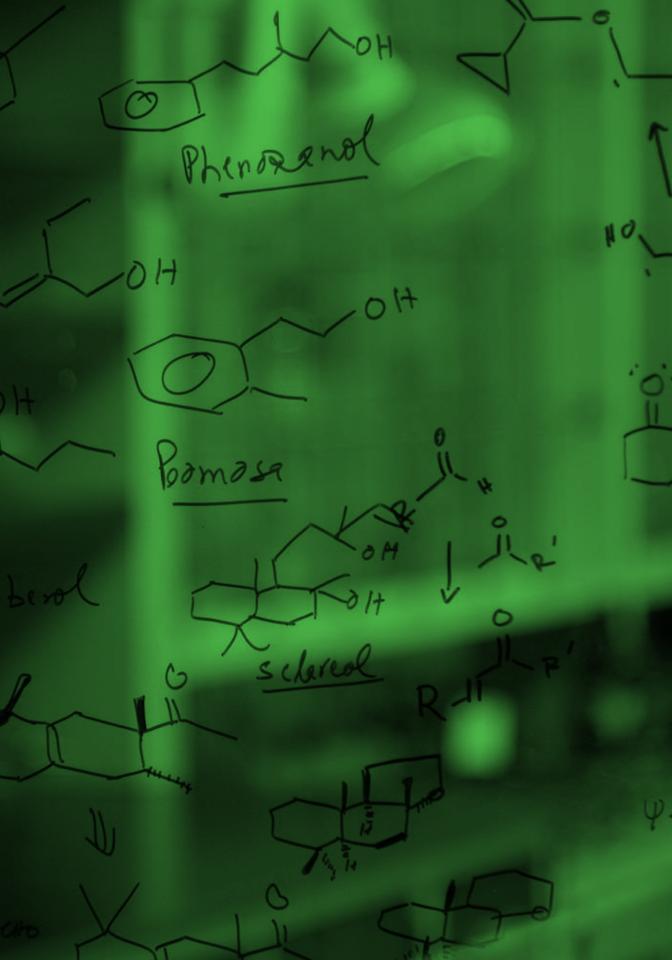
OUR SUSTAINABILITY REPORT 2013



IFF



Our Company

OUR BUSINESS

International Flavors & Fragrances Inc. is a leading global creator of flavors and fragrances for consumer products. We are a publicly traded company (NYSE: IFF) headquartered in New York, New York, U.S. IFF creates, manufactures and supplies flavors and fragrances for the food, beverage, personal care and household products industries.

Number of employees worldwide: 6,000

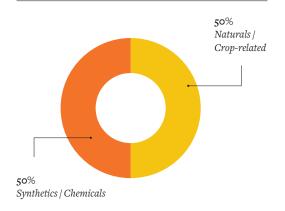
Net sales: \$3.0 billion Net income: \$354 million

Return on Average Invested Capital: 18.3%*

R&D Spend: \$260 million, 8.8% of sales

Countries in which IFF products are sold: 100 +

TOTAL RAW MATERIALS



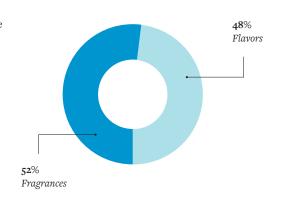
OUR SUPPLIERS

80+ countries	9,000 raw materials	2,400 suppliers

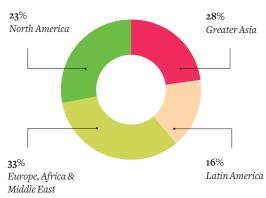
OUR PRODUCTS

FLAVORS	FRAGRANCES	
Beverages	Fabric Care	Home Care
Dairy	Fine Fragrance	Personal Wash
Savory	Fragrance Ingredients	Toiletries
Sweet	Hair Care	

GLOBAL SALES



OUR MARKETS



OUR LOCATIONS

Operations in 31 countries Research & Development centers: 5 Creative centers: 22 Manufacturing sites: 29

Data as of December 31, 2013. When we refer to our products, we mean the end-use category of products.

^{*}As Adjusted (see our GRI Content Index for more information)

Our Products

PAGE 10

Our Impact

PAGE 26

Trained our U.S. R&D team on the 12 Principles of

Green Chemistry

Created a Green Chemistry

Product Evaluation Tool

Assessed the

Biodegradability

of over 1,000 fragrance ingredients

Advanced our

Health & Wellness

portfolio by expanding Flavor Fit $^{\text{\tiny TM}}$

Expanded partnerships in biotechnology

Exceeded our 2020 goals in two categories: water use and hazardous waste

Scope 1 & 2 GHG

Emissions:

Water use:

-8.5%

-28.6%

Energy use:

Hazardous waste:

