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, 2022

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)

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 May 4, 2022
Common Stock, $.01 par value	66,219,580 shares

INGREDION INCORPORATED
FORM 10-Q
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Ingredion Incorporated
Condensed Consolidated Statements of Income (Loss)
(Unaudited)

(in millions, except per share amounts)	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Net sales	$ 1,892	$ 1,614
Cost of sales	1,513	1,263
Gross profit	379	351
Operating expenses	169	153
Other operating (income)	(2)	(2)
Restructuring/impairment charges	2	370
Operating income (loss)	210	(170)
Financing costs	24	19
Other non-operating income	(1)	(1)
Income (loss) before income taxes	187	(188)
Provision for income taxes	54	55
Net income (loss)	133	(243)
Less: Net income attributable to non-controlling interests	3	3
Net income (loss) attributable to Ingredion	$ 130	$ (246)
Weighted average common shares outstanding:		
Basic	66.9	67.3
Diluted	67.6	67.3
Earnings (loss) per common share of Ingredion:		
Basic	$ 1.94	$ (3.66)
Diluted	$ 1.92	$ (3.66)

See Notes to Condensed Consolidated Financial Statements

Ingredion Incorporated
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

(in millions)	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Net income (loss)	$ 133	$ (243)
Other comprehensive income:		
Gains on cash flow hedges, net of income tax effect of $46 and $7, respectively	130	22
(Gains) on cash flow hedges reclassified to earnings, net of income tax effect of $12 and $ — , respectively	(34)	(1)
Currency translation adjustment	38	(52)
Comprehensive income (loss)	267	(274)
Less: Comprehensive income attributable to non-controlling interests	2	5
Comprehensive income (loss) attributable to Ingredion	$ 265	$ (279)

See Notes to Condensed Consolidated Financial Statements

Ingredion Incorporated
Condensed Consolidated Balance Sheets

(in millions, except share and per share amounts)	March 31, 2022 (Unaudited)	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 324	$ 328
Short-term investments	5	4
Accounts receivable, net	1,431	1,130
Inventories	1,306	1,172
Prepaid expenses	63	63
Total current assets	3,129	2,697
Property, plant and equipment, net of accumulated depreciation of $3,304 and $3,232, respectively	2,446	2,423
Intangible assets, net of accumulated amortization of $259 and $253, respectively	1,339	1,348
Other assets	521	531
Total assets	$ 7,435	$ 6,999
Liabilities and equity		
Current liabilities:		
Short-term borrowings	$ 514	$ 308
Accounts payable and accrued liabilities	1,207	1,204
Total current liabilities	1,721	1,512
Long-term debt	1,739	1,738
Other non-current liabilities	561	524
Total liabilities	4,021	3,774
Share-based payments subject to redemption	31	36
Redeemable non-controlling interests	71	71
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, 2022 and December 31, 2021	1	1
Additional paid-in capital	1,160	1,158
Less: Treasury stock (common stock: 11,464,034 and 11,154,203 shares at March 31, 2022 and December 31, 2021, respectively) at cost	(1,091)	(1,061)
Accumulated other comprehensive loss	(763)	(897)
Retained earnings	3,986	3,899
Total Ingredion stockholders’ equity	3,293	3,100
Non-redeemable non-controlling interests	19	18
Total equity	3,312	3,118
Total liabilities and equity	$ 7,435	$ 6,999

See Notes to Condensed Consolidated Financial Statements

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

	Total Equity								
(in millions)	Preferred Stock	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non-Redeemable Non-Controlling Interests	Share-based Payments Subject to Redemption	Redeemable Non-Controlling Interests
Balance, December 31, 2021	$ —	$ 1	$ 1,158	$(1,061)	$ (897)	$ 3,899	$ 18	$ 36	$ 71
Net income attributable to Ingredion						130			
Net income attributable to non-controlling interests							3		
Dividends declared						(43)			
Repurchases of common stock, net				(39)					
Share-based compensation, net of issuance			2	9				(5)	
Other comprehensive income (loss)					134		(2)		
Balance, March 31, 2022	$ —	$ 1	$ 1,160	$(1,091)	$ (763)	$ 3,986	$ 19	$ 31	$ 71

	Total Equity								
(in millions)	Preferred Stock	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non-Redeemable Non-Controlling Interests	Share-based Payments Subject to Redemption	Redeemable Non-Controlling Interests
Balance, December 31, 2020	$ —	$ 1	$ 1,150	$(1,024)	$ (1,133)	$ 3,957	$ 21	$ 30	$ 70
Net (loss) attributable to Ingredion						(246)			
Net income (loss) attributable to non-controlling interests							4		(1)
Dividends declared						(44)			
Repurchases of common stock, net				(14)					
Share-based compensation, net of issuance			5	16				(9)	
Other comprehensive (loss) income					(31)		1		1
Balance, March 31, 2021	$ —	$ 1	$ 1,155	$(1,022)	$ (1,164)	$ 3,667	$ 26	$ 21	$ 70

See Notes to Condensed Consolidated Financial Statements

Ingredion Incorporated
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended March 31, 2022	2021
Cash (used for) provided by operating activities		
Net income (loss)	$ 133	$ (243)
Non-cash charges to net income (loss):		
Depreciation and amortization	53	52
Mechanical stores expense	13	14
Impairment charge for assets held for sale	—	360
Deferred income taxes	3	(4)
Other non-cash charges	15	7
Changes in working capital:		
Accounts receivable and prepaid expenses	(126)	(56)
Inventories	(119)	(69)
Accounts payable and accrued liabilities	(45)	(5)
Margin accounts	28	(16)
Other	(7)	(18)
Cash (used for) provided by operating activities	(52)	22
Cash used for investing activities		
Capital expenditures and mechanical stores purchases	(85)	(65)
Proceeds from disposal of manufacturing facilities and properties	5	2
Other	4	(1)
Cash used for investing activities	(76)	(64)
Cash provided by (used for) financing activities		
Proceeds from borrowings	147	46
Payments on debt	(123)	(36)
Commercial paper borrowings, net	178	—
Repurchases of common stock, net	(39)	(14)
(Settlements) issuances of common stock for share-based compensation, net	(1)	7
Dividends paid, including to non-controlling interests	(43)	(43)
Cash provided by (used for) financing activities	119	(40)
Effects of foreign exchange rate changes on cash	5	(7)
Decrease in cash and cash equivalents	(4)	(89)
Cash and cash equivalents, beginning of period	328	665
Cash and cash equivalents, end of period	$ 324	$ 576

See Notes to Condensed Consolidated Financial Statements

Ingredion Incorporated
Notes to Condensed Consolidated Financial Statements

1. Interim Financial Statements

References to the "Company," "Ingredion," "we," "us," and "our" shall mean Ingredion Incorporated ("Ingredion") individually and together with its consolidated subsidiaries. These statements should be read in conjunction with the consolidated financial statements and the related notes to those statements contained in Ingredion's Annual Report on Form 10-K for the year ended December 31, 2021.

The unaudited Condensed Consolidated Financial Statements as of March 31, 2022 and for the quarter ended March 31, 2022 and 2021 included herein were prepared by management on the same basis as Ingredion's audited Consolidated Financial Statements for the year ended December 31, 2021 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 the Condensed Consolidated Statements of Income (Loss), Condensed Consolidated Statements of Comprehensive Income (Loss), Condensed Consolidated Balance Sheets, Condensed Consolidated Statements of Equity and Redeemable Equity, and Condensed Consolidated Statements of Cash Flows. The results for the interim period are not necessarily indicative of the results expected for the full year or any other future period.

2. Summary of Significant Accounting Standards and Policies

For detailed information about Ingredion's significant accounting standards and policies, see Note 1 of the Notes to the Consolidated Financial Statements included in Ingredion's Annual Report on Form 10-K for the year ended December 31, 2021.

New Accounting Standards

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The amendments in this update provide optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. The amendments in this update are effective for all entities as of March 12, 2020 through December 31, 2022. We are currently evaluating the effect of adoption of ASU No. 2020-04 on our financial position and results of operations.

3. Acquisitions

On April 1, 2021, Ingredion acquired KaTech, a privately held company headquartered in Germany. KaTech provides advanced texture and stabilization solutions to the food and beverage industry. To complete the closing, Ingredion made a total cash payment of $40 million, net of cash acquired, which we funded from cash on hand. The acquisition added $26 million of goodwill and intangible assets, as well as $14 million of tangible assets, which we preliminarily recorded on the acquisition date based on available information and incorporating our best estimates. Beginning at the acquisition date, our Condensed Consolidated Financial Statements reflect the effects of the acquisition and KaTech's financial results, which we report in our Europe, Middle East and Africa ("EMEA") reportable business segment.

