that no such termination, amendment, or modification of this Agreement may in any way adversely affect the Participant's rights under this Agreement without the Participant's written consent.
- (g) *Governing Law.* To the extent not preempted by U.S. federal law, this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the conflicts of laws provisions thereof.
- (h) *Severability.* The invalidity or unenforceability of any provision of the Plan or this Agreement will not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement will be severable and enforceable to the extent permitted by law.
- (j) *Waiver.* The Participant understands that the waiver by the Company with respect to the Participant's compliance with any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach of such party of a provision of this Award Agreement.
- (j) *Not a Public Offering in Non-U.S. Jurisdictions.* If the Participant is resident or employed outside of the United States, neither the grant of the Performance Shares under the Plan nor the issuance of the underlying shares of Common Stock is intended to be a public offering of securities in the Participant's country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filings to the local securities authorities in jurisdictions outside of the United States unless otherwise required under local law. No employee of the Company is permitted to advise the Participant on whether he or she should accept a grant of Performance Shares under the Plan or provide the Participant with any legal, tax or financial advice with respect to the grant of Performance Shares. Before deciding to accept the grant of Performance Shares, the Participant should carefully consider all risk factors and tax considerations relevant to the acquisition of shares of Common Stock under the Plan or the disposition of them. Further, the Participant should carefully review all of the materials related to the Performance Shares and the Plan, and the Participant should consult with his or her personal legal, tax and financial advisors for professional advice in relation to the Participant's personal circumstances.
- (k) *Insider Trading/Market Abuse Laws.* The Participant acknowledges that, depending on the Participant's or his or her broker's country of residence or where the shares of Common Stock are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws that may affect the Participant's ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock or rights linked to the value of shares of Common Stock during such times the

Participant is considered to have “inside information” regarding the Company as defined in the laws or regulations in the Participant’s country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant placed before he or she possessed inside information. Furthermore, the Participant could be prohibited from (a) disclosing the inside information to any third party (other than on a “need to know” basis), and (b) “tipping” third parties or causing them otherwise to buy or sell securities. Third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company’s insider trading policy. The Participant acknowledges that it is his or her responsibility to comply with any restrictions and the Participant is advised to speak to his or her personal advisor on this matter.

- (l) *Compliance with Local Law.* If the Participant is resident or employed outside of the United States, as a condition to the grant of the Award, the Participant agrees to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan in accordance with local foreign exchange rules and regulations in the Participant’s country of residence (and country of employment, if different). In addition, the Participant agrees to take any and all actions, and consents to any and all actions taken by the Company and the Company’s Subsidiaries and affiliates, as may be required to allow the Company and the Company’s Subsidiaries and affiliates to comply with local laws, rules and regulations in the Participant’s country of residence (and country of employment, if different). Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant’s personal legal and tax obligations under local laws, rules and regulations in the Participant’s country of residence (and country of employment, if different).
- (m) *Electronic Delivery.* The Company may, in its sole discretion, decide to deliver any documents related to the Performance Shares or other awards granted to the Participant under the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.
- (n) *English Language.* If the Participant is resident and/or employed outside of the United States, the Participant acknowledges and agrees that it is the Participant’s express intent that the Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Performance Shares, be drawn up in English. If the Participant has received the Agreement, the Plan or any other documents related to the Performance Shares translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.
- (o) *Addendum to Agreement.* Notwithstanding any provision of this Agreement to the contrary, the Performance Shares shall be subject to such special terms and conditions for the Participant’s country of residence (and country of employment, if different), as the Company may determine in its sole discretion and which shall be set forth in an addendum to these terms and conditions (the “Addendum”). Further, if the Participant transfers residence and/or employment to another country reflected in the Addendum, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local laws, rules and/or regulations or

to facilitate the operation and administration of the Performance Shares and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer). The Addendum shall constitute part of this Agreement.

- (p) *Additional Requirements.* The Company reserves the right to impose other requirements on the Performance Shares, any shares of Common Stock acquired pursuant to the Performance Shares, and the Participant's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law or to facilitate the administration of the Plan. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

Ingredion Incorporated

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Ingration Incorporated
Addendum to the Performance Share Award Agreement

In addition to the terms of the Plan and the Award Agreement, the Performance Shares are subject to the following additional terms and conditions. All defined terms contained in this Addendum shall have the same meaning as set forth in the Plan and the Award Agreement. Pursuant to Section 13(n) of the Award Agreement, if the Participant transfers residence and/or employment to another country reflected in an Addendum, the additional terms and conditions for such country (if any) will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the operation and administration of the Award and the Plan (or the Company may establish additional terms and conditions as may be necessary or advisable to accommodate the Participant's transfer).

EUROPEAN UNION ("EU") / EUROPEAN ECONOMIC AREA ("EEA")

Data Privacy. If you reside and/or perform services in the EU/EEA, Section 13 of the Award Agreement shall be replaced with the following:

The Company, with its registered address at 5 Westbrook Corporate Center, Westchester, IL 60154, U.S.A., is the controller responsible for the processing of your personal data by the Company and the third parties noted below. You should review the following information regarding the Company's data processing practices.

(a) Data Collection and Usage. Pursuant to applicable data protection laws, you are hereby notified that the Company collects, processes and uses certain personally-identifiable information about you for the legitimate interest of implementing, administering and managing the Plan and generally administering equity awards; specifically, including your name, home address, email address and telephone number; date of birth, social insurance number or other identification number; salary, citizenship, job title, any shares of Common Stock or directorships held in the Company, and details of all Restricted Stock Units or any entitlement to shares of Common Stock awarded, canceled, exercised, vested, or outstanding in your favor; which the Company receives from you or the Employer ("Personal Data"). In granting the Award under the Plan, the Company will collect Personal Data for purposes of allocating shares of Common Stock and implementing, administering and managing the Plan. The Company's legal basis for the collection, processing and use of Personal Data is the necessity of the processing for the Company to perform its contractual obligations under this Award Agreement and the Plan and the Company's legitimate business interests of managing the Plan, administering employee equity awards and complying with its contractual and statutory obligations.

(b) Stock Plan Administration Service Provider. The Company transfers Personal Data to Morgan Stanley Smith Barney LLC and/or its affiliates, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share Personal Data with another company that serves in a similar manner. The Company's service provider will open an account for you to receive and trade shares of Common Stock. You will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to your ability to participate in the Plan. The processing of Personal Data will take place through both electronic and non-electronic means. Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States. Your country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued only a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program. Alternatively, an appropriate level of protection can be achieved by implementing safeguards such as the Standard Contractual Clauses adopted by the EU Commission. Personal Data will be transferred from the EU/EEA to the Company and onward from the Company to any of its service providers based on the EU Standard Contractual Clauses or, if applicable, registration with the EU-U.S. Privacy Shield program. You may request a copy of such appropriate safeguards by contacting your local human resources department.

(d) Data Retention. The Company will use Personal Data only as long as is necessary to implement, administer and manage your participation in the Plan or as required to comply with legal or regulatory obligations, including tax and securities laws. When the Company no longer needs Personal Data, the Company will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. You may have a number of rights under data privacy laws in your country. For example, your rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) request rectification of incorrect Personal Data, (iii) request deletion of Personal Data, (iv) place restrictions on processing Personal Data, (v) lodge complaints with competent authorities in your country, and/or (vi) request a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding your rights or to exercise your rights, you may contact your local human resources department.

ARGENTINA

Securities Law Information. The Performance Shares and any shares of Common Stock to be issued pursuant to the vesting of the Performance Shares are offered as a private transaction. This offering is not subject to supervision by any Argentine governmental authority.

AUSTRALIA

1. Shareholder Approval Requirement. Notwithstanding any provision in the Award Agreement to the contrary, the Participant will not be entitled to, and shall not claim, any benefit under the Plan (including, without limitation, a legal right as set forth in Section 5 of the Award Agreement) if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Company's affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

2. Tax Notification. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

BRAZIL

1. Labor Law Acknowledgment. The Participant agrees that (i) the benefits provided under the Award Agreement and the Plan are the result of commercial transactions unrelated to the Participant's employment; (ii) the Award Agreement and the Plan are not a part of the terms and conditions of the Participant's employment; and (iii) the income from the vesting of the Performance Shares, if any, is not

part of the Participants remuneration from employment.

2. Compliance with Law. By accepting the Performance Shares, the Participant agrees to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the settlement of the Performance Shares, the receipt of dividends and/or the sale of shares of Common Stock acquired under the Plan.

CANADA

1. Settlement in Shares of Common Stock. Notwithstanding anything to the contrary in the Award Agreement, Addendum or the Plan, the Participant's Award shall be settled only in shares of Common Stock (and may not be settled in cash).

2. Securities Law Information. You acknowledge and agree that you will only sell shares of Common Stock acquired through participation in the Plan outside of Canada through the facilities of a stock exchange on which the shares of Common Stock are listed. Currently, the shares of Common Stock are listed on the New York Stock Exchange.

3. Use of English Language. The Participant acknowledges and agrees that it is the Participant's express wish that this Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. **Le Participant reconnait et consent que c'est votre souhait exprès qui cet accord, de meme que tous documents, toutes notifications et tous procédés légaux est entré dans, donné ou institué conformément ci-annexé ou relatant directement ou indirectement ci-annexé, est formulé dans l'anglais.**

4. Data Privacy. The following provision supplements Section 10 of the Award Agreement:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company and any of its Subsidiaries and the Committee or its delegate to disclose and discuss the Plan with their advisors. The Participant further authorizes the Company and any of its Subsidiaries to record such information and to keep such information in the Participant's employee file.

CHILE

Private Placement. The following provision shall supplement Section 14(j) of the Award Agreement:

The grant of the Performance Shares hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Award Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.

- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o “grant date”, según este término se define en el documento denominado “Award Agreement”) y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero Chilena;*
- b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero Chilena, por lo que tales valores no están sujetos a la fiscalización de ésta;*
- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions govern your participation in the Plan if you are a national of the People’s Republic of China (“China”) resident in mainland China, as determined by the Company in its sole discretion:

1. Exchange Control Approval. The vesting of the Performance Shares is conditioned upon the Company securing all necessary approvals from the China State Administration of Foreign Exchange (“SAFE”) to permit operation of the Plan.
2. Exchange Control Restrictions. The Participant understands and agrees that, to facilitate compliance with exchange control requirements, the Participant is required to hold the shares of Common Stock received upon settlement of the Performance Shares with the Company’s designated brokerage firm until the shares of Common Stock are sold. Further, the Participant understands and agrees that the Participant will be required to immediately repatriate to China dividends and proceeds from the sale of any shares of Common Stock acquired under the Plan.