-8.8%

-30.7%

 $Percentage\ reductions\ from\ 2010\ to\ 2013,\ excluding\ fleet\ vehicles.$

Green Teams

in more than 75 percent of IFF manufacturing facilities

Developed eco-efficiency scorecards

Rolled out Safety Imaging globally

Our Sources

PAGE 44

Our People

PAGE 62

Increased the number of vendors registered with

Sedex

Began an in-depth

Risk Assessment

of our top 20 most vulnerable natural raw materials

Developed

Natural Ethics™ Vanilla

Continued our commitment to

Sustainable Palm Oil

sourcing

Engaged employees in

Sustainability 101

and green chemistry training

Moved forward with our

Employee Value Proposition

Established the framework for an operations

Sustainability Recognition

program

- 4 From Our Chairman
- 6 Embedding Sustainability
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From Our Chairman

As you will note in the coming pages, IFF's commitment to sustainability evolves as our company evolves, with the vigor and agility needed to stay relevant in the marketplace of both today and tomorrow. While we understand our industry constantly changes, we remain committed to conducting our business in line with our dedication to the environment, to society and to the shareholders, customers and others who have entrusted their confidence in us.

In 2013, we continued to see the future through the challenges that are already facing our global landscape: water scarcity, worldwide climate change, increasing populations around the world, escalating concern for Health and Wellness and the depletion of raw materials. Yet, guided by our four pillar sustainability strategy, we clearly see the benefits of our commitment to environmental stewardship within our own sphere. By improving our products, reducing our impact, sourcing responsibly and engaging our people, our efforts in embedding sustainability into everything we do has moved past the aspirational and into reality.

Our accomplishments over these past few years have been rooted in the conscientious alignment of our sustainability strategy with our corporate strategy. As we leverage our geographic reach in the emerging markets, we work to balance economic growth with environmental stewardship by engaging with farmers and other suppliers to grow and nurture natural resources responsibly — as with our Natural Ethics™ Vanilla from Madagascar, a sustainable solution that creates value for all stakeholders in the supply chain. As we execute against our capital investments, our Triple Bottom Line philosophy ensures that our new facilities, as with our site in Guangzhou, China, are equipped with state-of-the-art environmental management systems that support our eco-efficiency performance goals. We are also reinvesting in our existing facilities such as in Hazlet, New Jersey, with the construction of the largest photovoltaic solar installation in the flavors and fragrances industry. The very nature of strengthening our innovation platform ensures that we find new and better ways to meet customer demands, as we did with our award-winning LMR Rose EssentialTM, an ultra-concentrated waterless alternative to traditional rose water. As we look to maximize our portfolio through green technology, we strive to develop products that create less waste and use less water and energy, without compromising the consumer experience.

Lasting change does not happen with a top-down approach and it is only through focused collaboration that we are experiencing our notable progress. Our people are leading the charge on this. Through our IFF Green Teams, employees are continually organizing around our corporate responsibility efforts. In addition to working on efficiency measures within the organization, our Green Teams focus on our operational processes and work to bring our global strategy to the local level. To date, 75 percent of IFF's manufacturing facilities have these teams working diligently to increase efficiency. This has a direct benefit to our customers. As we move to reinvent our products, our customers have presented us with both a challenge and an opportunity. The challenge has inspired us to further push ourselves to rise to the expectations of our customers and the desires of consumers. We are creating efficient high-quality products that help us minimize the impact on our customers' supply chain. This opportunity has helped us to innovate new and better methods to execute our business effectively, while keeping the health and safety of our employees and the communities in which we are located as top priorities.

Ultimately, our mission is to create taste and scent experiences people love in a sustainable manner. Our sustainability efforts are helping us make better business decisions that support a better world — environmentally, socially and economically.

I am pleased with our accomplishments thus far, but it is the future that I look to with anticipation as we keep sustainability uppermost in our thoughts and actions.

Douglas D. Tough

Chairman of the Board and Chief Executive Officer



Our sustainability strategy, which is closely aligned with our long-term business strategy, consists of four pillars:
Our Products, Our Impact, Our Sources and Our People.
Sustainability is the essence of IFF and on our chosen path we are finding the most impactful solutions that are right for us today and for tomorrow.



Below is a conversation among Nicolas Mirzayantz, Group President, Fragrances and Executive Sustainability Champion; Hernan Vaisman,* Group President, Flavors; and Kip Cleverley, Director, Global Sustainability, capturing how sustainability is shaping the company's present and future, and how we are successfully embedding sustainability at IFF.

WHAT DRIVES SUSTAINABILITY AT IFF

Our products touch the daily lives of billions of people. IFF is there when they wash their hair, do their laundry or share a meal with family and friends. We are committed to doing our part to make each and every one of those experiences sustainable.

NICOLAS: Sustainability is an essential expression of who we are and a key component of our long-term business strategy. Our products are rooted in nature and we have a responsibility to ensure that not only do we not harm our natural sources but that we improve them over time.

HERNAN: Sustainability has become increasingly important to our stakeholders. Our suppliers, the farmers with whom we partner, our employees, our customers and consumers around the world — all of them see an inherent value in working toward a more sustainable future.

EMBEDDING SUSTAINABILITY

There is a dynamic synergy between our core values — passion, creativity, expertise and empowerment — and our sustainability strategy. This synergy, along with the commitment of our senior leadership, has made it possible for us to embed sustainability at IFF.