4. Investments

Investments consisted of the following as of:

(in millions)	March 31, 2022	December 31, 2021
Equity investments	$ 19	$ 16
Equity method investments	106	104
Marketable securities	5	12
Total investments	$ 130	$ 132

Amyris Joint Venture

On June 1, 2021, Ingredion entered into an agreement with Amyris, Inc. ("Amyris") for certain exclusive commercialization rights to Amyris's rebaudioside M by fermentation product, the exclusive licensing of the product's manufacturing technology and a 31 percent ownership stake in a joint venture for the products (the "Amyris joint venture"). In exchange, we contributed $28 million of total consideration, which included $10 million of cash, as well as non-exclusive intellectual property licenses and other consideration valued at $18 million. The transaction resulted in an $8 million gain recorded in Other operating (income), which included $18 million related to the non-exclusive intellectual property licenses, offset by the $10 million cash payment. Beginning June 1, 2021, Ingredion accounts for the investment under the equity method.

Arcor Joint Venture

On February 12, 2021, Ingredion entered into an agreement with an affiliate of Grupo Arcor, an Argentine food company, to establish Ingrear Holding S.A. (the "Arcor joint venture"), a joint venture to operate five manufacturing facilities in Argentina to sell value-added ingredients to customers in the food, beverage, pharmaceutical and other industries in Argentina, Chile and Uruguay. On August 2, 2021, Ingredion and Grupo Arcor completed all closing conditions, pending customary antitrust review, to combine the manufacturing facilities, finalize the transaction and formally establish the Arcor joint venture, which is managed by a jointly appointed team of executives and is accounted for under the equity method.

We exchanged certain assets and liabilities with a fair value of $71 million from our Argentina, Chile and Uruguay operations for 49 percent of the outstanding shares of the Arcor joint venture valued at $64 million, as well as $7 million of other consideration, including cash, from Grupo Arcor as of August 2, 2021. The transaction also resulted in an impairment charge for the transferred assets and liabilities more fully described in Note 5.

Beginning on the dates Ingredion entered into the agreements for equity method investees, our share of income from them is included in Other operating (income). Ingredion incurred $6 million of pre-tax transaction and integration costs to acquire the Arcor and Amyris joint venture investments in 2021.

5. Restructuring and Impairment Charges

For the first quarter of 2022, Ingredion recorded $2 million of pre-tax restructuring charges. For the first quarter of 2021, we recorded a total of $370 million of pre-tax restructuring and impairment charges, consisting of $360 million of pre-tax impairment charges and $10 million of pre-tax restructuring charges.

Restructuring Charges

For the first quarter of 2022, we recorded $2 million of pre-tax net restructuring related charges, which included $1 million of costs as part of our Cost Smart Cost of sales program and $1 million of costs associated with our Cost Smart selling, general and administrative expense ("SG&A") program.

For the first quarter of 2021, we recorded a total of $10 million pre-tax restructuring related charges. Of these charges, $5 million were related to our Cost Smart SG&A program, which were primarily for employee-related severance costs recorded in our North America and EMEA segments, professional services costs in our North America segment and other costs. We also recorded $3 million of pre-tax restructuring charges for our Cost Smart Cost of sales program, which were primarily for inventory and mechanical stores write-offs and other costs associated with the closure of our Lane Cove, Australia production facility and closures of North America facilities and product lines including our Berwick, Pennsylvania manufacturing facility and the cessation of ethanol production at our Cedar Rapids, Iowa facility.

A summary of Ingredion's severance accrual at March 31, 2022, which we expect to fully pay in 2022, is as follows ($ in millions):

Balance in severance accrual as of December 31, 2021	$ 3
Payments made to terminated employees	(1)
Balance in severance accrual as of March 31, 2022	$ 2

Impairment Charges

At the announcement of our agreement to invest in the Arcor joint venture during the first quarter of 2021, we reclassified assets and liabilities we expected to contribute to the joint venture as held for sale in Other assets in the Condensed Consolidated Balance Sheets and we recorded an impairment charge of $360 million based on our preliminary estimates of their fair value. Of the $360 million impairment charge for the net assets contributed to the Arcor joint venture during the first quarter of 2021, $311 million was related to the write-off of the cumulative translation losses associated with the contributed net assets and $49 million was related to the write-down of the contributed net assets.

6. Derivative Instruments and Hedging Activities

Ingredion 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, we actively manage our exposure to these market risks by entering various hedging transactions authorized under established policies that place controls on these activities. These transactions utilize exchange-traded derivatives or over-the-counter derivatives with investment grade counterparties. We have no collateral to counterparties under collateral funding arrangements as of March 31, 2022. Derivative financial instruments used by Ingredion consist primarily of commodity-related futures, options and swap contracts, foreign currency-related forward contracts, interest rate swaps and treasury locks (“T-Locks”).

Commodity price hedging: Ingredion’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. We maintain a commodity-price risk management strategy that uses derivative instruments to minimize significant, unanticipated earnings fluctuations caused by commodity-price volatility. To manage price risk related to corn purchases, primarily in North America, we use corn futures and option contracts that trade on regulated commodity exchanges to lock in corn costs associated with fixed-priced customer sales contracts. Ingredion also uses over-the-counter natural gas swaps in North America 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. Ingredion’s natural gas derivatives and the majority of its corn derivatives have been designated as cash flow hedging instruments for accounting purposes.

For certain corn derivative instruments that are not designated as cash flow hedging instruments for accounting purposes, all realized and unrealized gains and losses from these instruments are recognized in cost of sales during each accounting period. We enter these derivative instruments to further mitigate commodity and basis price risks related to anticipated purchases of corn. During the first quarter of 2022, Ingredion recognized a $2 million gain on non-designated commodity contracts compared to a $1 million loss on non-designated commodity contracts during the first quarter of 2021.

For commodity hedges designated as cash flow hedges for accounting purposes, unrealized gains and losses associated with marking the commodity hedging contracts to market (fair value) are recorded as a component of Other comprehensive loss (“OCL”) and included in the equity section of the Condensed Consolidated Balance Sheets as part of Accumulated other comprehensive loss (“AOCL”). These amounts, as well as their related tax effects, 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 period a hedge is determined to be ineffective. Ingredion 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 AOCL to earnings are reported as Cash provided by operating activities on the Condensed Consolidated Statements of Cash Flows.

Ingredion had outstanding futures and option contracts that hedged the forecasted purchase of approximately 107 million and 135 million bushels of corn as of March 31, 2022 and December 31. 2021, respectively. Ingredion also had outstanding swap contracts that hedged the forecasted purchase of approximately 31 million and 35 million mmbtus of natural gas as of March 31, 2022 and December 31, 2021, respectively.

Foreign currency hedging: Due to our global operations, including operations in many emerging markets, Ingredion is exposed to fluctuations in foreign currency exchange rates. As a result, Ingredion 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. Ingredion's foreign-exchange risk management strategy uses derivative financial instruments such as foreign currency forward contracts, swaps and options to manage its transactional foreign exchange risk. Ingredion enters into foreign currency derivative instruments that are designated as both cash flow hedging instruments as well as instruments not designated as hedging instruments for accounting purposes in order to mitigate transactional foreign-exchange risk. Gains and losses from derivative financial instruments not designated as hedging instruments for accounting purposes are marked to market in earnings during each accounting period.

Ingredion hedges certain assets using foreign currency derivatives not designated as hedging instruments for accounting purposes, which had a notional value of $466 million and $360 million as of March 31, 2022 and December 31, 2021, respectively. Ingredion also hedges certain liabilities using foreign currency derivatives not designated as hedging instruments, which had a notional value of $223 million and $205 million as of March 31, 2022 and December 31 2021, respectively.

Ingredion hedges certain assets using foreign currency derivative instruments that are designated as cash flow hedging instruments for accounting purposes, which had a notional value of $350 million and $505 million as of March 31, 2022 and December 31, 2021, respectively. Ingredion also hedges certain liability positions using foreign currency derivative instruments that are designated as cash flow hedging instruments for accounting purposes, which had a notional value of $578 million and $708 million as of March 31, 2022 and December 31, 2021, respectively.

Interest rate hedging: Ingredion 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. Ingredion's risk management strategy is to monitor interest rate risk attributable to both Ingredion's outstanding and forecasted debt obligations as well as Ingredion's offsetting hedge positions. Derivative financial instruments that have been used by Ingredion to manage its interest rate risk consist of interest rate swaps and T-Locks.

Ingredion periodically enters into interest rate swaps to hedge its exposure to interest rate changes. The changes in fair value of interest rate swaps designated as hedging instruments that effectively offset the variability in the fair value of outstanding debt obligations are reported in earnings. These amounts offset the gains or losses (the changes in fair value) of the hedged debt instruments that are attributable to changes in interest rates (the hedged risk), which are also recognized in earnings. Ingredion did not have any outstanding interest rate swaps as of March 31, 2022 or December 31, 2021.

Ingredion 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 AOCL 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. During 2020, Ingredion entered into and settled T-Locks associated with the issuance of senior notes due in 2030 and 2050. The realized loss upon settlement of the T-Locks was recorded in AOCL and is amortized into earnings over the term of the senior notes. Ingredion did not have outstanding T-Locks as of March 31, 2022 and December 31, 2021.