The Participant also understands and agrees that such repatriation of proceeds may need to be effected through a special bank account established by the Company or its Subsidiary, and the Participant hereby consents and agrees that dividends and proceeds from the sale of shares of Common Stock acquired under the Plan may be transferred to such account by the Company on the Participant’s behalf prior to being delivered to the Participant and that no interest shall be paid with respect to funds held in such account. The proceeds may be paid to the Participant in U.S. dollars or local currency at the Company’s discretion. If the proceeds are paid to the Participant in U.S. dollars, the Participant understands that a U.S. dollar bank account in China must be established and maintained so that the proceeds may be deposited into such account. If the proceeds are paid to the Participant in local currency, the Participant acknowledges that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the proceeds to local currency due to exchange control restrictions. The Participant agrees to bear any currency fluctuation risk between the time the shares of Common Stock are sold and the net proceeds are converted into local currency and distributed to the Participant. The Participant further agrees to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future to facilitate compliance with exchange control requirements in China. The Participant acknowledges and agrees that the processes and requirements set forth herein shall continue to apply following the Participant’s termination.

Notwithstanding anything to the contrary in the Plan or the Award Agreement, in the event of the Participant’s termination of employment for any reason, outstanding Performance Shares will be cancelled and the Participant will be required to sell all shares of Common Stock issued pursuant to the Plan no later than 120 days after the Participant’s employment termination date (or such shorter period as may be

required by the SAFE or the Company) (the “Mandatory Sale Date”), and repatriate the sales proceeds to China in the manner designated by the Company. The Participant understands that any shares of Common Stock the Participant holds under the Plan that have not been sold by the Mandatory Sale Date will automatically be sold by the Company’s designated broker at the Company’s direction (on the Participant’s behalf pursuant to this authorization without further consent).

3. Administration. Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses the Participant may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company’s operation and enforcement of the Plan, the Award Agreement and the Performance Shares in accordance with Chinese law including, without limitation, any applicable SAFE rules, regulations and requirements.

The above requirements will not apply to non-Chinese nationals, unless otherwise required by the Company or by SAFE.

COLOMBIA

Securities Law Information. The shares of Common Stock are not and will not be registered with the Colombian registry of publicly traded securities (Registro Nacional de Valores y Emisores). Therefore, the shares of Common Stock may not be offered to the public in Colombia. Nothing in the Award Agreement should be construed as making a public offer of securities in Colombia.

GERMANY

No country-specific provisions.

JAPAN

No country-specific provisions.

MEXICO

1. Commercial Relationship. The Participant expressly recognizes that participation in the Plan and the Company’s grant of Performance Shares do not constitute an employment relationship between the Participant and the Company. The Participant has been granted the Performance Shares as a consequence of the commercial relationship between the Company and the Company’s affiliate in Mexico that employs the Participant, and the Company’s local affiliate in Mexico is the Participant’s sole employer. Based on the foregoing, (a) the Participant expressly recognizes that the Plan and the benefits the Participant may derive from participation in the Plan do not establish any rights between the Participant and the Company’s affiliate in Mexico that employs the Participant, (b) the Plan and the benefits the Participant may derive from the Participant’s participation in the Plan are not part of the employment conditions and/or benefits provided by the Company’s affiliate in Mexico that employs the Participant, and (c) any modifications or amendments of the Plan by the Company, or a termination of the Plan by the Company, shall not constitute a change or impairment of the terms and conditions of the Participant’s employment with the Company’s affiliate in Mexico that employs the Participant.

2. Extraordinary Item of Compensation. The Participant expressly recognizes and acknowledges that participation in the Plan is a result of the discretionary and unilateral decision of the Company, as well as the Participant’s free and voluntary decision to participate in the Plan in accordance with the terms and conditions of the Plan, the Award Agreement and this Addendum. As such, the Participant acknowledges and agrees that the Company may, in its sole discretion, amend and/or discontinue the Participant’s

participation in the Plan at any time and without any liability. The value of this Award is an extraordinary item of compensation outside the scope of the Participant's employment contract, if any. This Award is not part of the Participant's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Employer.

PAKISTAN

No country-specific provisions.

PERU

1 . Labor Law Acknowledgement. By accepting the grant of Performance Shares, the Participant acknowledges, understands and agrees that the Performance Shares are being granted *ex gratia* to the Participant with the purpose of rewarding the Participant.

2 . Securities Law Information. The grant of Performance Shares is considered a private offering in Peru; therefore, it is not subject to registration. For more information concerning this offer, please refer to the Plan, the Award Agreement and any other grant documents made available to the Participant by the Company.

SINGAPORE

Securities Law Information. The grant of the Award under the Plan is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the "SFA"). The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. The Participant should note that, as a result, the Award is subject to section 257 of the SFA and the Participant will not be able to make: (a) any subsequent sale of the shares of Common Stock underlying the Award in Singapore; or (b) any offer of such subsequent sale of the shares of Common Stock subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1 . Exchange Control Obligations. The Participant is solely responsible for complying with applicable exchange control regulations and rulings (the "Exchange Control Regulations") in South Africa. As the Exchange Control Regulations change frequently and without notice, the Participant should consult the Participant's legal advisor prior to the acquisition or sale of shares of Common Stock under the Plan to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries or affiliates will be liable for any fines or penalties resulting from the Participant's failure to comply with applicable laws.

2. Securities Law Information and Acceptance of the Performance Shares. Neither the Performance Shares nor the underlying shares of Common Stock shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority.

The Performance Shares offer must be finalized on or before the 60th day following the Grant Date. If the Participant does not want to accept the Performance Shares, the Participant must decline the Performance

Shares no later than the 60th day following the Grant Date. If the Participant does not decline the Performance Shares on or before the 60th day following the Grant Date, the Participant will be deemed to accept the Performance Shares.

SOUTH KOREA

Employee Data Privacy. By accepting this Award Agreement:

1. The Participant agrees to the collection, use, processing and transfer of Data as described in Section 11 of the Award Agreement; and
2. The Participant agrees to the processing of the Participant's unique identifying information (resident registration number) as described in Section 11 of the Award Agreement.

THAILAND

No country-specific provisions.

UNITED ARAB EMIRATES

Securities Law Information. The Plan and the Award Agreement are intended for distribution only to certain participants as selected by the Company and must not be delivered to, or relied on by, any other person. The Participant should conduct his or her own due diligence on the Company's shares of Common Stock. If the Participant does not understand the contents of the Plan and the Award Agreement, the Participant should consult an authorized financial adviser. The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with the Plan. Neither the Ministry of Economy nor the Dubai Department of Economic Development have approved the Plan or the Award Agreement nor taken steps to verify the information set out therein, and have no responsibility for such documents.

UNITED KINGDOM

1. Tax-Related Items. Without limiting the effect of Section 10 of the Award Agreement, the Participant hereby agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or (if different) the Employer or Her Majesty's Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant also hereby agrees to indemnify and keep indemnified the Company and (if different) the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Participant's behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Participant is a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that the Participant is a director or executive officer of the Company and the income tax is not collected from or paid by the Participant within ninety (90) days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Participant on which additional income tax and national insurance contributions ("NICs") may be payable. The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime, and the Employer will hold the Participant liable for the amount of any employee NICs due on

this additional benefit, which the Company or the Employer may recover from the Participant at any time thereafter by any of the means referred to in Section 9 of the Award Agreement.

2 . Exclusion of Claim. The Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant's ceasing to have rights under or to be entitled to the Award, whether or not as a result of the termination of the Participant's employment with the Company or its Subsidiaries or affiliates for any reason whatsoever (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Award. Upon the grant of the Performance Shares, the Participant shall be deemed irrevocably to have waived any such entitlement.

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Ingredion Incorporated
Stock Incentive Plan
2019 Stock Option Award Agreement

Ingredion Incorporated (the “Company”) has granted you a Non-Qualified Stock Option (the “Option”) under the Ingredion Incorporated Stock Incentive Plan (the “Plan”). The Option grant date, the shares of Company Common Stock (“Shares”) covered by the Option, and the Option exercise price are set forth in the document you have received entitled “Notice of Grant of Stock Option.” The Notice of Grant of Stock Option and this Stock Option Award Agreement (“Award Agreement”) collectively constitute the Agreement evidencing the Option. This Award Agreement and the Plan together govern your rights under the Award and the Plan and set forth all of the conditions and limitations affecting such rights.

Capitalized terms used in this Award Agreement shall have the meanings ascribed to them in the Plan or in this Award Agreement. If there is any inconsistency between the terms of this Award Agreement and the terms of the Plan, except as otherwise provided in the Plan, the Plan’s terms shall supersede and replace the conflicting terms of this Award Agreement.

Overview of Your Grant

1. **Grant Date.** February 9, 2019
2. **Vesting Period.** The Option does not provide you with any rights or interests therein until it vests in accordance with the following:

The Option becomes exercisable in three equal installments on the first three anniversaries of the date of grant (one-third of the Option will vest on February 8, 2020, one-third will vest on February 8, 2021, and the final one-third will vest on February 8, 2022). The Option shall remain exercisable until February 7, 2029. However, the Option may expire prior to such date if your employment with the Company terminates prior to exercising such Option, as stated in Section 4 of this Award Agreement.