NICOLAS: Sustainability is becoming increasingly more embedded in our business practices and personal behaviors. I see a future where the roots of our sustainability work within the company go deeper and the branches — how we work with our stakeholders around the world — spread higher and wider.

HERNAN: As we progress on our sustainability journey, I have seen a big shift in the mindset of our people at IFF. They want to get involved in sustainability. It's a creative

and smart way for them to express themselves and make a long-lasting contribution to the company, as well as to the planet.

KIP: One example of our progress in embedding sustainability this year is the expansion and formalization of our Green Teams, which are now active at 75 percent of our manufacturing facilities. This level of global, multidisciplinary employee participation means that our people are now more engaged in our sustainability efforts. As an added bonus, this level of participation leads to a stimulating cross-fertilization of ideas and best practices across the company.

NICOLAS: Our technical expertise has allowed us to identify areas where we can make the biggest impact, and at the same time, sustainability has given our employees one more thing to be passionate about. When a perfumer makes a new fragrance, it's not just about making a scent people love, but about making it sustainable. It's an opportunity for creative expression and innovation. For example, our award-winning LMR Rose EssentialTM is a revolutionary and eco-friendly approach to the rose.

Sustainability is becoming increasingly more embedded in our business practices and personal behaviors.

DOING MORE GOOD AND LESS BAD

We consider the embedding of sustainability at IFF to be among our most important accomplishments of 2013. The results can be seen across all four of our Pillars.

NICOLAS: We are moving from the old approach toward the environment — of doing less bad — to doing more good. We take that responsibility very seriously.

KIP: This year our R&D team was trained by a renowned expert in the 12 Principles of Green Chemistry and has



FROM LEFT TO RIGHT: Kip Cleverley, Hernan Vaisman and Nicolas Mirzayantz

begun to actively apply the principles when they design and create our products. Implementing these principles will guide the future sustainable development of our flavors and fragrances.

HERNAN: We also developed our first Natural Ethics™ product, Bourbon vanilla, which was sustainably sourced from cooperatives in Madagascar and will begin shipping in 2014. And we added new solutions to our FlavorFit™ portfolio, which allows our customers to make healthier, more nutritious products. We see these as major drivers in IFF's business growth.

LOOKING AHEAD

We have made progress on our journey, but there is much work yet to be done. We continue to learn and evolve, and remain committed to implementing clear strategic plans in line with our Triple Bottom Line philosophy.

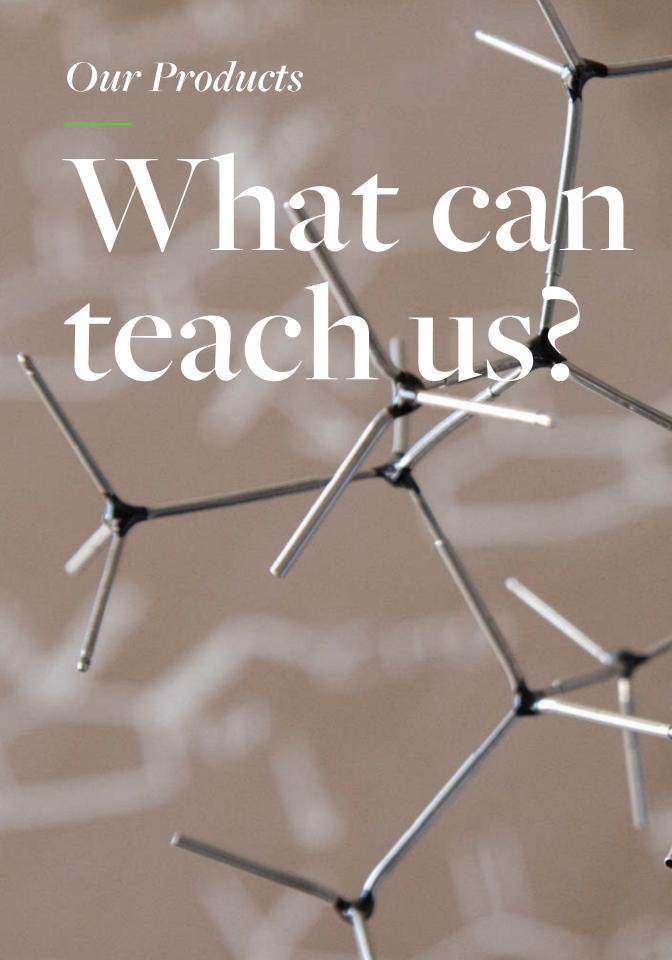
HERNAN: Our Natural Ethics product line and FlavorFit portfolio demonstrate the business opportunities that sustainability can bring. Our extensive consumer insights will continue to drive effective innovation, and that is