The derivative instruments designated as cash flow hedges included in AOCL as of March 31, 2022 and December 31, 2021 are reflected below:

Derivatives in Cash Flow Hedging Relationships (in millions)	Amount of Gains (Losses) included in AOCL	
	March 31, 2022	December 31, 2021
Commodity contracts, net of income tax effect of $51 and $19, respectively	$ 146	$ 51
Foreign currency contracts, net of income tax effect of $2 and $ -, respectively	1	-
Interest rate contracts, net of income tax effect of $1	(3)	(3)
Total	$ 144	$ 48

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

	Fair Value of Hedging Instruments as of March 31, 2022 (in millions)					
	Designated Hedging Instruments			Non-Designated Hedging Instruments		
Balance Sheet Location	Commodity Contracts	Foreign Currency Contracts	Total	Commodity Contracts	Foreign Currency Contracts	Total
Accounts receivable, net	$ 137	$ 8	$ 145	$ 14	$ 4	$ 18
Other assets	35	—	35	—	3	3
Assets	172	8	180	14	7	21
Accounts payable and accrued liabilities	30	8	38	10	6	16
Non-current liabilities	1	—	1	—	7	7
Liabilities	31	8	39	10	13	23
Net Assets/(Liabilities)	$ 141	$ —	$ 141	$ 4	$ (6)	$ (2)

	Fair Value of Hedging Instruments as of December 31, 2021 (in millions)					
	Designated Hedging Instruments			Non-Designated Hedging Instruments		
Balance Sheet Location	Commodity Contracts	Foreign Currency Contracts	Total	Commodity Contracts	Foreign Currency Contracts	Total
Accounts receivable, net	$ 45	$ 9	$ 54	$ 4	$ 3	$ 7
Other assets	7	6	13	—	—	—
Assets	52	15	67	4	3	7
Accounts payable and accrued liabilities	5	12	17	2	4	6
Non-current liabilities	2	6	8	—	1	1
Liabilities	7	18	25	2	5	7
Net Assets/(Liabilities)	$ 45	$ (3)	$ 42	$ 2	$ (2)	$ —

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

Derivatives in Cash Flow Hedging Relationships (in millions)	Gains Recognized in AOCL on Derivatives Three Months Ended March 31,		Income Statement Location	Gains (Losses) Reclassified from AOCL into Income Three Months Ended March 31,	
	2022	2021		2022	2021
Commodity contracts	$ 171	$ 27	*Cost of sales*	$ 44	$ (1)
Foreign currency contracts	5	2	*Net sales/Cost of sales*	2	2
Interest rate contracts	—	—	*Financing costs, net*	—	—
Total	$ 176	$ 29		$ 46	$ 1

As of March 31, 2022, AOCL included $142 million of net gains (net of income taxes of $50 million) on commodities-related derivatives instruments, foreign currency hedges, and T-Locks designated as cash flow hedges that are expected to be reclassified into earnings during the next 12 months.

7. Fair Value Measurements

We measure certain assets and liabilities at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. In determining fair value, we use various valuation approaches. The hierarchy of those valuation approaches is in three levels based on the reliability of inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Below is a summary of the hierarchy levels:

- Level 1 inputs consist of quoted prices (unadjusted) in active markets for identical assets or liabilities.
- 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.
- Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are 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.

Assets and liabilities measured at fair value on a recurring basis are presented below:

	As of March 31, 2022				As of December 31, 2021			
(in millions)	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Available for sale securities	$ 5	$ 5	$ —	$ —	$ 12	$ 12	$ —	$ —
Derivative assets	201	134	67	—	74	49	25	—
Derivative liabilities	62	59	3	—	32	22	10	—
Long-term debt	1,763	—	1,763	—	1,957	—	1,957	—

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

8. Financing Arrangements

Presented below are Ingredion's debt carrying amounts, net of related discounts, premiums, and debt issuance costs as of March 31, 2022 and December 31, 2021:

(in millions)	**As of March 31, 2022**	**As of December 31, 2021**
2.900% senior notes due June 1, 2030	$ 595	$ 595
3.200% senior notes due October 1, 2026	498	498
3.900% senior notes due June 1, 2050	390	390
6.625% senior notes due April 15, 2037	253	253
Revolving credit agreement	—	—
Other long-term borrowings	3	2
Total long-term debt	1,739	1,738
Commercial paper	428	250
Other short-term borrowings	86	58
Total short-term borrowings	514	308
Total debt	$ 2,253	$ 2,046

On July 27, 2021 Ingredion established a commercial paper program under which Ingredion may issue senior unsecured notes of short maturities up to a maximum aggregate principal amount of $1 billion outstanding at any time. The notes may be sold from time to time on customary terms in the U.S. commercial paper market. Ingredion intends to use the note proceeds for general corporate purposes. During 2022, the average amount of commercial paper outstanding was $353 million with an average interest rate of 0.38 percent and a weighted average maturity of 27 days. As of March 31, 2022, $428 million of commercial paper was outstanding with an average interest rate of 0.99 percent and a weighted average maturity of 14 days. As of December 31, 2021, $250 million of commercial paper was outstanding with an average interest rate of 0.35 percent and a weighted average maturity of 40 days. The amount of commercial paper outstanding under this program in 2022 is expected to fluctuate.

Other short-term borrowings as of March 31, 2022 and December 31, 2021, primarily include amounts outstanding under various unsecured local country operating lines of credit.

9. Commitments and Contingencies

In May 2021, the Brazilian Supreme Court ("Court") issued its ruling related to the calculation of certain indirect taxes, which affirmed the Federal Court of Appeals ("Lower Court") rulings that Ingredion had received in previous years and affirmed that Ingredion is entitled to previously recorded tax credits. The Court ruling ensured that Ingredion is entitled to $15 million of additional credits from the period of 2015 to 2018 that were previously unrecorded pending a final Court ruling. In the second quarter of 2021, Ingredion recorded the $15 million of additional credits within Other operating (income) in the Condensed Consolidated Statements of Income (Loss). As of March 31, 2022, Ingredion has $41 million of remaining indirect tax credits recorded in Other assets and Prepaid expenses on the Condensed Consolidated Balance Sheets that result in deferred income taxes of $3 million. We will use the income tax offsets to eliminate our Brazilian federal tax payments in 2022 and future years, including the income tax payable for the indirect taxes recovered.

10. Income Taxes

In the first quarter of 2022, the U.S. Treasury published final foreign tax credit regulations that limit our ability to claim foreign tax credits from certain countries, primarily in South America. As a result, Ingredion recorded a provisional tax liability and will continue to assess the impact of the regulations on our Condensed Consolidated Financial Statements.

11. Pension and Other Postretirement Benefits

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:

	Three Months Ended March 31,			
	U.S. Plans		Non-U.S. Plans	
(in millions)	**2022**	**2021**	**2022**	**2021**
Service cost	$ 1	$ 1	$ 1	$ 1
Interest cost	2	2	2	3
Expected return on plan assets	(4)	(5)	(2)	(2)
Amortization of actuarial loss	—	—	—	1
Net periodic benefit cost *(a)*	$ (1)	$ (2)	$ 1	$ 3

Ingredion currently anticipates that we will make approximately $4 million in cash contributions to our pension plans in 2022, consisting of contributions of $3 million to our non-U.S. pension plans and $1 million to our U.S. pension plans. For the first quarter of 2022, we made cash contributions of approximately $1 million to the non-U.S. plans and an insignificant amount 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, 2022	2021
Service cost	$ —	$ —
Interest cost	1	1
Amortization of prior service credit	—	(1)
Net periodic benefit cost *(a)*	$ 1	$ —

(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 (Loss). The interest cost, expected return on plan assets, amortization of prior service credit, and amortization of actuarial loss components of net periodic benefit cost are presented as Other, non-operating income on the Condensed Consolidated Statements of Income (Loss).

12. Equity

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

During the first quarter of 2022, Ingredion repurchased 455 thousand outstanding shares of common stock in open market transactions at a net cost of $39 million. During the first quarter of 2021, Ingredion repurchased 158 thousand outstanding shares of common stock in open market transactions at a net cost of $14 million.

Share-based payments: The following table summarizes the components of Ingredion's share-based compensation expense for the periods presented:

(in millions)	Three Months Ended March 31, 2022	2021
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	3	3
Income tax benefit	—	—
RSUs, net of income taxes	3	3
Performance shares and other share-based awards:		
Pre-tax compensation expense	3	1
Income tax benefit	(1)	—
Performance shares and other share-based compensation expense, net of income taxes	2	1
Total share-based compensation:		
Pre-tax compensation expense	7	5
Income tax benefit	(1)	—
Total share-based compensation expense, net of income taxes	$ 6	$ 5

Stock Options: Under Ingredion'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. Ingredion estimates a forfeiture rate at the time of grant and updates the estimate throughout the vesting period of the stock options within the amount of compensation costs recognized in each period.

Ingredion granted non-qualified options to purchase 281 thousand shares and 358 thousand shares for the first quarter of 2022 and 2021, respectively. The fair value of each option grant for the periods presented was estimated using the Black-Scholes option-pricing model with the following assumptions:

	Three Months Ended March 31,	
	2022	2021
Expected life (in years)	5.5	5.5
Risk-free interest rate	2.0 %	0.6 %
Expected volatility	23.8 %	23.2 %
Expected dividend yield	2.9 %	2.9 %

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 Ingredion'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 Ingredion's common stock. Dividend yields are based on Ingredion's dividend yield at the date of issuance.