Notwithstanding the effect that Section 5.8(a)(1) of the Plan would otherwise have, unless otherwise determined by the Committee, in the event of a Change in Control pursuant to Section 5.8(b)(3) or (4) of the Plan in connection with which the holders of Common Stock receive shares of common stock that are registered under Section 12 of the Exchange Act (and, for the avoidance of doubt, not in the event of a Change in Control to which Section 5.8(a)(2) of the Plan applies), the Option shall become immediately exercisable in full as a result of such Change in Control only in the event you also terminate employment with the Company or any of its Subsidiaries or affiliates for Good Reason, or if your employment is terminated by the Company or any of its Subsidiaries or affiliates without Cause, within two years following such Change in Control (the “Protection Period”). In the event of such Change in Control pursuant to Section 5.8(b)(3) or (4) of the Plan in connection with which the holders of Common Stock receive shares of common stock that are registered under Section 12 of the Exchange Act, there shall be substituted for each share of Common Stock available under the Option (if still outstanding) the number, type and class of shares into which each outstanding share of Common Stock shall be converted pursuant to such Change in Control. In the event of any such substitution, the purchase price per share in the case of the Option shall be appropriately adjusted by the Committee (whose determination shall be final, binding and conclusive), such adjustments to be made in the case of the Option without an increase

in the aggregate purchase price or base price. For purposes of the foregoing, “Good Reason” shall mean:

- (i) There has occurred a material reduction by the Company, a Subsidiary or affiliate in your base salary in effect immediately before the beginning of the Protection Period or as increased from time to time thereafter;
- (ii) The Company, a Subsidiary or affiliate, without your written consent, has required you to be relocated anywhere in excess of thirty-five (35) miles from your office location immediately before the beginning of the Protection Period, except for required travel on the business of the Company, a Subsidiary or affiliate to an extent substantially consistent with your business travel obligations immediately before the beginning of the Protection Period; or
- (iii) The Company or a Subsidiary has reduced in any manner which you reasonably consider important your title, job authorities or responsibilities immediately before the beginning of the Protection Period.

You may exercise your right to terminate your employment for Good Reason by giving the Company a written notice of termination specifying in reasonable detail the circumstances constituting such Good Reason. However, the Company shall have thirty (30) days to “cure,” such that the circumstances constituting such Good Reason are eliminated. Your employment shall terminate at the end of such thirty (30)-day period only if the Company has failed to cure such circumstances constituting the Good Reason.

Your termination of employment within a Protection Period shall be for Good Reason if one of the occurrences specified in this Section 2 shall have occurred (and subject to the cure provision of the immediately preceding paragraph), notwithstanding that you may have other reasons for terminating employment, including employment by another employer which you desire to accept.

3. **Exercise Procedures.** The Option may be exercised (i) by giving written notice to the Company specifying the number of whole Shares to be purchased and accompanied by payment therefore in full (or arrangement made for such payment to the Company’s satisfaction) either by (A) delivery of cash in the amount of the aggregate purchase price payable by reason of such exercise, (B) delivery (either actual delivery or by attestation procedures established by the Company) of previously acquired Shares that have an aggregate Fair Market Value, determined as of the date of exercise, equal to the aggregate purchase price payable by reason of such exercise, (C) delivery of cash in the amount of the aggregate purchase price payable by reason of such exercise by a broker-dealer acceptable to the Company to whom the optionee has submitted an irrevocable notice of exercise, (D) authorizing the Company to withhold whole Shares which would otherwise be delivered having an aggregate Fair Market Value, determined as of the date of exercise, equal to the aggregate purchase price payable by reason of such exercise, or (E) a combination of (A), (B) and (D), and (ii) by executing such documents as the Company may reasonably request. Any fraction of a Share which would be required to pay such purchase price shall be paid by you in cash. Notwithstanding the foregoing, if you are resident or employed outside of the United States, the Company may require payment of the purchase price in a particular or different method of exercise, as it shall determine in its sole discretion. No shares of Common Stock shall be issued until the full purchase price therefore has been paid (or arrangement made for such payment to the Company’s satisfaction).
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4. **Effect of Termination of Employment.**

(a) If you terminate employment with or service to the Company or its Subsidiaries or affiliates (1) by reason of (i) death, or (ii) retirement on or after (A) age 65, (B) age 62 with a minimum of 5 years of employment with or service to the Company or its Subsidiaries or affiliates or (C) age 55 with a minimum of 10 years of employment with or service to the Company or its Subsidiaries or affiliates (in the case of any termination described in (A), (B) or (C), a “Retirement”), or (iii) the occurrence of your Disability Date, or (2) for Good Reason, or if your employment is terminated by the Company or any of its Subsidiaries or affiliates without Cause, within two years following a Change in Control (the “Protection Period”), the Option shall be exercisable for the remainder of the term stated in Section 2 of this Agreement, but only to the extent that the Option was vested and exercisable at the date of such termination of employment, including, without limitation, as a result of the second paragraph of Section 2 of this Agreement. Notwithstanding the foregoing, in the event of your Retirement on or after February 8, 2020, the Option shall continue to vest in accordance with Section 2 above.

(b) If your employment with the Company or its Subsidiaries or affiliates is terminated under any circumstance other than as described in Section 4(a) or 4(c), the Option shall remain exercisable to the extent that it was exercisable at the date of your termination of employment, for a period of 90 days following such termination of employment.

(c) Notwithstanding anything to the contrary contained in this Section 4, if your employment with the Company is terminated by the Company or its Subsidiaries or affiliates for Cause, the Option shall terminate automatically on the effective date of such termination of employment.

5. **Requirements of Law.** The granting of the Option and the issuance of Shares under the Plan shall be subject to, and conditioned upon, satisfaction of all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

6. **Income Tax and Social Insurance Contribution Withholding.** Prior to the issuance or delivery of any Shares, the Company or the Subsidiary or affiliate that employs you (the “Employer”) (if applicable) shall have the right to require you to pay any U.S. Federal, state, local or other taxes (including non-U.S. taxes, social insurance, payroll tax, payment on account or other tax-related withholding) (“Tax-Related Items”) which may be required to be withheld or paid in connection with the Option. Such obligation shall be satisfied either:

(a) by the Company (which if you are subject to Section 16 of the Exchange Act is subject to approval by the Committee) by withholding whole Shares which would otherwise be delivered to you, having an aggregate Fair Market Value determined as of the date the obligation to withhold or pay taxes arises in connection with the Option (the “Tax Date”), or by the Company or Employer withholding an amount of cash which would otherwise be payable to you, in the amount necessary to satisfy any such obligation; or

(b) by you by any of the following means: (A) a cash payment to the Company or the Employer in the amount necessary to satisfy any such obligation, (B) delivery (either actual delivery or by attestation procedures established by the Company) to the Company of Shares having an aggregate Fair Market Value, determined as of the Tax Date, equal to the amount necessary to satisfy any such obligation, (C) authorizing the Company to withhold whole Shares which would otherwise be delivered having an aggregate Fair Market Value, determined as of the Tax Date, or withhold an amount of cash which would otherwise be payable to you, equal to the amount necessary to satisfy any such obligation, (D) a cash payment in the amount necessary to satisfy any such obligation by

a broker-dealer acceptable to the Company to whom you have submitted an irrevocable notice of exercise or (E) any combination of (A), (B) and (C).

Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and you shall pay the remaining amount in cash.

Regardless of any action the Company or the Employer (if applicable) takes with respect to any or all Tax-Related Items, you acknowledge and agree that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including the grant of the Option, the vesting of the Option, the exercise of the Option, the subsequent sale of any Shares acquired pursuant to the Option and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the Option to reduce or eliminate your liability for Tax-Related Items.

- 7 . **Nontransferability.** The Option is not transferable other than by will, the laws of descent and distribution or pursuant to beneficiary designation procedures, if any, approved by the Company. Except to the extent permitted by the foregoing sentence, the Option may be exercised or settled during your lifetime by only you, your legal representative or a similar person.
 - 8 . **Continuation of Employment.** This Award Agreement shall not confer upon you any right to continuation of employment by the Company, its affiliates, and/or its Subsidiaries, nor shall this Award Agreement interfere in any way with the Company's, its affiliates', and/or its Subsidiaries' right to terminate your employment at any time, except to the extent expressly provided otherwise in a written agreement between you and the Company, an affiliate or Subsidiary or prohibited by law.
 - 9 . **No Right to Future Grants; No Right of Employment; Extraordinary Item.** In accepting the grant, you acknowledge that: (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, suspended or terminated by the Company at any time, as provided in the Plan and this Award Agreement; (b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, or benefits in lieu of Options, even if Options have been granted repeatedly in the past; (c) all decisions with respect to future Option grants, if any, will be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the Option is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (f) the grant of the Option is provided for future services to the Company and its affiliates and is not under any circumstances to be considered compensation for past services; (g) in the event that you are an employee of an affiliate or Subsidiary of the Company, the Option grant will not be interpreted to form an employment contract or relationship with the Company or an employment contract with the affiliate or Subsidiary that is your employer; (h) the future value of the underlying Shares is unknown and cannot be predicted with certainty; (i) if the underlying Shares do not increase in value, the Option will have no value; (j) if you exercise your Option and obtain Shares, the value of those Shares acquired upon exercise may increase or decrease in value, even below the Option Price; (k) no claim or entitlement to compensation or damages arises from termination of the Option or diminution in value of the Option or Shares purchased through exercise of the Option, and you irrevocably release the Company, its affiliates and/or its Subsidiaries from any such claim that may arise; (l) in the event of involuntary termination of your employment, your right to receive Options and vest in Options under the Plan, if any, will terminate in accordance with the terms of the Plan and will not be extended by any notice period mandated under local law; furthermore, your right to exercise the Option after such termination of employment, if any, will be measured by the date of termination of your active employment and will
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not be extended by any notice period mandated under local law; and (m) if you are resident or employed outside of the United States, neither the Company nor any of its Subsidiaries or affiliates shall be liable for any change in the value of the Option, the amount realized upon exercise of the Option or the amount realized upon a subsequent sale of any Shares, resulting from any fluctuation of the United States Dollar/local currency exchange rate.

10. **Employee Data Privacy.** You hereby explicitly and unambiguously consent to the collection, use, processing and transfer, in electronic or other form, of your personal data as described in this document by and among, as applicable, the Company, its affiliates and its Subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that the Company (and/or the Employer, if applicable) holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport/visa information, age, language skills, driver's license information, nationality, C.V. (or resume), wage history, employment references, social insurance number, resident registration number or other identification number, salary, job title, employment or severance contract, current wage and benefit information, personal bank account number, tax-related information, plan or benefit enrollment forms and elections, option or benefit statements, any shares of stock or directorships in the company, details of all options or any other entitlements to shares of stock awarded, canceled, purchased, vested, unvested or outstanding for purpose of managing and administering the Plan ("Data").

You understand that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan including, but not limited to, the affiliates of the Company and/or Morgan Stanley Smith Barney LLC, or any successor. These third party recipients may be located in your country or elsewhere, and the recipient's country may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting Corporate Human Resources.

You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom you may elect to deposit any Shares acquired. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan.

You understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing Corporate Human Resources. You understand, however, that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact Corporate Human Resources.