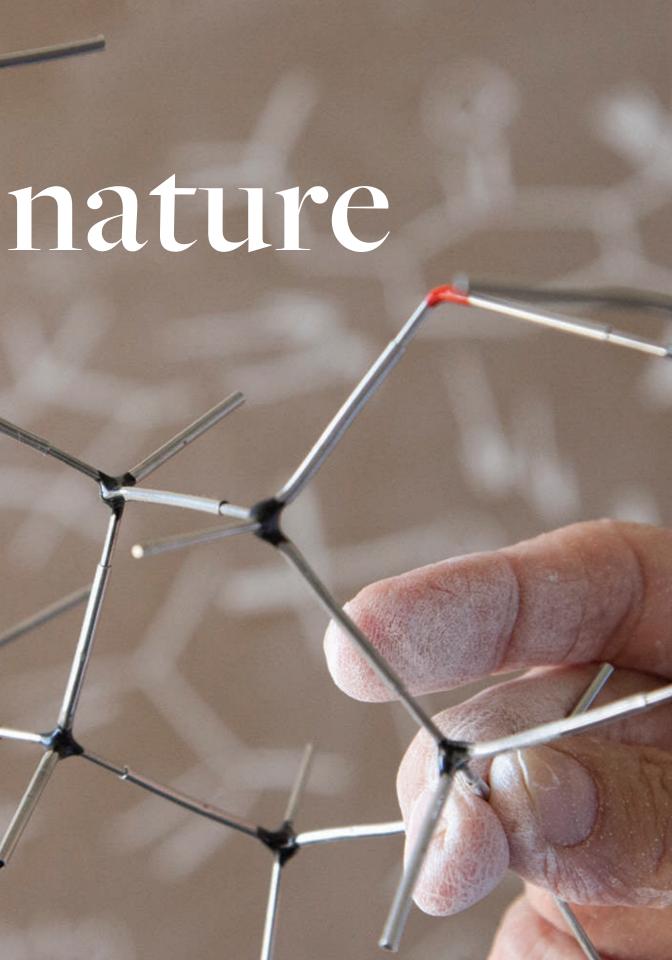
ultimately what will help us continue as a sustainable, successful company for another 125 years.

KIP: We are a global company with operations in 31 countries. We are focused on sharing best practices across the organization and leveraging our global reach to help bring successes from one region to another. The success we experienced with the adoption of green chemistry in North America is being optimized as we expand our training programs to our other regions and leverage how chemistry can be in harmony with nature.

NICOLAS: Our sustainability innovations and actions have to deliver a Triple Bottom Line — environmental, social and economic. Our approach is to collaborate actively with our suppliers and our customers to work closely together to achieve common sustainability goals. This approach will be a win for us, for our customers, for our employees and for our planet.

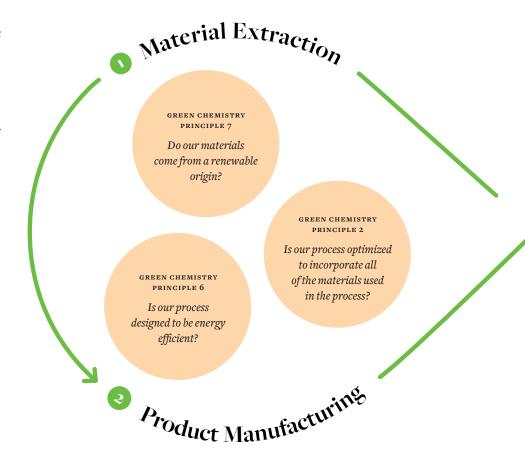
^{*} Hernan Vaisman retired effective April 1, 2014. He is succeeded by Matthias Haeni, formerly Regional General Manager for Flavors Europe, Africa, and the Middle East (EAME).





Asking the Right Questions

The 12 Principles of Green Chemistry are helping drive the life cycle assessment of our products and processes.



Our Goals

Formally adopt and apply the 12 Principles of Green Chemistry to our R&D processes. Train our chemists in these principles to evaluate our existing products and use this knowledge for future sustainable product design.

Advance our Health & Wellness product portfolio.

Leverage biotechnology.

2013 Progress

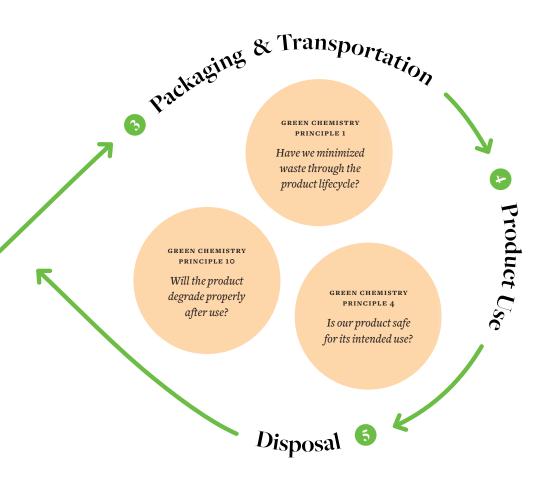
Trained our U.S. R&D team on the 12 Principles of Green Chemistry.

Created our Green Chemistry
Product Evaluation Tool to
evaluate our ingredients using the
12 Principles of Green Chemistry
and embedded these principles
in our R&D processes.

Assessed the biodegradability of over 1,000 fragrance ingredients.