Stock option activity for the first quarter of 2022 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, 2021	2,154	$ 90.39	5.26	$ 26
Granted	281	88.66		
Exercised	(36)	57.65		
Cancelled	(13)	117.27		
Outstanding as of March 31, 2022	2,386	$ 90.54	5.69	$ 12
Exercisable as of March 31, 2022	1,805	$ 91.34	4.56	$ 12

For the first quarter of 2022, cash received from the exercise of stock options was approximately $2 million. As of March 31, 2022, the unrecognized compensation cost related to non-vested stock options totaled $6 million, which is expected to be amortized over the weighted-average period of approximately 2.0 years.

Additional information pertaining to stock option activity is as follows for the periods presented:

	March 31,	
(dollars in millions, except per share)	2022	2021
Weighted average grant date fair value of stock options granted (per share)	$ 15.04	$ 12.31
Total intrinsic value of stock options exercised	$ 1	$ 5

Restricted Stock Units: Ingredion has granted restricted stock units ("RSUs") to certain key employees. The RSUs are primarily subject to cliff vesting, generally after three years, provided the employee remains in the service of Ingredion. The fair value of the RSUs is determined based upon the number of shares granted and the quoted market price of Ingredion's common stock at the date of the grant.

The following table summarizes RSU activity in 2022:

(RSUs in thousands)	Number of Restricted Shares	Weighted Average Fair Value per Share
Non-vested as of December 31, 2021	486	$ 88.34
Granted	193	88.91
Vested	(122)	91.40
Cancelled	(14)	88.07
Non-vested as of March 31, 2022	543	$ 87.86

As of March 31, 2022, the total remaining unrecognized compensation cost related to RSUs was $30 million, which will be amortized on a weighted-average basis over approximately 1.9 years.

Performance Shares: Ingredion has a long-term incentive plan for senior management in the form of performance shares. The vesting of the performance shares is generally based on two performance metrics. Fifty percent of the performance shares awarded vest based on Ingredion's total shareholder return as compared to the total shareholder return of its peer group and the remaining fifty percent vest based on the calculation of Ingredion's three-year average Adjusted Return on Invested Capital ("Adjusted ROIC") against an established ROIC target.

For the 2022 performance shares awarded based on Ingredion's total shareholder return, the number of shares that ultimately vest can range from zero to 200 percent of the grant depending on Ingredion's total shareholder return as compared to the total shareholder return of its 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 of the Board of Directors. 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 2022 performance shares awarded based on Adjusted ROIC, the number of shares that ultimately vest can range from zero to 200 percent of the grant depending on Ingredion's Adjusted 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 our common stock on the date of the grant and the final number of shares that ultimately vest. Ingredion will estimate the potential share vesting at least annually to adjust the compensation expense for these awards over the vesting period to reflect Ingredion's estimated Adjusted ROIC performance against the target. The total compensation expense for these awards is amortized over a three-year graded vesting schedule.

For the first quarter of 2022, Ingredion awarded 86 thousand performance shares at a weighted average fair value of $138.85 per share. As of March 31, 2022, the unrecognized compensation cost related to these awards was $16 million, which will be amortized over the remaining requisite service period of 2.4 years. The 2019 performance share awards, whose three-year performance period has ended, achieved a zero percent payout of granted performance shares. There were no performance shares cancelled during 2022.

Accumulated Other Comprehensive Loss: The following is a summary of Accumulated other comprehensive loss for the first quarter of 2022 and 2021:

(in millions)	Cumulative Translation Adjustment	Hedging Activities	Pension and Postretirement Adjustment	AOCL
Balance, December 31, 2021	$ (903)	$ 48	$ (42)	$ (897)
Other comprehensive gain before reclassification adjustments	38	176	—	214
(Gain) reclassified from accumulated OCL	—	(46)	—	(46)
Tax (provision)	—	(34)	—	(34)
Net other comprehensive income	38	96	—	134
Balance, March 31, 2022	$ (865)	$ 144	$ (42)	$ (763)

(in millions)	Cumulative Translation Adjustment	Hedging Activities	Pension and Postretirement Adjustment	Accumulated Other Comprehensive Loss
Balance, December 31, 2020	$ (1,114)	$ 42	$ (61)	$ (1,133)
Other comprehensive (loss) before reclassification adjustments	(52)	29	—	(23)
(Gain) reclassified from accumulated OCL	—	(1)	—	(1)
Tax (provision)	—	(7)	—	(7)
Net other comprehensive (loss) income	(52)	21	—	(31)
Balance, March 31, 2021	$ (1,166)	$ 63	$ (61)	$ (1,164)

Supplemental Information: The following Condensed Consolidated Statements of Equity and Redeemable Equity present the dividends per share for common stock for the periods indicated:

	Total Equity								
(in millions)	Preferred Stock	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non-Redeemable Non-Controlling Interests	Share-based Payments Subject to Redemption	Redeemable Non-Controlling Interests
Balance, December 31, 2021	$ —	$ 1	$ 1,158	$ (1,061)	$ (897)	$ 3,899	$ 18	$ 36	$ 71
Net income attributable to Ingredion						130			
Net income attributable to non-controlling interests							3		
Dividends declared, common stock ($0.65/share)						(43)			
Repurchases of common stock				(39)					
Share-based compensation, net of issuance			2	9				(5)	
Other comprehensive income (loss)					134		(2)		
Balance, March 31, 2022	$ —	$ 1	$ 1,160	$ (1,091)	$ (763)	$ 3,986	$ 19	$ 31	$ 71

	Total Equity								
(in millions)	Preferred Stock	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Non-Redeemable Non-Controlling Interests	Share-based Payments Subject to Redemption	Redeemable Non-Controlling Interests
Balance, December 31, 2020	$ —	$ 1	$ 1,150	$ (1,024)	$ (1,133)	$ 3,957	$ 21	$ 30	$ 70
Net (loss) attributable to Ingredion						(246)			
Net income attributable to non-controlling interests							4		(1)
Dividends declared, common stock ($0.64/share)						(44)			
Repurchases of common stock				(14)					
Share-based compensation, net of issuance			5	16				(9)	
Other comprehensive (loss) income					(31)		1		1
Balance, March 31, 2021	$ —	$ 1	$ 1,155	$ (1,022)	$ (1,164)	$ 3,667	$ 26	$ 21	$ 70

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, 2022 Net Income Available to Ingredion	Three Months Ended March 31, 2022 Weighted Average Shares	Three Months Ended March 31, 2022 Per Share Amount	Three Months Ended March 31, 2021 Net Income Available to Ingredion	Three Months Ended March 31, 2021 Weighted Average Shares	Three Months Ended March 31, 2021 Per Share Amount
Basic EPS	$ 130	66.9	$ 1.94	$ (246)	67.3	$ (3.66)
Effect of Dilutive Securities:						
Incremental shares from assumed exercise of dilutive stock options and vesting of dilutive RSUs and other awards		0.7			—	
Diluted EPS	$ 130	67.6	$ 1.92	$ (246)	67.3	$ (3.66)

Approximately 1.3 million and 2.1 million share-based awards of common stock were excluded from the calculation of diluted EPS as the impact of their inclusion would have been anti-dilutive for the first quarter of 2022 and 2021, respectively.

13. Segment Information

Ingredion 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 nature, amount, timing and uncertainty of Ingredion's Net sales are managed by Ingredion primarily based on our geographic segments, which we classify and report as North America, South America, Asia-Pacific and EMEA. Our North America segment includes businesses in the U.S., Mexico and Canada. Our South America segment includes businesses and our share of earnings from investments in joint ventures in Brazil, Argentina, Chile, Colombia, Ecuador, Peru and Uruguay. Our Asia-Pacific segment includes the PureCircle operating segment as well as businesses in South Korea, Thailand, China, Australia, Japan, New Zealand, Indonesia, Singapore, the Philippines, Malaysia, India and Vietnam. Our EMEA segment includes businesses in Pakistan, Germany, Poland, the United Kingdom and South Africa. Net sales by product are not presented because to do so would be impracticable.

Presented below are Ingredion's net sales to unaffiliated customers by reportable segment for the periods indicated:

(in millions)	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Net sales to unaffiliated customers:		
North America	$ 1,174	$ 945
South America	252	273
Asia-Pacific	272	235
EMEA	194	161
Total net sales	$ 1,892	$ 1,614

Presented below are Ingredion's operating income by reportable segment for the periods indicated:

(in millions)	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Operating income:		
North America	$ 156	$ 134
South America	38	40
Asia-Pacific	22	25
EMEA	31	31
Corporate	(34)	(29)
Subtotal	213	201
Acquisition/integration costs	(1)	(1)
Restructuring/impairment charges	(2)	(10)
Impairment on assets held for sale	—	(360)
Total operating income	$ 210	$ (170)

Presented below are Ingredion's total assets by reportable segment as of March 31, 2022, and December 31, 2021:

(in millions)	As of March 31, 2022	As of December 31, 2021
Assets:		
North America *(a)*	$ 4,523	$ 4,203
South America	907	799
Asia-Pacific	1,401	1,403
EMEA	604	594
Total assets	$ 7,435	$ 6,999

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

14. Supplementary Financial Statement Information

Accounts Receivable, Net

Accounts receivable, net are summarized as follows:

(in millions)	As of March 31, 2022	As of December 31, 2021
Accounts receivable, net:		
Accounts receivable — trade	$ 1,122	$ 950
Accounts receivable — other	324	193
Allowance for credit losses	(15)	(13)
Total accounts receivable	$ 1,431	$ 1,130

There were no significant contract assets or significant contract liabilities associated with our customers as of March 31, 2022 or December 31, 2021. Liabilities for volume discounts and incentives were also not significant as of March 31, 2022 or December 31, 2021.