Finally, upon request of the Company or the Employer, you agree to provide an executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will be unable to participate in the Plan if you fail to provide any such consent or agreement requested by the Company and/or the Employer.

11. **Compliance with the Law.** If you are resident or employed outside of the United States, as a condition of the grant of the Option, you agree to repatriate all payments attributable to the Shares and/or cash acquired under the Plan in accordance with local foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you agree to take any and all actions, and consent to any and all actions taken by the Company and the Company's Subsidiaries and affiliates, as may be required to allow the Company and the Company's Subsidiaries and affiliates to comply with local laws, rules and regulations in your country of residence (and country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and country of employment, if different).
12. **Administration.** This Award Agreement and your rights hereunder are subject to all the terms and conditions of the Plan, as the same may be amended from time to time, as well as to such rules and regulations as the Board or the Committee may adopt for administration of the Plan.
13. **Not a Public Offering in Non-U.S. Jurisdictions.** If you are resident or employed outside of the United States, neither the grant of the Option under the Plan nor the issuance of the underlying Shares upon exercise of the Option is intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filings to the local securities authorities in jurisdictions outside of the United States unless otherwise required under local law. No employee of the Company is permitted to advise you on whether you should purchase Shares under the Plan or provide you with any legal, tax or financial advice with respect to the grant of the Option. Investment in Shares involves a degree of risk. Before deciding to purchase Shares pursuant to the Option, you should carefully consider all risk factors and tax considerations relevant to the acquisition of Shares under the Plan or the disposition of them. Further, you should carefully review all of the materials related to the Option and the Plan, and you should consult with your personal legal, tax and financial advisors for professional advice in relation to your personal circumstances.
14. **Insider Trading/Market Abuse Laws.** You acknowledge that, depending on your or your broker's country of residence or where the Shares are listed, you may be subject to insider trading restrictions and/or market abuse laws that may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares or rights linked to the value of Shares during such times you are considered to have "inside information" regarding the Company as defined in the laws or regulations in your country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party (other than on a "need to know" basis), and (b) "tipping" third parties or causing them otherwise to buy or sell securities. Third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company's insider trading policy. You acknowledge that it is your responsibility to comply with any restrictions and you are advised to speak to your personal advisor on this matter.
15. **Governing Law.** All questions concerning the construction, validity and interpretation of this Award Agreement and the Plan shall be governed and construed according to the laws of the State of Delaware, without regard to the application of the conflicts of laws provisions thereof. Any disputes regarding the Option or the Plan shall be brought only in the state or federal courts of the State of Delaware.
16. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Award Agreement will not affect the validity or enforceability of any other provision of the Plan or this Award Agreement,
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and each provision of the Plan and this Award Agreement will be severable and enforceable to the extent permitted by law.

17. **Waiver:** You understand that the waiver by the Company with respect to your compliance with any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach of such party of a provision of this Award Agreement.
18. **Addendum to Award Agreement.** Notwithstanding any provisions of this Award Agreement to the contrary, the Option shall be subject to such special terms and conditions for your country of residence (and country of employment, if different), as the Company may determine in its sole discretion and which shall be set forth in an addendum to these terms and conditions (the "Addendum"). If you transfer your residence and/or employment to another country, any special terms and conditions for such country will apply to the Option to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the operation and administration of the Option and the Plan (or the Company may establish additional terms and conditions as may be necessary or advisable to accommodate your transfer). In all circumstances, the Addendum shall constitute part of these terms and conditions.
19. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to the Option or other awards granted to you under the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.
20. **English Language.** If you are resident and/or employed outside of the United States, you acknowledge and agree that it is your express intent that the Award Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Option, be drawn up in English. If you have received the Award Agreement, the Plan or any other documents related to the Option translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.
21. **Additional Requirements.** The Company reserves the right to impose other requirements on the Option, any Shares acquired pursuant to the Option, and your participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the administration of the Option and the Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements or undertakings that may be necessary to accomplish the foregoing.
22. **Clawback Policy.** This Award Agreement and the Option are subject to the Company's Policy on Recoupment of Incentive Compensation and any similar policy or policies that have been or may be adopted by the Company.

Ingredion Incorporated

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Ingredion Incorporated
Addendum to the Stock Option Award Agreement

In addition to the terms of the Plan and the Award Agreement, the Restricted Stock Units are subject to the following additional terms and conditions. All defined terms contained in this Addendum shall have the same meaning as set forth in the Plan and the Award Agreement. Pursuant to Section 20 of the Award Agreement, if you transfer your residence and/or employment to another country reflected in an Addendum, the additional terms and conditions for such country (if any) will apply to you to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the operation and administration of the Award and the Plan (or the Company may establish additional terms and conditions as may be necessary or advisable to accommodate your transfer).

EUROPEAN UNION (“EU”) / EUROPEAN ECONOMIC AREA (“EEA”)

Data Privacy. If you reside and/or perform services in the EU/EEA, Section 13 of the Award Agreement shall be replaced with the following:

The Company, with its registered address at 5 Westbrook Corporate Center, Westchester, IL 60154, U.S.A., is the controller responsible for the processing of your personal data by the Company and the third parties noted below. You should review the following information regarding the Company’s data processing practices.

(a) Data Collection and Usage. Pursuant to applicable data protection laws, you are hereby notified that the Company collects, processes and uses certain personally-identifiable information about you for the legitimate interest of implementing, administering and managing the Plan and generally administering equity awards; specifically, including your name, home address, email address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any shares of Common Stock or directorships held in the Company, and details of all Restricted Stock Units or any entitlement to shares of Common Stock awarded, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or the Employer (“Personal Data”). In granting the Award under the Plan, the Company will collect Personal Data for purposes of allocating shares of Common Stock and implementing, administering and managing the Plan. The Company’s legal basis for the collection, processing and use of Personal Data is the necessity of the processing for the Company to perform its contractual obligations under this Award Agreement and the Plan and the Company’s legitimate business interests of managing the Plan, administering employee equity awards and complying with its contractual and statutory obligations.

(b) Stock Plan Administration Service Provider. The Company transfers Personal Data to Morgan Stanley Smith Barney LLC and/or its affiliates, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share Personal Data with another company that serves in a similar manner. The Company’s service provider will open an account for you to receive and trade shares of Common Stock. You will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to your ability to participate in the Plan. The processing of Personal Data will take place through both electronic and non-electronic means. Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States. Your country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued only a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program. Alternatively, an appropriate level of protection can be achieved by implementing safeguards such as the Standard Contractual Clauses adopted by the EU Commission. Personal Data will be transferred from the EU/EEA to the Company and onward from the Company to any of its service providers based on the EU Standard Contractual Clauses or, if applicable, registration with the EU-U.S. Privacy Shield program. You may request a copy of such appropriate safeguards by contacting your local human resources department.

(d) Data Retention. The Company will use Personal Data only as long as is necessary to implement, administer and manage your participation in the Plan or as required to comply with legal or regulatory obligations, including tax and securities laws. When the Company no longer needs Personal Data, the Company will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. You may have a number of rights under data privacy laws in your country. For example, your rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) request rectification of incorrect Personal Data, (iii) request deletion of Personal Data, (iv) place restrictions on processing Personal Data, (v) lodge complaints with competent authorities in your country, and/or (vi) request a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding your rights or to exercise the your rights, you may contact your local human resources department.

ARGENTINA

Securities Law Information. The Option and any Shares to be issued pursuant to exercise of the Option are offered as a private transaction. This offering is not subject to supervision by any Argentine governmental authority.

AUSTRALIA

1. Shareholder Approval Requirement. Notwithstanding any provision in the Award Agreement to the contrary, you will not be entitled to, and shall not claim, any benefit under the Plan (including, without limitation, a legal right as set forth in Section 4(a) of the Award Agreement) if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Company's affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

2. Tax Notification. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

BRAZIL

1. Labor Law Acknowledgment. You agree that (i) the benefits provided under the Award Agreement and the Plan are the result of commercial transactions unrelated to your employment; (ii) the Award Agreement and the Plan are not a part of the terms and conditions of your employment; and (iii) the income from the exercise of the Option, if any, is not part of your remuneration from employment.

2 . Compliance with Law. By accepting the Option, you agree to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the exercise of the Option, the receipt of dividends and/or the sale of Shares acquired under the Plan.

CANADA

1 . Use of Previously Owned Shares. Notwithstanding any provision in the Award Agreement or the Plan to the contrary, if you are resident in Canada, you may not use previously-owned Shares to pay the purchase price or any Tax-Related Items in connection with the Option.

2 . Securities Law Information. You acknowledge and agree that you will only sell Shares acquired through participation in the Plan outside of Canada through the facilities of a stock exchange on which the Shares are listed. Currently, the Shares are listed on the New York Stock Exchange.

3. Use of English Language. You acknowledge and agree that it is your express wish that this Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. **Vous reconnaissez et consentez que c'est votre souhait exprès qui cet accord, de meme que tous documents, toutes notifications et tous procédés légaux est entré dans, donné ou instituté conformément ci-annexé ou relatant directement ou indirectement ci-annexé, est formulé dans l'anglais.**

4. Data Privacy. The following provision supplements Section 10 of the Award Agreement:

You hereby authorize the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. You further authorize the Company and any of its Subsidiaries and the Committee or its delegate to disclose and discuss the Plan with their advisors. You further authorize the Company and any of its Subsidiaries to record such information and to keep such information in your employee file.

CHILE

Private Placement. The following provision shall supplement Section 13 of the Award Agreement:

The grant of the Option hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Award Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
- b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
- c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
- d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.

- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o "grant date", según este término se define en el documento denominado "Award Agreement") y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero Chilena;*
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- b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero Chilena, por lo que tales valores no están sujetos a la fiscalización de ésta;*
- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions govern your participation in the Plan if you are a national of the People's Republic of China ("China") resident in mainland China, as determined by the Company in its sole discretion:

1. Exchange Control Approval. The vesting of the Option is conditioned upon the Company securing all necessary approvals from the China State Administration of Foreign Exchange ("SAFE") to permit operation of the Plan.
 2. Mandatory Cashless Sell-All Exercise. Notwithstanding any provision in the Award Agreement or Plan to the contrary, unless and until the Committee determines otherwise, the method of exercise of the Option shall be limited to mandatory cashless, sell-all exercise.
 3. Limitations on Exercisability Following Termination of Employment. Notwithstanding any provision in the Agreement or the Plan to the contrary, in the event your employment terminates for any reason, the Option will no longer be exercisable after the earlier of: (i) the period set forth in Section 4 of the Award Agreement; (ii) the last day of the six-month period beginning on the date of termination of employment (or such earlier date as may be required by the Company or the SAFE); and (iii) the Option expiration date.
 4. Exchange Control Restrictions. You understand and agree that, pursuant to local exchange control requirements, you will be required immediately to repatriate to China the proceeds from the sale of any Shares acquired under the Plan. You further understand that such repatriation of proceeds may need to be effected through a special bank account established by the Company or its Subsidiaries, and you hereby consent and agree that proceeds from the sale of Shares acquired under the Plan may be transferred to such account by the Company on your behalf prior to being delivered to you and that no interest shall be paid with respect to funds held in such account. The proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid to you in U.S. dollars, you understand that a U.S. dollar bank account in China must be established and maintained so that the proceeds may be deposited into such account. If the proceeds are paid to you in local currency, you acknowledge that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the proceeds to local currency due to exchange control restrictions. You agree to bear any currency fluctuation risk between the time the Shares are sold and the net proceeds are converted into local currency and distributed to you. You further agree to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future to facilitate compliance with exchange control requirements in China. You acknowledge and agree that the processes and requirements set forth herein shall continue to apply following your termination.
 5. Administration. Neither the Company nor any of its Subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses you may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Plan, the Award Agreement and the Option in accordance with Chinese law including, without limitation, any applicable
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SAFE rules, regulations and requirements.

The above requirements will not apply to non-Chinese nationals, unless otherwise required by the Company or by SAFE.

COLOMBIA

Securities Law Information. The Shares are not and will not be registered with the Colombian registry of publicly traded securities (Registro Nacional de Valores y Emisores). Therefore, the Shares may not be offered to the public in Colombia. Nothing in the Award Agreement should be construed as making a public offer of securities in Colombia.

GERMANY

No country-specific provisions.

JAPAN

No country-specific provisions.

MEXICO

1. Commercial Relationship. You expressly recognize that your participation in the Plan and the Company's grant of the Option do not constitute an employment relationship between you and the Company. You have been granted the Option as a consequence of the commercial relationship between the Company and the Company's affiliate in Mexico that employs you, and the Company's local affiliate in Mexico is your sole employer. Based on the foregoing, (a) you expressly recognize the Plan and the benefits you may derive from your participation in the Plan do not establish any rights between you and the Company's affiliate in Mexico that employs you, (b) the Plan and the benefits you may derive from your participation in the Plan are not part of the employment conditions and/or benefits provided by the Company's affiliate in Mexico that employs you, and (c) any modifications or amendments of the Plan by the Company, or a termination of the Plan by the Company, shall not constitute a change or impairment of the terms and conditions of your employment with the Company's affiliate in Mexico that employs you.

2. Extraordinary Item of Compensation. You expressly recognize and acknowledge that your participation in the Plan is a result of the discretionary and unilateral decision of the Company, as well as your free and voluntary decision to participate in the Plan in accordance with the terms and conditions of the Plan, the Award Agreement and this Addendum. As such, you acknowledge and agree that the Company may, in its sole discretion, amend and/or discontinue your participation in the Plan at any time and without any liability. The value of the Option is an extraordinary item of compensation outside the scope of your employment contract, if any. The Option is not part of your regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Employer.

PAKISTAN

Mandatory Cashless Sell-All Exercise. Notwithstanding any provision in the Award Agreement or Plan to the contrary, unless and until the Committee determines otherwise, the method of exercise of the Option shall be limited to mandatory cashless, sell-all exercise.

PERU

1. Labor Law Acknowledgement. By accepting the grant of the Option, you acknowledge, understand and agree that the Option is being granted *ex gratia* to you with the purpose of rewarding you.

2. Securities Law Information. The grant of the Option is considered a private offering in Peru; therefore, it is not subject to registration. For more information concerning this offer, please refer to the Plan, the Award Agreement and any other grant documents made available to you by the Company.

SINGAPORE

Securities Law Information. The grant of the Option under the Plan is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the “SFA”). The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should note that, as a result, the Award is subject to section 257 of the SFA and you will not be able to make: (a) any subsequent sale of the Shares underlying the Award in Singapore; or (b) any offer of such subsequent sale of the Shares subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1. Exchange Control Obligations. You are solely responsible for complying with applicable exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa. As the Exchange Control Regulations change frequently and without notice, you should consult your legal advisor prior to the acquisition or sale of Shares under the Plan to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries or affiliates will be liable for any fines or penalties resulting from your failure to comply with applicable laws.

2. Securities Law Information and Acceptance of the Option. Neither the Option nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority.

The Option offer must be finalized on or before the 60th day following the Grant Date. If you do not want to accept the Option, you must decline the Option no later than the 60th day following the Grant Date. If you do not decline the Option on or before the 60th day following the Grant Date, you will be deemed to accept the Option.

SOUTH KOREA

Employee Data Privacy. By accepting the Option:

1. You agree to the collection, use, processing and transfer of Data as described in Section 10 of the Award Agreement; and
2. You agree to the processing of your unique identifying information (resident registration number) as described in Section 10 of the Award Agreement.

THAILAND

No country-specific provisions.

UNITED ARAB EMIRATES

Securities Law Information. The Plan and the Award Agreement are intended for distribution only to certain participants as selected by the Company and must not be delivered to, or relied on by, any other person. You should conduct your own due diligence on the Company's shares of Common Stock. If you do not understand the contents of the Plan and the Award Agreement, you should consult an authorized financial adviser. The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with the Plan. Neither the Ministry of Economy nor the Dubai Department of Economic Development have approved the Plan or the Award Agreement nor taken steps to verify the information set out therein, and have no responsibility for such documents.

UNITED KINGDOM

1 . Tax-Related Items. Without limiting the effect of Section 6 of the Award Agreement, you hereby agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company or (if different) the Employer or by Her Majesty's Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). You also hereby agree to indemnify and keep indemnified the Company and (if different) the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that you are a director or executive officer of the Company and the income tax is not collected from or paid by you within ninety (90) days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to you on which additional income tax and national insurance contributions ("NICs") may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime, and the Employer will hold you liable for the amount of any employee NICs due on this additional benefit, which the Company or the Employer may recover from you at any time thereafter by any of the means referred to in Section 6 of the Award Agreement.

2 Exclusion of Claim. You acknowledge and agree that you will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from your ceasing to have rights under or to be entitled to exercise the Option, whether or not as a result of the termination of your employment with the Company or its Subsidiaries or affiliates for any reason whatsoever (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Option. Upon the grant of the

Option, you shall be deemed irrevocably to have waived any such entitlement.

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Ingredion Incorporated
Stock Incentive Plan
2019 Restricted Stock Units Award Agreement

Ingredion Incorporated (the “Company”) has granted you an award of Restricted Stock Units (the “Award”) under the Ingredion Incorporated Stock Incentive Plan (the “Plan”). The Award represents the right to receive shares of Company Common Stock in the future. The grant date of the Award and the number of Restricted Stock Units covered by this Award are set forth in the document you have received entitled “Notice of Grant of Restricted Stock Units.” The Notice of Grant of Restricted Stock Units and this Restricted Stock Units Award Agreement collectively constitute the Agreement relating to the Award. This Award Agreement and the Plan together govern your rights under the Award and the Plan and set forth all of the conditions and limitations affecting such rights.

Capitalized terms used in this Award Agreement shall have the meanings ascribed to them in the Plan or in this Award Agreement. If there is any inconsistency between the terms of this Award Agreement and the terms of the Plan, except as otherwise expressly provided in the Plan, the Plan’s terms shall supersede and replace the conflicting terms of this Award Agreement.

Overview of Your Grant

1. **General.** Except as provided below, you shall not be entitled to any privileges of ownership with respect to the shares of Common Stock subject to the Award unless and until, and only to the extent, the Restricted Stock Units subject to the Award are settled and you become a stockholder of record with respect to such shares as provided herein. The Company agrees to reserve and keep available, either in treasury or out of its authorized but unissued shares of Common Stock, the full number of shares subject to the Award.
 2. **Grant Date.** February 8, 2019.
 3. **Vesting Period.** The Restricted Stock Units awarded and/or credited under this Award Agreement will become fully vested on February 8, 2022 (the “Vesting Date”). During the period beginning on the Grant Date and ending on the Vesting Date (the “Vesting Period”), the Restricted Stock Units awarded and/or credited under this Award Agreement may not be sold, transferred, assigned, pledged, hypothecated or otherwise encumbered or disposed of, except as provided in the Plan or this Award Agreement. If all of the terms and conditions of this Award Agreement and the Plan are met on the Vesting Date, subject to Section 11 of this Award Agreement, then you will be issued the number of shares of Common Stock subject to the Restricted Stock Units then held by you which were issued and/or credited to you under this Award Agreement. The issuance shall occur upon the Vesting Date or as soon as administratively practicable thereafter (but in no event later than thirty (30) days following the Vesting Date). Notwithstanding the effect that Section 5.8(a)(1) of the Plan would otherwise have, unless otherwise determined by the Committee, in the event of a Change in Control pursuant to Section 5.8(b)(3) or (4) of the Plan in connection with which the holders of Common Stock receive shares of common stock that are registered under Section 12 of the Exchange Act (and, for the avoidance of doubt, not in the event of a Change in Control to which Section 5.8(a)(2) of the Plan applies), the Restriction Period applicable to the Restricted Stock Units shall lapse as a result of such Change in Control upon the earlier to occur of (i) your continued employment or service through the Vesting Date, and (ii) the termination of your employment with the Company or any of its Subsidiaries or affiliates for Good Reason, or the termination of your employment by the Company or any of its
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Subsidiaries or affiliates without Cause, within two years following such Change in Control (the "Protection Period"). In the event of such Change in Control pursuant to Section 5.8(b)(3) or (4) of the Plan in connection with which the holders of Common Stock receive shares of common stock that are registered under Section 12 of the Exchange Act, there shall be substituted for each share of Common Stock relating to the Restricted Stock Units the number, type and class of shares into which each outstanding share of Common Stock shall be converted pursuant to such Change in Control.