Advanced our Health & Wellness portfolio by expanding FlavorFit™ options in sweetness and salt modifiers, creating masking and other new technologies.

Expanded biotechnology initiatives by developing new collaborative partnerships with leading biotechnology companies.



Looking Ahead

Continue to embed green chemistry in our products and processes by expanding training to our R&D and technical teams globally.

Institutionalize the use of our Green Chemistry Product Evaluation Tool within our R&D innovation processes and use it to systematically evaluate our products.

Advance our Life Cycle Assessment capabilities by comparing alternative ingredients for potential areas of opportunity.

Advance our biotechnology platform.

Continue to expand our Health & Wellness product portfolio.

PILLAR OWNER

Ahmet Baydar, PhD SVP Global Research & Development

PILLAR LEAD

Michael Popplewell, PhD VP Corporate Research & Development

Green Chemistry in Action

WHAT IS GREEN CHEMISTRY

Green chemistry simply means integrating technical, environmental and human factors into our products in order to have an increasingly positive impact on the world. This may mean the use of renewable, biodegradable materials that exist in harmony with nature, or the creation of chemical products and processes with a low or zero impact on human health and the environment.

In 2012, IFF formally adopted the 12 Principles of Green Chemistry. Our scientists and engineers now have the ability and the responsibility to embed sustainability from the earliest stages of product development. The principles provide a framework to solve a wide range of product design challenges and to improve materials, products, processes and systems. By integrating these principles across our organization, we can make significant progress on our sustainability journey, benefiting the environment, our customers, consumers and our bottom line.

We continue to tap into industry best practices and are collaborating with renowned green chemistry expert Michael Cann, PhD, at the University of Scranton to assist our R&D and product development teams in deploying green chemistry in their daily work. We're also developing advanced technical approaches and tools to evaluate the sustainability of our products throughout their life cycle.

TURNING THE WHITE COATS GREEN

This approach to product development and manufacture has the potential to transform our business. Throughout 2013, we provided green chemistry workshops to educate and engage our chemists at our global R&D headquarters in Union Beach, New Jersey, U.S. This involved examining

existing processes and identifying specific approaches to apply the 12 Principles to flavors and fragrances. The workshops were highly successful and enabled different teams within R&D to collaborate and share ideas. In fact, more than 85 percent of the participants reported that the workshop stimulated new and innovative ideas that they could integrate into their research and development processes. Due to this success, we have committed to expand this green chemistry training to our R&D teams at our facilities throughout the world, inviting these scientists to further embed sustainability in their day-to-day work.



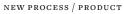
IFF Global Innovation Forum

In June 2013, our R&D division hosted a threeday Global Innovation Forum for nearly 70 IFF employees at our Union Beach facility. In addition to traditional R&D platforms such as new molecules and process engineering, the forum formally highlighted sustainability. We explored global megatrends such as water scarcity and global population growth in a variety of ways, and discussed how sustainability will need to be an integral part of our innovation process in order to meet future customer requirements. For example, by assessing biodegradability of materials and designing greener ingredients, we will provide concrete options for our customers to meet the changing needs of consumers.

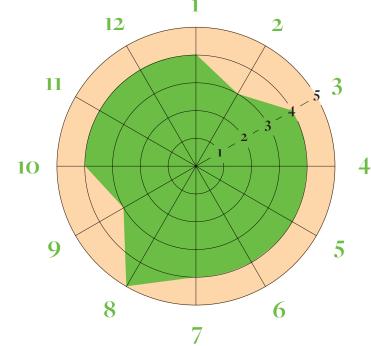
Green chemistry is the future of flavors and fragrances at IFF. From training chemists to evaluating products, it inspires how we approach our business.

Illustration of the Green Chemistry Product Evaluation Tool

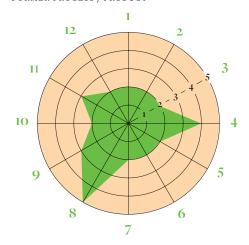
Assessing Our Products & Processes Against the 12 Principles of Green Chemistry



Green Chemistry Principles Score



FORMER PROCESS / PRODUCT



12 PRINCIPLES OF GREEN CHEMISTRY*

- 1. Prevent Waste
- 2. Atom Economy
- 3. Less Hazardous Synthesis
- 4. Design Benign Chemicals
- Benign Solvents & Auxiliaries
- 6. Design for Energy Efficiency
- 7. Use of Renewable Feedstocks

- 8. Reduce Derivatives
- 9. Catalysis
- 10. Design for Degradation
- 11. Real-time Analysis for Pollution Prevention
- 12. Inherently Benign Chemistry for Accident Prevention

^{*} Published by the American Chemical Society, based on the work of Paul T. Anastas and John C. Warner

EVALUATING OUR PRODUCTS

In line with our 2012 commitments, we are proud to announce that we have made good progress in developing a comprehensive approach to evaluate our products on their overall green chemistry performance. Specifically, to measure our progress as the principles are integrated across IFF's global operations, we created a Green Chemistry Product Evaluation Tool in collaboration with Dr. Michael Cann. This tool was applied, revised and verified by our scientists and engineers during the workshops held throughout the year. The tool assesses our products against each principle and will help our chemists focus their efforts on the most relevant areas moving forward.