Inventories

Inventories are summarized as follows:

(in millions)	As of March 31, 2022	As of December 31, 2021
Finished and in process	$ 762	$ 688
Raw materials	428	380
Manufacturing supplies and other	116	104
Total inventories	$ 1,306	$ 1,172

ITEM 2
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Unless the context indicates otherwise, references to "we," "us," "our," the "Company" and "Ingredion" mean Ingredion Incorporated and its consolidated subsidiaries.

Overview

Ingredion is a leading global ingredients solutions provider that transforms corn, tapioca, potatoes, plant-based stevia, grains, fruits, gums and vegetables into value-added ingredients and biomaterials for the food, beverage, brewing and other industries. Our Purpose is to bring the potential of people, nature and technology together to make life better. As of March 31, 2022, we have 45 manufacturing facilities 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.

Ingredion has been navigating evolving global conditions that have varying impacts on our customers, suppliers, employees, operations and, ultimately, our profitability and cash flows. We recognized higher than expected demand and strong price mix for the quarter, which included increased prices for our products to manage the effects of volatile supply chains and increasing corn and freight costs. Although a significant portion of our revenues and costs are established with fixed-rate contracts, we proactively made decisions to respond to changing customer demands, increasing inflation, fluctuating foreign exchange rates, and shifting supply chain channels that have been affected by a variety of factors including the ongoing, global pandemic with new variants of the coronavirus disease 2019 ("COVID-19") and the conflict between Russia and Ukraine.

Our 2022 first quarter net sales of $1,892 million were over 17 percent higher than the 2021 first quarter net sales of $1,614 million, primarily due to strong price mix, including the pass-through of higher corn costs. The net income attributable to Ingredion for the 2022 first quarter of $130 million, or $1.92 diluted earnings per share, improved from the net loss attributable to Ingredion for the 2021 first quarter of $246 million, or $3.66 loss per share. Excluding an impairment charge of $360 million we incurred in the first quarter of 2021, our results for the first quarter of 2022 reflected higher net income attributable to Ingredion as well as a higher diluted earnings per share. Our results for the current quarter benefited from increased prices as well as volume growth, which more than offset higher raw material and inflationary input costs when compared to the first quarter of 2021.

Results of Operations

We have significant operations in four reporting segments: North America, South America, Asia-Pacific and EMEA. Fluctuations in foreign currency exchange rates affect the U.S. dollar amounts of our foreign subsidiaries' revenues and expenses. 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.

We acquired KaTech on April 1, 2021, and the results of the acquired business are included in our consolidated financial results beginning on the acquisition date, which inclusion affects the comparability of results between years. In addition, we entered into the Arcor joint venture on February 12, 2021, and the Amyris joint venture on June 1, 2021. Our share of results in joint ventures is classified as other operating (income) and comparability between years and between financial statement line items is affected by the timing of and consideration provided to the investments. While we identify fluctuations due to the acquisitions, our discussion below also addresses results of operations excluding the impact of the acquisitions and investments, where appropriate, to provide a more comparable and meaningful analysis.

For the First Quarter of 2022
With Comparatives for the First Quarter of 2021

Net sales. Net sales increased 17 percent to $1,892 million for the first quarter of 2022, compared to $1,614 million for the first quarter of 2021. The increase in net sales was primarily driven by strong price mix including the pass-through of higher corn costs.

Cost of sales. Cost of sales increased by 20 percent to $1,513 million for the first quarter of 2022, compared to cost of sales of $1,263 million for the first quarter of 2021. The increase in cost of sales primarily reflected higher net corn costs. Our gross profit margin of 20 percent for the first quarter of 2022 decreased from 22 percent for the first quarter of 2021. The decrease in gross margin was primarily driven by higher corn and freight costs.

Operating expenses. Operating expenses increased 10 percent to $169 million for the first quarter of 2022, compared to $153 million for the first quarter of 2021, primarily due to higher inflationary costs. Operating expenses as a percentage of net sales were approximately 9 percent for the first quarter of 2022, compared to 10 percent for the same quarter in 2021, primarily due to higher net sales in the first quarter of 2022.

Other operating (income). Other operating (income) was $(2) million for the first quarter of 2022, which was flat compared to the first quarter 2021.

Restructuring and impairment charges. Restructuring and impairment charges were $2 million for the first quarter of 2022, compared to $370 million for the first quarter of 2021. The charges we incurred in the first quarter of 2021 were primarily driven by an impairment charge of $360 million for net assets from our Argentina business we contributed to the Arcor joint venture, of which $311 million was related to the write-off of the cumulative translation losses associated with the contributed net assets and $49 million was related to the write-down of the contributed net assets to fair value.

Financing costs. Financing costs increased 26 percent to $24 million for the first quarter of 2022, compared to $19 million for the first quarter of 2021. The increase was primarily due to foreign exchange losses in the current year compared to foreign exchange gains in the prior year.

Provision for income taxes. Our effective income tax rates for the first quarter of 2022 and 2021 were 28.9 percent and (29.3) percent, respectively. The change in the effective tax rate was primarily driven by the $360 million impairment related to net assets contributed to the Arcor joint venture during the first quarter of 2021 that did not have a corresponding income tax benefit. The remaining change in the effective tax rate was driven by new U.S. tax regulations published in the first quarter of 2022 that limit our ability to claim foreign tax credits from certain countries, primarily in South America, the effect of which was partially offset by favorable foreign currency impacts.

Net income attributable to non-controlling interests. Net income attributable to non-controlling interests was $3 million for the first quarter of 2022, which was unchanged from $3 million for the first quarter of 2021.

Net Income attributable to Ingredion. Net income attributable to Ingredion for the first quarter of 2022 was $130 million compared to a net loss of $(246) million for the three first quarter of 2021. The net loss in the prior year period was largely attributable to the $360 million impairment charge for the Argentina assets contributed to the Arcor joint venture that we recorded in the first quarter of 2021. Net income in the first quarter of 2022 reflected strong price mix, offset in part by increased raw material and freight costs.

Segment Results

North America

Net sales. North America's net sales increased 24 percent to $1,174 million for the first quarter of 2022, compared to $945 million for the first quarter of 2021. The increase was primarily driven by a 20 percent improvement in price mix and a 4 percent increase in volume.

Operating income. North America's operating income was $156 million for the first quarter of 2022, compared to $134 million for the first quarter of 2021. The increase was primarily due to strong price mix that more than offset inflationary input costs.

South America

Net sales. South America's net sales decreased 8 percent to $252 million for the first quarter of 2022 from $273 million for the first quarter of 2021. Excluding the effects of revenues from operations we contributed to the Arcor joint venture, net sales were 22 percent higher than in the same quarter last year. The increase reflects 25 percent higher price mix across South America, offset by a 3 percent decrease in volume.

Operating income. South America's operating income decreased 5 percent to $38 million for the first quarter of 2022, compared to $40 million for the first quarter of 2021. The decrease was primarily due to impact of the contribution of our operations to the Arcor joint venture, partially offset by strong price mix.

Asia-Pacific

Net sales. Asia-Pacific's net sales increased 16 percent to $272 million for the first quarter of 2022, compared to $235 million for the first quarter of 2021. The increase was driven by favorable volumes of 14 percent and favorable price mix of 7 percent, partially offset by unfavorable foreign exchange impacts of 5 percent.

Operating income. Asia-Pacific's operating income decreased 12 percent to $22 million for the first quarter of 2022, compared to $25 million for the first quarter of 2021. The decrease was driven by higher corn costs primarily in Korea, which more than offset higher price mix in the period.

EMEA

Net sales. EMEA's net sales increased by 20 percent to $194 million for the first quarter of 2022, compared to $161 million for the first quarter of 2021. Despite unfavorable foreign exchange impacts of 8 percent, the increase was driven by a favorable price mix of 17 percent and favorable volumes of 11 percent, partially due to the purchase of KaTech on April 1, 2021.

Operating income. EMEA's operating income remained flat at $31 million for the first quarter of 2022 compared to the first quarter of 2021. Favorable price mix in Europe was offset by higher input costs in Pakistan and unfavorable foreign exchange impacts.

Liquidity and Capital Resources

As of March 31, 2022, Ingredion had total available liquidity of approximately $1,630 million. Domestic liquidity of $589 million consisted of $17 million in cash and cash equivalents and $572 million available through a $1 billion commercial paper program that had $428 million of outstanding borrowings. The commercial paper program, which we initiated on July 27, 2021, is backed by $1 billion of borrowing availability under a five-year revolving credit agreement that we entered on June 30, 2021.