For purposes of the foregoing, "Good Reason" shall mean:

(i) There has occurred a material reduction by the Company, a Subsidiary or affiliate in your base salary in effect immediately before the beginning of the Protection Period or as increased from time to time thereafter;

(ii) The Company, a Subsidiary or affiliate, without your written consent, has required you to be relocated anywhere in excess of thirty-five (35) miles from your office location immediately before the beginning of the Protection Period, except for required travel on the business of the Company, a Subsidiary or affiliate to an extent substantially consistent with your business travel obligations immediately before the beginning of the Protection Period; or

(iii) The Company or a Subsidiary has reduced in any manner that you reasonably consider important your title, job authorities or responsibilities immediately before the beginning of the Protection Period.

You may exercise your right to terminate your employment for Good Reason by giving the Company a written notice of termination specifying in reasonable detail the circumstances constituting such Good Reason. However, the Company shall have thirty (30) days to "cure," such that the circumstances constituting such Good Reason are eliminated. Your employment shall terminate at the end of such thirty (30)-day period only if the Company has failed to cure such circumstances constituting the Good Reason.

Your termination of employment within a Protection Period shall be for Good Reason if one of the occurrences specified in this Section 3 shall have occurred (and subject to the cure provision of the immediately preceding paragraph), notwithstanding that you may have other reasons for terminating employment, including employment by another employer that you desire to accept.

4. **Termination of Employment.** Subject to Section 3 of this Agreement and Section 3 of the Plan, in the event that you terminate employment with the Company, its affiliates, and/or its Subsidiaries for any reason, or in the event that the Company, its affiliates, and/or its Subsidiaries terminates your employment with or without Cause, all of the unvested Restricted Stock Units you hold at the time your employment terminates shall be forfeited to the Company; provided, however, that in the event your employment with the Company is terminated due to (a) death, (b) the occurrence of a Disability Date or (c) retirement on or after (A) age 65, (B) age 62 with a minimum of 5 years of continuous employment with or service to the Company or its Subsidiaries or affiliates or (C) age 55 with a minimum of 10 years of continuous employment with or service to the Company or its Subsidiaries or affiliates (in the case of each termination described in (A), (B) or (C), a "Retirement"), a prorated portion of the Restricted Stock Units awarded and/or credited under this Award Agreement shall vest. Such proration shall be calculated by multiplying the number of Restricted Stock Units awarded and/or credited under this Award Agreement by a fraction, the numerator of which is the number of full months that have elapsed between the Grant Date and your termination date and the denominator of which is 36. Notwithstanding the foregoing, in the event of your Retirement on or after February 8, 2020, the Restricted Stock Units shall continue to vest in accordance with Section 3 above.

5. **Voting Rights and Dividends.** You do not have the right to vote any shares of Common Stock or to receive dividends on them prior to the date such shares are to be issued to you pursuant to the terms of this Award Agreement. As of each date on which dividends are paid on the shares of Common Stock, the Company shall credit to the Award additional Restricted Stock Units, the number of which shall be determined by multiplying the amount of such dividend per share of Common Stock by the number of shares of Common Stock then subject to the Award, and dividing the product thereof by the Fair Market Value of a share of Common Stock on the applicable dividend payment date.

6. **Income Tax and Social Insurance Contribution Withholding.** Prior to the issuance or delivery of any shares of Common Stock, the Company or the Subsidiary or affiliate that employs you (the "Employer") (if applicable) shall have the right to require you to pay any U.S. Federal, state, local or other taxes (including non-U.S. taxes, social insurance, payroll tax, payment on account or other tax-related withholding) ("Tax-Related Items") which may be required to be withheld or paid in connection with the Restricted Stock Units. Such obligation shall be satisfied either:

(a) by the Company (which if you are subject to Section 16 of the Exchange Act is subject to approval by the Committee) by withholding whole shares of Common Stock which would otherwise be delivered to you, having an aggregate Fair Market Value determined as of the date the obligation to withhold or pay taxes arises in connection with the Restricted Stock Units (the "Tax Date"), or by the Company or Employer withholding an amount of cash which would otherwise be payable to you, in the amount necessary to satisfy any such obligation; or

(b) by you by any of the following means: (A) a cash payment to the Company or the Employer in the amount necessary to satisfy any such obligation, (B) delivery (either actual delivery or by attestation procedures established by the Company) to the Company of shares of Common Stock having an aggregate Fair Market Value, determined as of the Tax Date, equal to the amount necessary to satisfy any such obligation, (C) authorizing the Company to withhold whole shares of Common Stock which would otherwise be delivered having an aggregate Fair Market Value, determined as of the Tax Date, or withhold an amount of cash which would otherwise be payable to you, equal to the amount necessary to satisfy any such obligation, or (D) any combination of (A), (B) and (C).

Any fraction of a share of Common Stock that would be required to satisfy such an obligation shall be disregarded and you shall pay the remaining amount in cash.

Regardless of any action the Company or the Employer (if applicable) takes with respect to any or all Tax-Related Items, you acknowledge and agree that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units or the shares of Common Stock issued upon vesting of the Units, and (ii) do not commit to structure the terms of the Award (or any aspect of the Units) to reduce or eliminate your liability for Tax-Related Items.

7. **Change of Capitalization.** If, prior to the time the restrictions imposed by Section 3 of this Award Agreement on the Restricted Stock Units awarded hereunder lapse, the Company shall be reorganized or consolidated or merged with another corporation, the appropriate amount of any stock, securities or other property exchangeable for shares of Common Stock pursuant to such reorganization, consolidation or merger shall be appropriately substituted for the shares of Common Stock then subject to the Restricted Stock Units issued and/or credited hereunder.

8. **Continuation of Employment.** This Award Agreement shall not confer upon you any right to continuation of employment by the Company, its affiliates, and/or its Subsidiaries, nor shall this

Award Agreement interfere in any way with the Company's, its affiliates', and/or its Subsidiaries' right to terminate your employment at any time, except to the extent expressly provided otherwise in a written agreement between you and the Company, an affiliate or Subsidiary or prohibited by law.

9. **No Right to Future Grants; No Right of Employment; Extraordinary Item.** In accepting the grant, you acknowledge that: (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, suspended or terminated by the Company at any time, as provided in the Plan and this Award Agreement; (b) the grant of the Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted repeatedly in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the Restricted Stock Units and any Common Stock subject to the Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (f) the grant of Restricted Stock Units is provided for future services to the Company and its affiliates and is not under any circumstances to be considered compensation for past services; (g) in the event that you are an employee of an affiliate or Subsidiary of the Company, the grant will not be interpreted to form an employment contract or relationship with the Company or an employment contract with the affiliate or Subsidiary that is your employer; (h) the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty; (i) no claim or entitlement to compensation or damages arises from forfeiture or termination of the Restricted Stock Units or diminution in value of the Restricted Stock Units or the shares of Common Stock, and you irrevocably release the Company, its affiliates and/or its Subsidiaries from any such claim that may arise; (j) in the event of involuntary termination of your employment, your right to receive Restricted Stock Units and vest in Restricted Stock Units and/or Common Stock under the Plan, if any, will terminate in accordance with the terms of the Plan and will not be extended by any notice period mandated under local law; furthermore, your right to vest in the Restricted Stock Units after such termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law; and (k) if you are resident or employed outside the United States, neither the Company nor any of its Subsidiaries or affiliates shall be liable for any change in the value of the Restricted Stock Units, the amount realized upon settlement of the Restricted Stock Units or the amount realized upon a subsequent sale of any shares of Common Stock, resulting from any fluctuation of the United States Dollar/local currency exchange rate.
10. **Requirements of Law.** The granting of Restricted Stock Units under the Plan, and the issuance or delivery of any certificate or certificates for shares of Common Stock upon the vesting of Restricted Stock Units, shall be subject to, and conditioned upon, satisfaction of all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.
11. **Alternative Form of Settlement in Non-U.S. Jurisdictions.** Notwithstanding anything in the Agreement to the contrary, if you are resident or employed outside of the United States, the Company may, in its sole discretion, settle the Restricted Stock Units in the form of a cash payment to the extent settlement in shares of Common Stock: (i) is prohibited under local law; (ii) would require you, the Company and/or its Subsidiaries or affiliates to obtain the approval of any governmental and/or regulatory body in your country of residence (or country of employment, if different); (iii) would result in adverse tax consequences for you or the Company; or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion, settle the Restricted Stock Units in the form of shares of Common Stock but require you to sell such shares immediately or within a specified period

following your termination of employment (in which case, this Award Agreement shall give the Company the authority to issue sales instructions on your behalf).

12. **Compliance with Local Law.** If you are resident or employed outside of the United States, as a condition to the grant of Restricted Stock Units, you agree to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan in accordance with local foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you agree to take any and all actions, and consent to any and all actions taken by the Company and the Company's Subsidiaries and affiliates, as may be required to allow the Company and the Company's Subsidiaries and affiliates to comply with local laws, rules and regulations in your country of residence (and country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and country of employment, if different).
13. **Employee Data Privacy.** You hereby explicitly and unambiguously consent to the collection, use, processing and transfer, in electronic or other form, of your personal data as described in this document by and among, as applicable, the Company, its affiliates and its Subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that the Company (and/or the Employer, if applicable) holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport/visa information, age, language skills, driver's license information, nationality, C.V. (or resume), wage history, employment references, social insurance number, resident registration number or other identification number, salary, job title, employment or severance contract, current wage and benefit information, personal bank account number, tax-related information, plan or benefit enrollment forms and elections, option or benefit statements, any shares of stock or directorships in the company, details of all options or any other entitlements to shares of stock awarded, canceled, purchased, vested, unvested or outstanding for purpose of managing and administering the Plan ("Data").

You understand that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan including, but not limited to, the affiliates of the Company and/or Morgan Stanley Smith Barney LLC, or any successor. These third party recipients may be located in your country or elsewhere, and the recipient's country may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting Corporate Human Resources.

You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom you may elect to deposit any shares of Common Stock acquired. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan.

You understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing Corporate Human Resources.

You understand, however, that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact Corporate Human Resources.

Finally, upon request of the Company or the Employer, you agree to provide an executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will be unable to participate in the Plan if you fail to provide any such consent or agreement requested by the Company and/or the Employer.