We began training our technical staff on how to implement the tool for both flavors and fragrances in 2013 and will continue this process in 2014 and beyond. The next stage will be to train our technical staff based in Tilburg, the Netherlands; Grasse, France; and Benicarló, Spain. As we move forward, we will share our findings globally with both our perfumers and flavorists so they too can embed these principles in their thinking and finally their creations. Our ultimate aspiration is to integrate the 12 Principles of Green Chemistry throughout the product development, creation and manufacturing processes.

GREEN PRINCIPLES AT WORK

Biodegradation modeling and mapping

Designing for degradation, one of the 12 Principles, means designing products so they decompose into natural elements in the environment. In 2013, we made good progress on assessing the biodegradability of our portfolio. For instance, our scientists reviewed the biodegradability of over 1,000 fragrance ingredients. We used data as well as models such as those from the U.S. Environmental Protection Agency (EPA) to categorize ingredients according to criteria required by our customers, including whether products are readily biodegradable — do they degrade by 60 percent or more over 28 days. By building a clearer picture of which products contain readily biodegradable molecules, we can pinpoint areas for focus and improvement in the future.

Using biotechnology with renewable raw materials

One way we leverage biotechnology in our business is by using renewable raw materials wherever practicable and cost-effective. For example, in collaboration with Swiss biotechnology company Evolva, we are developing a natural vanillin (the primary constituent of vanilla), using yeast-based fermentation. We aim to develop and scale up this sustainable vanillin in a cost-effective fashion. This product complements our Always VanillaTM portfolio, which includes our Natural EthicsTM Vanilla. Another key collaboration is with Amyris, an American renewable products company. With Amyris, we are working to develop sustainable fragrance ingredients.

UNDERSTANDING OUR FOOTPRINT

IFF uses Life Cycle Assessments (LCA) as a complement to our green chemistry efforts. Applying LCA to our products helps us identify where we can make the most impact in reducing our environmental footprint across R&D and manufacturing processes. In 2013, we continued to advance in this area by providing LCA training to R&D technical staff. A strong knowledge of LCA techniques will enable our chemists to better understand the entire life cycle of competing ingredients and aid in selecting more sustainable alternatives, while introducing greener technologies and processes. In addition, we have advanced our collaborations with well-known life cycle experts to better understand particularly complex processes. A focus of this ongoing work will be to better understand the entire impact of popular ingredients, from sourcing of raw materials through manufacture to transportation, use and disposal. A thorough understanding of this knowledge will allow us to further align with our customers to identify and address impacts throughout the entire consumer product value chain.



LMR Rose Essential[™] Wins Sustainable Beauty Award



IFF-LMRTM Naturals won the prestigious Organic Monitor Sustainable Beauty Award for Sustainable Ingredients for our LMR Rose Essential™ product in 2013. LMR Rose Essential is more eco-friendly and less expensive throughout the supply chain, as it is highly concentrated and does not contain water. Specifically, it reduces water, energy and carbon in each step of the process, both at LMR and at the customers that will use it. We give credit to our creativity and innovative spirit with a focus on green chemistry and life cycle assessment to improve the environmental footprint of this product. We are proud to accept this award that recognizes our commitment to sustainable business practices and innovating to meet the needs of our customers.

Our ultimate aspiration is to integrate the 12 Principles of Green Chemistry throughout our product development, creation and manufacturing processes.

Our Role in Health & Wellness

We develop thousands of different flavors and fragrances for our customers and we continually develop new formulas in order to meet changing consumer preferences and customer needs. Consumers are increasingly seeking products that promote a healthy lifestyle, and helping our customers meet those needs is central to our commitment. IFF's FlavorFit™ portfolio of Health and Wellness solutions allows our customers to formulate high-quality products with better nutrition profiles that appeal to consumers while promoting good health.

CREATING FIT FLAVORS

The FlavorFit brand is a portfolio of innovative Health and Wellness solutions that allows IFF's customers to have a single source for formulating better-for-you products. FlavorFit gives our customers the opportunity not only to deliver on healthier options, but to do so with great taste. In 2013, we continued to expand FlavorFit options in sweetness and salt modifiers, and created a portfolio of new FlavorFit technologies. In particular, we added ingredients that allow customers to formulate healthier products with higher whole grain and fiber content, without compromising on taste. We also introduced ingredients that boost the taste experience that consumers associate with full sugar and fat products. We have the ability to create custom solutions by combining FlavorFit ingredients to optimize the overall flavor, texture and mouthfeel of products. IFF continues to expand FlavorFit options in sweetness and salt modifiers, and to develop new technologies aimed at expanding Health and Wellness options for consumers.