We had international liquidity as of March 31, 2022 of approximately $1,041 million, consisting of $307 million of cash and cash equivalents and $5 million of short-term investments held by our operations outside the U.S., as well as $729 million of unused operating lines of credit in the various foreign countries in which we operate. As the parent company, we guarantee certain obligations of our consolidated subsidiaries. As of March 31, 2022, such guarantees aggregated $91 million. We believe that such consolidated subsidiaries will be able to meet their financial obligations as they become due.

As of March 31, 2022, we had total debt outstanding of approximately $2.3 billion, or $1.7 billion excluding the outstanding commercial paper and other short-term borrowings. Of our outstanding debt, $1.7 billion consists of senior notes that do not require principal repayment until 2026 through 2050. See Note 8 of the Notes to the Condensed Consolidated Financial Statements included in this report for additional information about our debt. The weighted average interest rate on our total indebtedness was approximately 3.1 percent for the first quarter of 2022, compared to 3.4 percent for the first quarter of 2021.

The principal source of our liquidity is our internally generated cash flow, which we supplement as necessary with our ability to borrow under our credit facilities and to raise funds in the capital markets. We currently expect that our available cash balances, future cash flow from operations, access to debt markets and borrowing capacity under our revolving credit facility and commercial paper program, will provide us with sufficient liquidity to fund our anticipated capital expenditures, dividends and other investing and financing activities for at least the next twelve months and for the foreseeable future thereafter. Our future cash flow needs will depend on many factors, including our rate of revenue growth, the timing and extent of our expansion into new markets, the timing of introductions of and rate of success for new products, potential acquisitions of complementary businesses and technologies, continuing market acceptance of our new products and general economic and market conditions. We may need to raise additional capital or incur indebtedness to fund our needs for less predictable strategic initiatives, such as acquisitions.

Net Cash Flows

Our short-term borrowing increased $206 million, which we primarily used to invest in capital expenditures and mechanical stores purchase, pay dividends, and fund operating activities. Our cash used by operating activities of $52 million in the first quarter of 2022 was primarily due to changes in working capital of $262 million. Working capital for trade accounts receivable increased due to higher pricing and higher freight costs for products sold during the quarter.

We used $85 million of cash for capital expenditures and mechanical stores purchases to update, expand and improve our facilities in the first quarter of 2022, as compared to $65 million that we paid in the first quarter of 2021 for capital expenditures and mechanical stores. Capital investment commitments for 2022 are anticipated to be between $300 million and $335 million.

We declare and pay cash dividends to our common stockholders of record on a quarterly basis. Dividends paid, including those to noncontrolling interests, were $43 million in the first quarter of 2022, and the first quarter of 2021. On March 16, 2022, our Board of Directors declared a quarterly cash dividend of $0.65 per share of common stock. This dividend was paid on April 26, 2022, to stockholders of record at the close of business on April 1, 2022.

During the first quarter of 2022, we repurchased 455 thousand outstanding shares of common stock in open market transactions at a net cost of $39 million, as compared to repurchases of 158 thousand outstanding shares of common stock at a net cost of $14 million in the first quarter of 2021.

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.

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 in our Annual Report on Form 10-K for the year ended December 31, 2021. There have been no other changes to our critical accounting policies and estimates during the first quarter of 2022.

New Accounting Pronouncements

The information called for by this section is incorporated herein by reference to Note 2 of the Condensed Consolidated Financial Statements.

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. Ingredion intends these forward-looking statements to be covered by the safe harbor provisions for such statements.

Forward-looking statements include, among others, any statements regarding Ingredion's prospects, future operations, or future financial condition, earnings, net sales, tax rates, capital expenditures, cash flows, expenses or other financial items, including management's plans or strategies and objectives for any of the foregoing, and any assumptions, expectations or beliefs underlying any of 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 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 risks and uncertainties, including the impact of COVID-19 on the demand for our products and our financial results; changing consumption preferences relating to high fructose corn syrup and other products we make; the effects of global economic conditions and the general political, economic, business, and market conditions that affect customers and consumers in the various geographic regions and countries in which we buy our raw materials or manufacture or sell our products, including, particularly, economic, currency and political conditions in South America and economic and political conditions in Europe, and the impact these factors may have on our sales volumes, the pricing of our products and our ability to collect our receivables from customers; future purchases of our products by major industries which we serve and from which we derive a significant portion of our sales, including, without limitation, the food, beverage, animal nutrition, and brewing industries; the uncertainty of acceptance of products developed through genetic modification and biotechnology; our ability to develop or acquire new products and services at rates or of qualities sufficient to gain market acceptance; increased competitive and/or customer pressure in the corn-refining industry and related industries, including with respect to the markets and prices for our primary products and our co-products, particularly corn oil; the availability of raw materials, including potato starch, tapioca, gum Arabic, and the specific varieties of corn upon which some of our products are based, and our ability to pass along potential increases in the cost of corn or other raw materials to customers; energy costs and availability, including energy issues in Pakistan; our ability to contain costs, achieve budgets and realize expected synergies, including with respect to our ability to complete planned maintenance and investment projects on time and on budget as well as with respect to freight and shipping costs; the effects of climate change and legal, regulatory, and market measures to address climate change; our ability to successfully identify and complete acquisitions or strategic alliances on favorable terms as well as our ability to successfully integrate acquired businesses or implement and maintain strategic alliances and achieve anticipated synergies with respect to all of the foregoing; operating difficulties at our manufacturing facilities; the behavior of financial and capital markets, including with respect to foreign currency fluctuations, fluctuations in interest and exchange rates and market volatility and the associated risks of hedging against such fluctuations; our ability to attract, develop, motivate, and maintain good relationships with our workforce; the impact on our business of natural disasters, war, threats or acts of terrorism, the outbreak or continuation of pandemics such as COVID-19, or the occurrence of other significant events beyond our control; the impact of impairment charges on our goodwill or long-lived assets; changes in government policy, law, or regulation and costs of legal compliance, including compliance with environmental regulation changes in our tax rates or exposure to additional income tax liability; increases in our borrowing costs that could result from increased interest rates; our ability to raise funds at reasonable rates and other factors affecting our access to sufficient funds for future growth and expansion; security breaches with respect to information technology systems, processes, and sites; volatility in the stock market and other factors that could adversely affect our stock price; risks affecting the continuation of our dividend policy; and our ability to maintain effective internal control over financial reporting.

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” and other information included in our Annual Report on Form 10-K for the year ended December 31, 2021 and in our subsequent reports on Form 10-Q and Form 8-K filed with the Securities and Exchange Commission.

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 41 to 43 in our Annual Report on Form 10-K for the year ended December 31, 2021 for a discussion of the manner in which 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 provided with respect to those disclosures during the first quarter of 2022.

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, 2022. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, as of March 31, 2022, 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 first quarter of 2022 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

In 2015 and 2016, Ingredion self-reported certain monitoring and recordkeeping issues relating to environmental regulatory matters involving its Indianapolis, Indiana manufacturing facility. In September 2017, following inspections and the provision by Ingredion of requested information to the U.S. Environmental Protection Agency (the “EPA"), the EPA issued Ingredion a Notice of Violation, which included additional alleged violations beyond those self-reported by Ingredion. These additional alleged violations primarily relate to the results of stack testing at the facility. The allegations in the Notice of Violation, whether from the self-reported information, the inspections or the additional requested information, are not material to us. The EPA has referred the overall matter to the U.S. Department of Justice, Environment and Natural Resources Division (the "DOJ"). The DOJ and Ingredion are engaged in discussions with respect to a resolution of this matter.

We are currently subject to claims and suits arising in the ordinary course of business, including those relating to labor matters, certain environmental proceedings and 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 inquires 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 1A
RISK FACTORS

We caution readers that our business activities involve risks and uncertainties that could cause actual results to differ materially from those currently expected by management. We described the principal risk factors that could impact our results in our 2021 form 10-K. During the first quarter of 2022, there have been no material changes from the risk factors disclosed in our Annual Report on Form 10-K for 2021, except as described below.

Our business may be adversely affected by impacts on the availability and prices of raw materials and energy supplies, volatility in foreign exchange and interest rates, and other effects of the conflict between Russia and Ukraine.

Our business may be adversely affected by the effects of the ongoing conflict between Russia and Ukraine. Although our operations in Russia and Ukraine accounted for less than one half of one percent of our net sales in fiscal year 2021, the region is a source of raw material and energy supply for both us and certain companies whose products we distribute. Economic sanctions and export control measures imposed on Russia and designated Russian enterprises, certain regions of Ukraine and Belarus have resulted in increased volatility in the availability and prices of such raw materials and energy supplies. In addition, sanctions and macroeconomic effects of the conflict have contributed to greater volatility in foreign exchange and interest rates that affect our financial results. Developments relating to the conflict might result in a continuation of these impacts and in other impacts that could adversely affect our business or results of operations. We continue to evaluate impacts of the conflict on our customers, suppliers, employees and operations.