14. **Compliance with Section 409A of the Code.** It is intended that this Award Agreement and the Plan be exempt from the provisions of section 409A of the Code to the maximum extent permissible under law. To the extent section 409A of the Code applies to this Award Agreement and the Plan, it is intended that this Award Agreement and the Plan comply with the provisions of section 409A of the Code. This Award Agreement and the Plan shall be administered and interpreted in a manner consistent with this intent. In the event that this Award Agreement or the Plan does not comply with section 409A of the Code (to the extent applicable thereto), the Company shall have the authority to amend the terms of this Award Agreement or the Plan (which amendment may be retroactive to the extent permitted by section 409A of the Code and may be made by the Company without your consent) to avoid excise taxes and other penalties under section 409A of the Code, to the extent possible. Notwithstanding the foregoing, no particular tax result for you with respect to any income recognized by you in connection with this Award Agreement is guaranteed, and you solely shall be responsible for any taxes, penalties, interest or other losses or expenses incurred by you under section 409A of the Code in connection with this Award Agreement. To the extent any amounts under this Award Agreement are payable by reference to your “termination of employment,” such term shall be deemed to refer to your “separation from service,” within the meaning of section 409A of the Code. Notwithstanding any other provision in this Plan, if you are a “specified employee,” as defined in section 409A of the Code, as of the date of your separation from service, then to the extent any amount payable under this Award Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of section 409A of the Code, (ii) is payable upon your separation from service and (iii) under the terms of this Award Agreement would be payable prior to the six-month anniversary of your separation from service, such payment shall be delayed until the earlier to occur of (a) the six-month anniversary of your separation from service or (b) the date of your death.
15. **Administration.** This Award Agreement and your rights hereunder are subject to all the terms and conditions of the Plan, as the same may be amended from time to time, as well as to such rules and regulations as the Board or the Committee may adopt for administration of the Plan.
16. **Not a Public Offering in Non-U.S. Jurisdictions.** If you are resident or employed outside of the United States, neither the grant of the Restricted Stock Units under the Plan nor the issuance of the underlying shares of Common Stock upon vesting of the Restricted Stock Units is intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filings to the local securities authorities in jurisdictions outside of the United States unless otherwise required under local law. No employee of the Company is permitted to advise you on whether you should accept a grant of Restricted Stock Units under the Plan or provide you with any legal, tax or financial advice with respect to the grant of Restricted Stock Units. Before deciding to accept the grant of Restricted Stock Units, you should carefully consider all risk factors and tax considerations relevant to the acquisition of shares of Common Stock under the Plan or the disposition of them. Further, you should carefully

review all of the materials related to the Restricted Stock Units and the Plan, and you should consult with your personal legal, tax and financial advisors for professional advice in relation to your personal circumstances.

17. **Insider Trading/Market Abuse Laws.** You acknowledge that, depending on your or your broker's country of residence or where the shares of Common Stock are listed, you may be subject to insider trading restrictions and/or market abuse laws that may affect your ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock or rights linked to the value of shares of Common Stock during such times you are considered to have "inside information" regarding the Company as defined in the laws or regulations in your country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party (other than on a "need to know" basis), and (b) "tipping" third parties or causing them otherwise to buy or sell securities. Third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company's insider trading policy. You acknowledge that it is your responsibility to comply with any restrictions and you are advised to speak to your personal advisor on this matter.
18. **Governing Law.** All questions concerning the construction, validity and interpretation of this Award Agreement and the Plan shall be governed and construed according to the laws of the State of Delaware, without regard to the application of the conflicts of laws provisions thereof. Any disputes regarding this Award or the Plan shall be brought only in the state or federal courts of the State of Delaware.
19. **Severability.** The invalidity or unenforceability of any provision of the Plan or this Award Agreement will not affect the validity or enforceability of any other provision of the Plan or this Award Agreement, and each provision of the Plan and this Award Agreement will be severable and enforceable to the extent permitted by law.
20. **Waiver:** You understand that the waiver by the Company with respect to your compliance with any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach of such part of a provision of this Award Agreement.
21. **Addendum to Award Agreement.** Notwithstanding any provisions of this Award Agreement to the contrary, the Restricted Stock Units shall be subject to such special terms and conditions for your country of residence (and country of employment, if different), as the Company may determine in its sole discretion and which shall be set forth in an addendum to these terms and conditions (the "Addendum"). If you transfer your residence and/or employment to another country, any special terms and conditions for such country will apply to the Restricted Stock Units to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the operation and administration of the Award and the Plan (or the Company may establish additional terms and conditions as may be necessary or advisable to accommodate your transfer). In all circumstances, the Addendum shall constitute part of these terms and conditions.
22. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents related to the Restricted Stock Units or other awards granted to you under the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the

Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

23. **English Language.** If you are resident and/or employed outside of the United States, you acknowledge and agree that it is your express intent that the Award Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Restricted Stock Units, be drawn up in English. If you have received the Award Agreement, the Plan or any other documents related to the Restricted Stock Units translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.
24. **Additional Requirements.** The Company reserves the right to impose other requirements on the Restricted Stock Units, any shares of Common Stock acquired pursuant to the Restricted Stock Units, and your participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the administration of the Award and the Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements or undertakings that may be necessary to accomplish the foregoing.
25. **Clawback Policy.** This Award Agreement and the Restricted Stock Units are subject to the Company's Policy on Recoupment of Incentive Compensation and any similar policy or policies that have been or may be adopted by the Company.

Ingredion Incorporated

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Ingredion Incorporated
Addendum to the Restricted Stock Units Award Agreement

In addition to the terms of the Plan and the Award Agreement, the Restricted Stock Units are subject to the following additional terms and conditions. All defined terms contained in this Addendum shall have the same meaning as set forth in the Plan and the Award Agreement. Pursuant to Section 20 of the Award Agreement, if you transfer your residence and/or employment to another country reflected in an Addendum, the additional terms and conditions for such country (if any) will apply to you to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and regulations, or to facilitate the operation and administration of the Award and the Plan (or the Company may establish additional terms and conditions as may be necessary or advisable to accommodate your transfer).

EUROPEAN UNION (“EU”) / EUROPEAN ECONOMIC AREA (“EEA”)

Data Privacy. If you reside and/or perform services in the EU/EEA, Section 13 of the Award Agreement shall be replaced with the following:

The Company, with its registered address at 5 Westbrook Corporate Center, Westchester, IL 60154, U.S.A., is the controller responsible for the processing of your personal data by the Company and the third parties noted below. You should review the following information regarding the Company’s data processing practices.

(a) Data Collection and Usage. Pursuant to applicable data protection laws, you are hereby notified that the Company collects, processes and uses certain personally-identifiable information about you for the legitimate interest of implementing, administering and managing the Plan and generally administering equity awards; specifically, including your name, home address, email address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any shares of Common Stock or directorships held in the Company, and details of all Restricted Stock Units or any entitlement to shares of Common Stock awarded, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or the Employer (“Personal Data”). In granting the Award under the Plan, the Company will collect Personal Data for purposes of allocating shares of Common Stock and implementing, administering and managing the Plan. The Company’s legal basis for the collection, processing and use of Personal Data is the necessity of the processing for the Company to perform its contractual obligations under this Award Agreement and the Plan and the Company’s legitimate business interests of managing the Plan, administering employee equity awards and complying with its contractual and statutory obligations.

(b) Stock Plan Administration Service Provider. The Company transfers Personal Data to Morgan Stanley Smith Barney LLC and/or its affiliates, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and share Personal Data with another company that serves in a similar manner. The Company’s service provider will open an account for you to receive and trade shares of Common Stock. You will be asked to agree on separate terms and data processing practices with the service provider, which is a condition to your ability to participate in the Plan. The processing of Personal Data will take place through both electronic and non-electronic means. Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering and operating the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States. Your country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued only a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program. Alternatively, an appropriate level of protection can be achieved by implementing safeguards such as the Standard Contractual Clauses adopted by the EU Commission. Personal Data will be transferred from the EU/EEA to the Company and onward from the Company to any of its service providers based on the EU Standard Contractual Clauses or, if applicable, registration with the EU-U.S. Privacy Shield program. You may request a copy of such appropriate safeguards by contacting your local human resources department.

(d) Data Retention. The Company will use Personal Data only as long as is necessary to implement, administer and manage your participation in the Plan or as required to comply with legal or regulatory obligations, including tax and securities laws. When the Company no longer needs Personal Data, the Company will remove it from its systems. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. You may have a number of rights under data privacy laws in your country. For example, your rights may include the right to (i) request access or copies of Personal Data the Company processes, (ii) request rectification of incorrect Personal Data, (iii) request deletion of Personal Data, (iv) place restrictions on processing Personal Data, (v) lodge complaints with competent authorities in your country, and/or (vi) request a list with the names and addresses of any potential recipients of Personal Data. To receive clarification regarding your rights or to exercise the your rights, you may contact your local human resources department.

ARGENTINA

Securities Law Information. The Restricted Stock Units and any shares of Common Stock to be issued pursuant to the vesting of the Restricted Stock Units are offered as a private transaction. This offering is not subject to supervision by any Argentine governmental authority.

AUSTRALIA

1. Shareholder Approval Requirement. Notwithstanding any provision in the Award Agreement to the contrary, you will not be entitled to, and shall not claim, any benefit under the Plan (including, without limitation, a legal right as set forth in Section 4 of the Award Agreement) if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Company's affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

2. Tax Notification. The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

BRAZIL

1. Labor Law Acknowledgment. You agree that (i) the benefits provided under the Award Agreement and the Plan are the result of commercial transactions unrelated to your employment; (ii) the Award Agreement and the Plan are not a part of the terms and conditions of your employment; and (iii) the income from the vesting of the Restricted Stock Units, if any, is not part of your remuneration from employment.

2. Compliance with Law. By accepting the Restricted Stock Units, you agree to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the Restricted Stock Units, the receipt of dividends and/or the sale of shares of Common Stock acquired under the Plan.

CANADA

1. Settlement in Shares. Notwithstanding anything to the contrary in the Award Agreement, Addendum or the Plan, your Award shall be settled only in shares of Common Stock (and may not be settled in cash).

2. Securities Law Information. You acknowledge and agree that you will only sell shares of Common Stock acquired through participation in the Plan outside of Canada through the facilities of a stock exchange on which the shares of Common Stock are listed. Currently, the shares of Common Stock are listed on the New York Stock Exchange.