THE POWER OF SCENT

Many of our customers place a strong emphasis on Health and Wellness, and often promote good hygiene habits throughout the world, including the use of soap for washing hands. Handwashing with soap is known to eliminate bacteria, which contributes to the prevention of disease and death, particularly in developing countries. Through our ScentEmotions™ database, we identify what consumers in different regions perceive to be fresh, clean and pleasant. This allows our creative teams to tailor the right hygiene signals for each region, developing effective ingredients for our customers' products.

In 2013, we took the next step in this journey by raising awareness of the power of scent in signaling good hygiene. On October 15, 2013 the IFF team at our Hazlet Creative Center celebrated Global Handwashing Day by co-hosting an event with Clean the World. Millions of deaths around the world are caused by hygiene-related illnesses; Clean the World is a not-for-profit organization committed to reducing the waste created by discarded soap and shampoo products, and to helping reduce the risk of death and disease caused by hygiene-related illness. Clean the World collects, recycles and distributes discarded soaps, shampoos, conditioners, lotions and gels from participating hotel partners and distributes them for humanitarian purposes.

Our Hazlet employees gathered together to create individual hygiene kits that were donated to a local charity. Clean the World provided all the materials while IFF provided all the volunteer labor. Due to the success of this program, we plan to host similar events in 2014 to support hand washing and good hygiene.



FlavorFitTM

Rebalances the sweet profile and flavor fit | sweet | mouth feel of reduced sugar and artificially sweetened products.

flavorfit | mouthfeel

Improves the body and mouthfeel perception of reduced fat or reduced sugar products.

flavor fit | Suppresses the undesirable in a wide array of products. Suppresses the undesirable off-notes

flavorfit | returns

Supporting cross-category formulations with a wide range of natural flavor solutions.

flavor*fit* | umami

Enriches deliciousness in savory applications without adding MSG.

flavorfit | socium

 $Improves \, the \, salty \, perception \,$ and rebalances flavor in sodium

Ensuring Product Stewardship

Delivering safe, high-quality flavors and fragrances is fundamental to protecting consumers and meeting the requirements of customers who use our products in thousands of food, beverage and personal care brands worldwide. To provide the highest level of trust to our customers, IFF employees follow rigorous quality and safety management policies and procedures.

OUR FOCUS ON QUALITY

In 2013, we introduced a Global Quality Policy to define a company-wide approach to food safety and sustainability. This new policy reinforces our commitment to providing our customers with products they can trust to meet their requirements and defines our approach to managing all aspects of product quality. Additionally, this policy will help us to further drive our global standardized processes. It is guided by five principles that we encourage our employees to follow in their daily work:

Deliver superior products and services Source consistent, Commitment high-quality and participation ingredients by everyone Harmonized Process approach quality management and continuous program improvement



100 percent of our flavor manufacturing sites have been certified against standards recognized by the Global Food Safety Initiative.

During the year, we also launched SensIFF, an in-house mobile application that allows evaluators to review previous sensory decisions in real time. This will help us to improve the accuracy of our decision making during sensory evaluation — the study of how people respond to food and drink — which is a critical part of our product control process.

PRODUCT SAFETY AND COMPLIANCE

IFF's Global Regulatory Affairs (GRA) department ensures that we comply with all aspects of global, regional and national regulations relating to environmental, health, safety, transport and toxicology. Our comprehensive policies and procedures help us to achieve the highest levels of safety in all the countries in which we operate.

IFF is an active member of the International Organization of the Flavor Industry (IOFI) and the International Fragrance Association (IFRA), the leading trade associations representing the interests of the global flavors and fragrances industries. By working closely with trade associations and regulators, we seek to ensure that upcoming regulations benefit consumers while protecting the interests of the industry.

INGREDIENT INFORMATION

IFF continues to advance our Regulatory Disclosure Policy, which provides a framework for responding to product information requests from regulatory agencies while managing confidential business information. Customers and consumers also ask for information about our ingredients and we are committed to meeting their needs. Since information requests vary by product and customer, we tailor our disclosures to the requirements of each situation and focus on information that provides real benefit to our customers.

Doctors of Invention

Meet our molecule creators, the team of scientists embracing green chemistry as they develop IFF's products.

ll scientists love a challenge and
Mike Monteleone, Director of Fragrance Ingredients Synthesis,
is no exception. He is excited and motivated to oversee the
integration of the 12 Principles of Green Chemistry in the R&D
labs as the team transforms how they work, molecule by molecule.

Below, he reveals how the team is putting sustainability into practice.