ITEM 2
UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities:

The following table presents information regarding our repurchase of shares of our common stock during the first quarter of 2022.

(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 (in thousands)
January 1 - January 31, 2022	—	—	—	5,090 shares
February 1 - February 28, 2022	227,980	87.29	227,980	4,862 shares
March 1 - March 31, 2022	226,783	85.70	226,783	4,635 shares
Total	454,763	86.50	454,763	

On October 22, 2018, the Board of Directors authorized a stock repurchase program permitting us to purchase up to an additional 8.0 million shares of our outstanding common stock from November 5, 2018 through December 31, 2023. As of March 31, 2022, we have 4.6 million shares available for repurchase under the stock repurchase program.

ITEM 6
EXHIBITS

a) Exhibits

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

EXHIBIT INDEX

Number	Description of Exhibit
10.1*†	Annual Incentive Plan, as amended and restated as of January 1, 2022.
31.1†	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2†	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1††	Certification of Chief Executive Officer pursuant to Rule 13a-14(b) or Rule 15d-14(b) under the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2††	Certification of Chief Financial Officer pursuant to Rule 13a-14(b) or Rule 15d-14(b) under the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002.
101.INS†	XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH†	Inline XBRL Taxonomy Extension Schema Document.
101.CAL†	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF†	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB†	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE†	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104†	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document, which is contained in Exhibit 101).

† Filed with this report.

†† Furnished with this report.

* Management contract or compensatory plan or arrangement to be filed as an exhibit to this form pursuant to Item 6 of this report.

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 6, 2022	By /s/ James D. Gray
	James D. Gray
	Executive Vice President and Chief Financial Officer
DATE: May 6, 2022	By /s/ Davida M. Gable
	Davida M. Gable
	Vice President, Global Controller and Global Shared Services

INGREDION INCORPORATED
ANNUAL INCENTIVE PLAN

EFFECTIVE JANUARY 1, 2022

Ingredion Incorporated (the “Company”) has previously established and maintained the Company’s Annual Incentive Plan (the “Plan”) and Short-Term Incentive Plan (“STIP”) for the benefit of eligible employees. The Company hereby amends and restates the Plan and the STIP in the form of this combined plan document effective January 1, 2022.

1. **Definitions**. When the following terms are used herein with initial capital letters, they shall have the following meanings:

Code — shall mean the Internal Revenue Code of 1986, as it may be amended from time to time, and any proposed, temporary or final Treasury Regulations promulgated thereunder.

Committee — shall mean the People, Culture and Compensation Committee of the Board of Directors of the Company.

Company — shall mean Ingredion Incorporated, a Delaware corporation.

ELT Participant — shall mean any Participant who is a member of the Company’s Executive Leadership Team.

Exchange Act — shall mean the Securities Exchange Act of 1934, as amended.

Participant — shall mean (1) the Company’s Chairman and Chief Executive Officer and any other member of the Company’s Executive Leadership Team designated by the Committee at any time as a Participant in this Plan, and (2) any other non-union key employee of the Company or any Subsidiary who is not at the time of designation for an applicable Performance Period a member of the Company’s Executive Leadership Team (or otherwise an “officer” of the Company as defined in Rule 16b-1 promulgated under the Exchange Act) and who is designated by the Plan Administrative Committee at any time as a Participant in this Plan. An eligible employee shall become a Participant only upon approval by the Committee or Plan Administrative Committee and compliance with such terms and conditions as the Committee or Plan Administrative Committee may from time to time establish for the implementation of the Plan. An employee who is designated as eligible to participate in the Plan for a particular Performance Period is not necessarily eligible to participate in the Plan for any other Performance Period.

Performance Measures — shall mean the criteria and objectives, established by the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants) in their sole discretion, which shall be satisfied or met as a condition to a Participant’s receipt of a bonus payment for a Performance Period. The Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants) may amend or adjust the Performance Measures for a Performance Period in recognition of unusual or nonrecurring events, acquisitions or divestitures affecting the Company and its Subsidiaries or its financial statements or changes in law or accounting. The Performance Measures shall be based on one or more of the following business criteria, determined with respect to the performance of Company and its Subsidiaries as a whole, or, where determined to be appropriate by the Committee (for ELT Participants) or the Plan Administrative Committee (for all other Participants), with respect to the performance of one or more Subsidiaries, divisions or groups within the Company, or with respect to the performance of individual Participants: net sales; pretax income before allocation of corporate overhead and bonus; budget; earnings per share; net income; return on stockholders’ equity; return on assets; return on capital employed; attainment of strategic and operational initiatives; appreciation in and/or maintenance of the price of the common stock or any other publicly traded securities of the Company; market share; gross profits; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; economic value-added models; comparisons with various stock market indices; increase in number of customers and/or reductions in costs; total stockholder return (based on the change in the price of a share of the Company’s common stock and dividends paid); operating income;

and cash flows (including, but not limited to, operating cash flow, free cash flow, cash flow return on equity and cash flow return on investment) for the applicable Performance Period; and/or such other criteria as shall be approved by the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants). Such criteria may relate to one or any combination of two or more of Company, affiliate, division or individual performance.

Performance Period — shall mean the twelve consecutive month period which coincides with the Company's fiscal year.

Plan — shall mean the Ingredion Incorporated Annual Incentive Plan as set forth herein and as from time to time amended.

Plan Administrative Committee — shall mean the Chief Executive Officer and Chief Human Resources Officer of the Company or such other officers as the Committee may designate from time to time.

Subsidiary — shall mean any direct or indirect subsidiary of the Company in which the Company has more than a 50% direct or indirect ownership interest.

2. **Administration.**

2.1 *Committee.* The Plan shall be administered by the Committee. The Committee may establish such rules and regulations as it deems necessary for the Plan and its interpretation. In addition, the Committee may make such determinations and take such actions in connection with the Plan as it deems necessary. Each determination made by the Committee in accordance with the provisions of the Plan will be final, binding and conclusive. The Committee may rely on the financial statements certified by the Company's independent public accountants.

2.2 *Plan Administrative Committee*. Except as provided in Section 2.5, the Committee may delegate some or all of its administrative powers and responsibilities under the Plan relating to Participants who are not ELT Participants to the Plan Administrative Committee. Unless the Committee determines otherwise, the Committee shall be treated as delegating its authority relating to Participants who are not ELT Participants to the Plan Administrative Committee to the full extent permitted hereunder. The Plan Administrative Committee may make such determinations and take such actions within the scope of such delegation and as otherwise provided in the Plan, as it deems necessary. The Plan Administrative Committee may further delegate any duties delegated to it pursuant to this Section 2.2 to other officers or employees of the Company. Each determination made by the Plan Administrative Committee, or its delegate, will be final, binding and conclusive. The Plan Administrative Committee may rely on the financial statements certified by the Company's independent public accountants. Notwithstanding any such delegation, the Committee may review and change any decision made by the Plan Administrative Committee or its delegate.

2.3 *Determinations Made For Each Performance Period.* With respect to each Performance Period, the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants) shall:

(a) Designate Participants for that Performance Period.

(b) Determine the amount or formula for determining each Participant's maximum bonus payment for the Performance Period.

(c) Establish the Performance Measures for the Performance Period, including the identification of any events for which adjustments are to be made to the Performance Measures.

(d) Establish the Performance Measure targets for the Performance Period.

2.4 *Determination of Bonuses Earned.* Following the close of each Performance Period and prior to payment of any bonus under the Plan, the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants) shall determine whether the applicable Performance Measure targets and all other factors upon which a bonus is based have been attained.

2.5 *Committee's Sole Authority with Respect to Executive Officers; Amendment or Termination of Plan*. Notwithstanding anything in the Plan to the contrary, in the case of ELT Participants, the Committee has retained the sole and exclusive authority to (i) establish the applicable Performance Measures, and (ii) determine the achievement of the applicable Performance Measures. The Committee shall have sole and exclusive authority to modify, suspend, terminate or reinstate the Plan. The Committee's authority under this paragraph 2.5 is subject to review and approval by the Board of directors of the Company.

3. **Eligibility for Bonus Payment.**

(a) Each Participant who (i) is an employee of the Company or any Subsidiary who is employed on the date payment is made with respect to a Performance Period, or whose employment was terminated during the Performance Period due to retirement, disability or death, and (ii) was employed by the Company or any Subsidiary during at least three months of the Performance Period shall be eligible to receive a bonus payment for a Performance Period in an amount established by, or determined under the bonus formula established by, the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants) for the Performance Period based on the attainment of the Performance Measure targets for the Performance Period.

(b) A Participant who is otherwise eligible to receive a bonus payment for a Performance Period (as determined by the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants)), but who was not actively employed during the entire Performance Period or who terminated due to retirement, death or disability, may be eligible to receive a prorated bonus payment for a Performance Period determined by multiplying the bonus amount that would have been payable to the Participant at target payout percentage had the Participant remained employed with the Company or applicable Subsidiary through the end of the applicable Performance Period by a fraction, the numerator of which is the number of days during the applicable Performance Period during which the Participant was actively employed by the Company, subject to and in accordance with rules established by the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants).

