



Distinguished Speaker Series Luncheon

Ilene S. Gordon, Agent of Change

On September 28, 2018, NACD members and guests were treated to an enlightening discussion with Ilene Gordon, retired chairman, president and CEO of Ingredion Inc., that was expertly facilitated by Donna Zarcone, president and CEO of The Economic Club. The subject was Agent of Change – a focus that Ms. Gordon has exhibited throughout her career.

Change in the Boardroom:

Ms. Gordon joined her first public company board, Zenith Electronics, nearly 25 years ago as its first female board member, a feat she repeated four additional times. She currently is a director at Lockheed Martin and lead director at International Paper. The biggest change she noted over the years, driven in part by Sarbanes Oxley, is the increased engagement expected by directors and the increased transparency required of the Board. She feels the director role has evolved from one of an adviser to the CEO, to now being charged with the responsibility for creating shareholder value.

Change at Ingredion:

Ms. Gordon took over the CEO role at Ingredion in 2009 during tough economic times and a period of some internal turmoil at the Company. In her eight years at the helm, she helped to evolve what was then Corn Products, a domestic company, into Ingredion, a leading global producer of nature-based ingredient solutions and delivered exceptional shareholder value by more than quadrupling the Company's share price. She credits her success to developing a strong strategy and executing on it. To do so, she had to engage her team and the board and get their buy-in on change – or get them to change. Ms. Gordon has developed a set of "rules" she uses in both her business, and personal life. One is a "three-meeting" rule. She believes three is the magic number of meetings needed to first introduce a concept, next provide some detail and analytical support, and finally to get approval. She used this approach to secure board approval for her strategy to evolve Ingredion into a global enterprise. Additionally, using a skills matrix and reevaluating the current term limits, Ms. Gordon was able to work with the board to add the skill sets required to successfully execute the critical changes needed to become a global company.

Personal Change:

Ms. Gordon served as CEO of Ingredion from 2009 through 2017, and Executive Chairman from January 2018 to July 2018. She discussed this transition, and the ultimate transition out of the Company – or at least away from being an insider! Being Executive Chairman presented a unique opportunity for Ms. Gordon to still be involved in the strategic direction of the company but not the day to day operations. She admitted that not having the final word was an adjustment but overall the experience was a positive one. As Executive Chairman, much of her focus was placed on mentoring the incoming CEO, which is a very important responsibility of the board's succession planning. Furthermore, she believes a company needs three years to do this properly and should have three candidates under consideration. Ideally, she feels an internal candidate is best unless the company's goal is dramatic change in strategy and culture. As of August 1, 2018, Ms. Gordon no longer has an active role at Ingredion and is comfortably adapting to not leading a Fortune 500 company; however, she is still an engaged and passionate member of the Chicago community. There is no doubt that Ms. Gordon will continue to be an agent of change within the business community and in Chicago.