3. Use of English Language. You acknowledge and agree that it is your express wish that this Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. **Vous reconnaissez et consentez que c'est votre souhait exprès qui cet accord, de meme que tous documents, toutes notifications et tous procédés légaux est entré dans, donné ou institué conformément ci-annexé ou relatant directement ou indirectement ci-annexé, est formulé dans l'anglais.**

4. Data Privacy. The following provision supplements Section 13 of the Award Agreement:

You hereby authorize the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. You further authorize the Company and any of its Subsidiaries and the Committee or its delegate to disclose and discuss the Plan with their advisors. You further authorize the Company and any of its Subsidiaries to record such information and to keep such information in your employee file.

CHILE

Private Placement. The following provision shall supplement Section 16 of the Award Agreement:

The grant of the Restricted Stock Units hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the Grant Date (as defined in the Award Agreement), and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Market;
 - b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the Chilean Commission for the Financial Market, and therefore such securities are not subject to its oversight;
 - c) The issuer is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the Chilean Commission for the Financial Market; and
 - d) The foreign securities shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) *La fecha de inicio de la oferta será el de la fecha de otorgamiento (o "grant date", según este término se define en el documento denominado "Award Agreement") y esta oferta se acoge a la norma de Carácter General n° 336 de la Comisión para el Mercado Financiero Chilena;*

- b) *La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la Comisión para el Mercado Financiero Chilena, por lo que tales valores no están sujetos a la fiscalización de ésta;*
- c) *Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y*
- d) *Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.*

CHINA

The following provisions govern your participation in the Plan if you are a national of the People's Republic of China ("China") resident in mainland China, as determined by the Company in its sole discretion:

1. Exchange Control Approval. The vesting of the Restricted Stock Units is conditioned upon the Company securing all necessary approvals from the China State Administration of Foreign Exchange ("SAFE") to permit operation of the Plan.

2. Exchange Control Restrictions. You understand and agree that, to facilitate compliance with exchange control requirements, you are required to hold the shares of Common Stock received upon settlement of the Restricted Stock Units with the Company's designated brokerage firm until the shares of Common Stock are sold. Further, you understand and agree that you will be required to immediately repatriate to China dividends and proceeds from the sale of any shares of Common Stock acquired under the Plan.

You also understand and agree that such repatriation of proceeds may need to be effected through a special bank account established by the Company or its Subsidiary, and you hereby consent and agree that dividends and proceeds from the sale of shares of Common Stock acquired under the Plan may be transferred to such account by the Company on your behalf prior to being delivered to you and that no interest shall be paid with respect to funds held in such account. The proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid to you in U.S. dollars, you understand that a U.S. dollar bank account in China must be established and maintained so that the proceeds may be deposited into such account. If the proceeds are paid to you in local currency, you acknowledge that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the proceeds to local currency due to exchange control restrictions. You agree to bear any currency fluctuation risk between the time the shares of Common Stock are sold and the net proceeds are converted into local currency and distributed to you. You further agree to comply with any other requirements that may be imposed by the Company or its Subsidiaries in China in the future to facilitate compliance with exchange control requirements in China. You acknowledge and agree that the processes and requirements set forth herein shall continue to apply following your termination.

Notwithstanding anything to the contrary in the Plan or the Award Agreement, in the event of your termination of employment for any reason, you will be required to sell all shares of Common Stock issued pursuant to the Plan no later than 120 days after your employment termination date (or such shorter period as may be required by the SAFE or the Company) (the "Mandatory Sale Date"), and repatriate the sales proceeds to China in the manner designated by the Company. You understand that any shares of Common Stock you hold under the Plan that have not been sold by the Mandatory Sale Date will automatically be sold by the Company's designated broker at the Company's direction (on your behalf pursuant to this authorization without further consent).

3. Administration. Neither the Company nor any of its subsidiaries shall be liable for any costs, fees, lost interest or dividends or other losses you may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Plan, the Award Agreement and the Restricted Stock Units in accordance with Chinese law including, without limitation, any applicable SAFE rules, regulations and requirements.

The above requirements will not apply to non-Chinese nationals, unless otherwise required by the Company or by SAFE.

COLOMBIA

Securities Law Information. The shares of Common Stock are not and will not be registered with the Colombian registry of publicly traded securities (Registro Nacional de Valores y Emisores). Therefore, the shares of Common Stock may not be offered to the public in Colombia. Nothing in the Award Agreement should be construed as making a public offer of securities in Colombia.

GERMANY

No country-specific provisions.

JAPAN

No country-specific provisions.

MEXICO

1. Commercial Relationship. You expressly recognize that your participation in the Plan and the Company's grant of the Restricted Stock Units do not constitute an employment relationship between you and the Company. You have been granted the Restricted Stock Units as a consequence of the commercial relationship between the Company and the Company's affiliate in Mexico that employs you, and the Company's local affiliate in Mexico is your sole employer. Based on the foregoing, (a) you expressly recognize the Plan and the benefits you may derive from your participation in the Plan do not establish any rights between you and the Company's affiliate in Mexico that employs you, (b) the Plan and the benefits you may derive from your participation in the Plan are not part of the employment conditions and/or benefits provided by the Company's affiliate in Mexico that employs you, and (c) any modifications or amendments of the Plan by the Company, or a termination of the Plan by the Company, shall not constitute a change or impairment of the terms and conditions of your employment with the Company's affiliate in Mexico that employs you.

2. Extraordinary Item of Compensation. You expressly recognize and acknowledge that your participation in the Plan is a result of the discretionary and unilateral decision of the Company, as well as your free and voluntary decision to participate in the Plan in accordance with the terms and conditions of the Plan, the Award Agreement and this Addendum. As such, you acknowledge and agree that the Company may, in its sole discretion, amend and/or discontinue your participation in the Plan at any time and without any liability. The value of the Award is an extraordinary item of compensation outside the scope of your employment contract, if any. The Award is not part of your regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Employer.

PAKISTAN

No country-specific provisions.

PERU

1 . Labor Law Acknowledgement. By accepting the grant of Restricted Stock Units, you acknowledge, understand and agree that the Restricted Stock Units are being granted *ex gratia* to you with the purpose of rewarding you.

2 . Securities Law Information. The grant of Restricted Stock Units is considered a private offering in Peru; therefore, it is not subject to registration. For more information concerning this offer, please refer to the Plan, the Award Agreement and any other grant documents made available to you by the Company.

SINGAPORE

Securities Law Information. The grant of the Award under the Plan is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (the “SFA”). The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should note that, as a result, the Award is subject to section 257 of the SFA and you will not be able to make: (a) any subsequent sale of shares of Common Stock underlying the Award in Singapore; or (b) any offer of such subsequent sale of shares of Common Stock subject to the Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA.

SOUTH AFRICA

1 . Exchange Control Obligations. You are solely responsible for complying with applicable exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa. As the Exchange Control Regulations change frequently and without notice, you should consult your legal advisor prior to the acquisition or sale of shares of Common Stock under the Plan to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries or affiliates will be liable for any fines or penalties resulting from your failure to comply with applicable laws.

2 . Securities Law Information and Acceptance of the Restricted Stock Units. Neither the Restricted Stock Units nor the underlying shares of Common Stock shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority.

The Restricted Stock Units offer must be finalized on or before the 60th day following the Grant Date. If you do not want to accept the Restricted Stock Units, you must decline the Restricted Stock Units no later than the 60th day following the Grant Date. If you do not decline the Restricted Stock Units on or before the 60th day following the Grant Date, you will be deemed to accept the Restricted Stock Units.

SOUTH KOREA

Employee Data Privacy. By accepting this Award Agreement:

1. You agree to the collection, use, processing and transfer of Data as described in Section 13 of the Award Agreement; and
2. You agree to the processing of your unique identifying information (resident registration number) as described in Section 13 of the Award Agreement.

THAILAND

No country-specific provisions.

UNITED ARAB EMIRATES

Securities Law Information. The Plan and the Award Agreement are intended for distribution only to certain participants as selected by the Company and must not be delivered to, or relied on by, any other person. You should conduct your own due diligence on the Company's shares of Common Stock. If you do not understand the contents of the Plan and the Award Agreement, you should consult an authorized financial adviser. The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with the Plan. Neither the Ministry of Economy nor the Dubai Department of Economic Development have approved the Plan or the Award Agreement nor taken steps to verify the information set out therein, and have no responsibility for such documents.

UNITED KINGDOM

1 . Tax-Related Items. Without limiting the effect of Section 6 of the Award Agreement, you hereby agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company or (if different) the Employer or by Her Majesty's Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). You also hereby agree to indemnify and keep indemnified the Company and (if different) your Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that you are a director or executive officer of the Company and the income tax is not collected from or paid by you within ninety (90) days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to you on which additional income tax and national insurance contributions ("NICs") may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime, and the Employer will hold you liable for the amount of any employee NICs due on this additional benefit, which the Company or the Employer may recover from you at any time thereafter by any of the means referred to in Section 6 of the Award Agreement.

2 . Exclusion of Claim. You acknowledge and agree that you will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from your ceasing to have rights under or to be entitled to the Award, whether or not as a result of the termination of your employment with the Company or its Subsidiaries or affiliates for any reason whatsoever (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Award. Upon the grant of the Restricted Stock

Units, you shall be deemed irrevocably to have waived any such entitlement.

* * * * *

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, James P. Zallie, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ingredion Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2019

/s/ James P. Zallie
 James P. Zallie
 President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, James D. Gray, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ingredion Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2019

/s/ James D. Gray

James D. Gray

Executive Vice President and Chief Financial Officer

**Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the
Sarbanes-Oxley Act of 2002**

I, James P. Zallie, the Chief Executive Officer of Ingredion Incorporated, certify that to my knowledge (i) the report on Form 10-Q for the quarter ended March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ingredion Incorporated.

/s/ James P. Zallie

James P. Zallie
Chief Executive Officer
May 3, 2019

A signed original of this written statement required by Section 906 has been provided to Ingredion Incorporated and will be retained by Ingredion Incorporated and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the
Sarbanes-Oxley Act of 2002**

I, James D. Gray, the Chief Financial Officer of Ingredion Incorporated, certify that to my knowledge (i) the report on Form 10-Q for the quarter ended March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ingredion Incorporated.

/s/ James D. Gray

James D. Gray
Chief Financial Officer
May 3, 2019

A signed original of this written statement required by Section 906 has been provided to Ingredion Incorporated and will be retained by Ingredion Incorporated and furnished to the Securities and Exchange Commission or its staff upon request.