(c) Notwithstanding anything in this 3 or in any agreement, policy or guideline to the contrary, a Participant shall not be entitled to any amount hereunder for a Performance Period if the Participant's employment is terminated by the Company or affiliate for "Cause". For these purposes "Cause" shall mean the Participant's: (i) failure to comply with any material policies and procedures of the Company or affiliate; (ii) conduct reflecting dishonesty or disloyalty to the Company or affiliate, or which may have a negative impact on the reputation of the Company or affiliate; (iii) commission of a felony, theft or fraud, or violations of law involving moral turpitude; (iv) failure to perform the material duties of his or her employment; (v) excessive absenteeism; (vi) unethical behavior; or (vii) violation of a material policy of the Company or any affiliate. If a Participant's employment is terminated for "Cause," the date on which the Participant's employment is considered to be terminated, for purposes of this Section 3, shall be the time at which such Participant is instructed or notified to cease performing job responsibilities for the Company or any affiliate, whether or not for other reasons, such as payroll, benefits or compliance with legal procedures or requirements, he or she may still have other attributes of an employee. Any amount that becomes payable under the Plan by reason of the Participant's death shall be paid to the personal representative of the Participant's estate.

4. **Manner of Bonus Payments.**

4.1 *Time and Form of Payments.*

(a) The bonus payment to a Participant under the Plan for a Performance Period shall be paid to the Participant in cash as soon as determined by the Committee (for ELT Participants) and the Plan Administrative Committee (for all other Participants) after it has determined that the Performance Measure targets and all other factors upon which the bonus payment for the Participant is based have been attained; *provided*, *however*, that such payment shall not be made earlier than January 1 immediately following the calendar year in which the Performance Period ends or, with respect to U.S. Participants only, no later than March 15 immediately following the calendar year in which the Performance Period ends.

(b) The pro rata bonus payment under the Plan to a Participant who terminates due to retirement or who was otherwise not actively employed during the entire Performance Period, other than termination due to death or disability, shall be paid at the same time that bonuses for such Performance Period are otherwise paid under the Plan to the Participants.

(c) The pro rata bonus payment under the Plan to a Participant who terminates due to death or disability shall be paid within 30 calendar days following the date of such termination.

4.2 *Nontransferability; Nonalienation.* No benefit payable at any time under the Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge, levy, attachment, or encumbrance of any kind by any Participant or beneficiary, and the benefits provided hereunder shall not be subject to seizure for payment of any debts or judgments against any Participant or beneficiary.

4.3 *Tax Withholding.* In order to comply with all applicable U.S. Federal, state, local or other tax requirements (including non-U.S. taxes, social insurance, payroll tax, payment on account or other tax-related withholding) or regulations, the Company may take such action as it deems appropriate to ensure that all applicable Federal, state and Non-U.S. payroll, withholding, income or other taxes, which are the sole and absolute responsibility of a Participant, are withheld or collected from such Participant.

4.4 *Forfeiture*. All bonus amounts paid hereunder to the Chief Executive Officer and Chief Financial Officer of the Company under this Plan are subject to forfeiture as provided in Section 304 of the Sarbanes-Oxley Act of 2002, and the implementing rules and regulations. In addition, the Company reserves the right to require a Participant to forfeit or return to the Company any cash or other amount received under the Plan to the extent required by law, under any applicable exchange listing standard or under any applicable policy adopted by the Company that is designed to meet any legal obligations or obligations under any applicable exchange listing standard.

5. **Amendment and Termination.**

The Committee may amend this Plan prospectively at any time and for any reason deemed sufficient by it without notice to any person affected by this Plan and may likewise terminate or curtail the benefits of this Plan both with regard to persons expecting to receive benefits hereunder in the future and persons already receiving benefits at the time of such action.

6. **Miscellaneous.**

6.1 *Effective Date.* The effective date of the Plan shall be January 1, 2022.

6.2 *Headings.* Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any ways material or relevant to the construction or interpretation of the Plan or any provision thereof.

6.3 *Applicability to Successors.* This Plan shall be binding upon and inure to the benefit of the Company and each Participant, the successors and assigns of the Company, and the beneficiaries, personal representatives and heirs of each Participant. If the Company becomes a party to any merger, consolidation or reorganization, this Plan shall remain in full force and effect as an obligation of the Company or its successors in interest.

6.4 *Employment Rights and Other Benefits Programs.* The provisions of this Plan shall not give any Participant any right to be retained in the employment of the Company or any Subsidiary. In the absence of any specific agreement to the contrary, this Plan shall not affect any right of the Company, or of any Subsidiary or affiliate of the Company, to terminate, with or without cause, the Participant's employment at any time. This Plan shall not replace any contract of employment, whether oral, or written, between the Company and any Participant, but shall be considered a supplement thereto. This Plan is in addition to, and not in lieu of, any other employee benefit plan or program in which any Participant may be or become eligible to participate by reason of employment with the Company or any Subsidiary. Receipt of benefits hereunder shall have such effect on contributions to and benefits under such other plans or programs as the provisions of each such other plan or program may specify.

6.5 *No Trust Fund Created; Plan is Unfunded.* This Plan shall not create or be construed to create a trust or separate fund of any kind or fiduciary relationship between the Company or any Subsidiary or affiliate and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company or any Subsidiary or affiliate pursuant to this Plan, such right shall be no greater than the right of any unsecured general creditor of the Company or of the applicable Subsidiary or affiliate. All benefits under the Plan shall be paid from the general assets of the Company. No

Participant shall be deemed to have, by virtue of being a Participant in the Plan, any claim on any specific assets of the Company such that the Participant would be subject to income taxation on any benefits prior to distribution to him or her.

6.6 *Governing Law.* The place of administration of the Plan shall be in the State of Illinois. The Plan shall be construed and administered in accordance with the internal laws of the State of Illinois, without giving effect to principles relating to conflict of laws.

6.7 *Compliance with Local Law*. Notwithstanding anything herein to the contrary, in the case of any Participant who is a resident or employed outside of the United States, and all other Participants to the extent applicable, as a condition to participation in the Plan:

(a) each Participant shall be required to repatriate 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);

(b) payments to any Participant hereunder shall be subject to local law and any and all actions required to be taken by the Company or the Company's Subsidiaries and affiliates in order for the Company and the Company's Subsidiaries and affiliates to comply with local laws, rules and regulations in a Participant's country of residence (and country of employment, if different);

(c) each payment under the Plan shall be subject to each Participant taking any and all actions as may be required to comply with his or her personal legal and tax obligations under local laws, rules and regulations in his or her country of residence (and country of employment, if different); and

(d) all payments made hereunder shall be subject to the Company's or its applicable Subsidiary's local country payroll practices.

6.7 *Severability.* If any provision of the Plan is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan, such provision shall be stricken as to such jurisdiction, and the remainder of the Plan shall remain in full force and effect.

6.8 *Section 409A*. Payments under the Plan are intended to be exempt from section 409A of the Code as "short-term deferrals" within the meaning of Treasury Regulation section 1.409A-1(b)(4). Notwithstanding any provision to the contrary, if any amount payable under the Plan constitutes deferred compensation, within the meaning of Code Section 409A, and becomes payable to a "Specified Employee" (as defined in Section 409A) as a result of the Specified Employee's Termination of Employment, the payment will be deferred (if not already deferred) until the earlier to occur of (i) the first day of the seventh month following such employee's Termination of Employment or (ii) the date of such employee's death. Consistent with the requirements of Section 409A, a Plan distribution that is a "short-term deferral" exempt from Section 409A shall be deemed to be paid on the bonus payment date if it is paid no earlier than January 1st immediately preceding, and no later than the March 15th immediately following, the bonus payment date.

6.9 *Release*. Any payment of a bonus to or for the benefit of a Participant or beneficiary that is made in good faith by the Company in accordance with the Company's interpretation of its obligations hereunder shall be in full satisfaction of all claims against the Company for payments under the Plan to the extent of such payment.

6.10 *Venue*. Westchester, Illinois shall be the sole and exclusive venue for any arbitration, litigation, special proceedings, or other proceedings between the parties in connection with the Plan.

6.11 *Hold Harmless*. A Participant shall hold the Company harmless from and pay any cost, expense or fee (not to exceed the bank balance) incurred by the Company with respect to any claim, due or demand asserted by any person, except the Company against any amounts due the Participant under the Plan.

6.12 *No Other Agreements*. The terms and conditions set forth herein constitute the entire understanding of the Company and the Participants with respect to the matters addressed herein.

6.13 *Incapacity*. In the event that any Participant is unable to care for the Participant's affairs because of illness or accident, any payment due may be paid to the Participant's duly qualified guardian or other appointed legal representative.

6.14 *Notices*. Any notice provided by the Company under the Plan may be posted to a Company-designated web-site.

EXHIBIT 31.1

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 6, 2022

/s/ James P. Zallie

James P. Zallie
President and Chief Executive Officer

EXHIBIT 31.2

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 6, 2022

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

EXHIBIT 32.1

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, 2022 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 6, 2022

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, 2022 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 6, 2022

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.