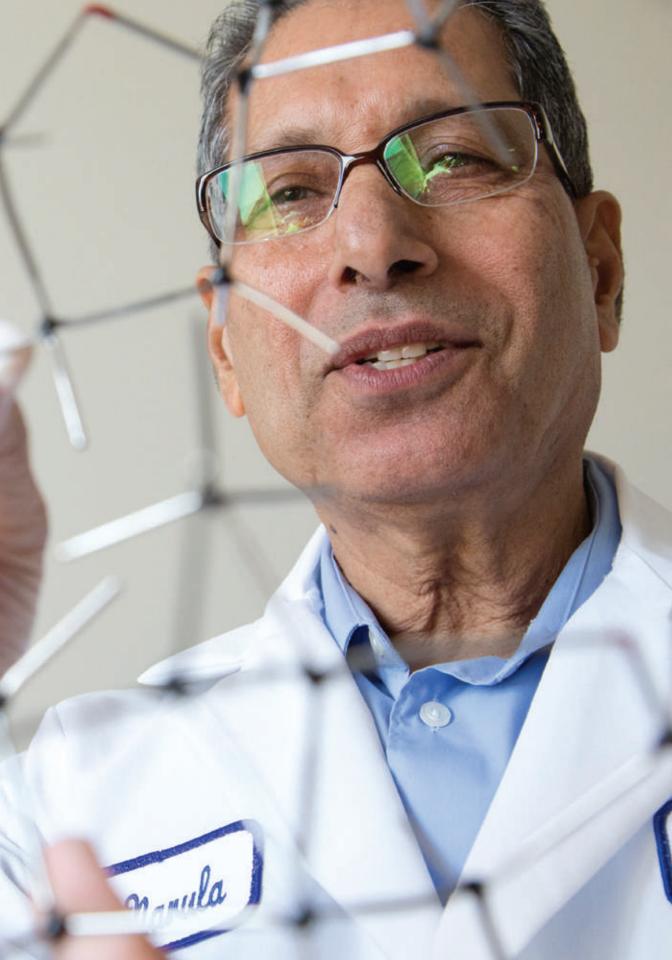
Q: What does this team of chemists do?

A: We are known as the molecule creators — our job is to discover new molecules that go into flavor and fragrance applications. Our team of highly trained PhDs works at the very beginning of the research and development process, providing IFF with exciting, high-performing, unique and differentiating ingredients.

Q: How has green chemistry changed IFF's R&D approach?

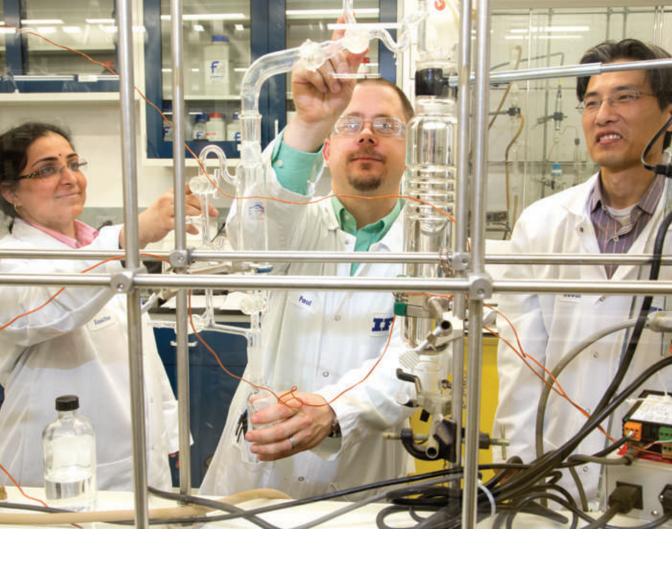
A: We are committed to green chemistry and have embarked on a global training initiative to embed the 12 Principles of Green Chemistry into our R&D process. The training has put sustainability at the forefront of our basic research focus. We are encouraging our chemists to use the 12 Principles in the process of discovery itself and to embed them in the products they discover. That way, when our ingredients





"We are encouraging our chemists to use the 12 Principles in the process of discovery itself and to embed them in the products they discover." Mike Monteleone







are manufactured at scale, they will be inherently more sustainable. Green chemistry is an opportunity to innovate and extract more value from research endeavors and investments. It has quickly become part of the R&D culture within IFF.

Q: Was the team receptive to utilizing the 12 Principles of Green Chemistry?

A: Absolutely. R&D scientists are by nature always looking to innovate, and the 12 Principles of Green Chemistry expanded their toolkit. The training has had very broad appeal. Our scientists have traditionally focused on parameters like performance and scalability, and now, by integrating green chemistry into their work, sustainability has become a new focus area.

Q: How does green chemistry work in practice?

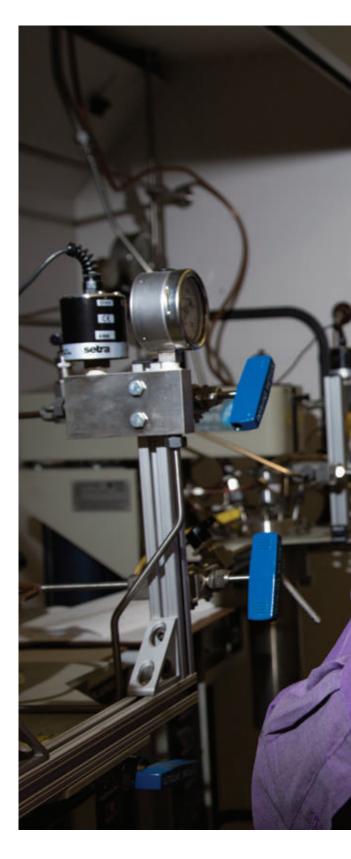
A: Chemists are asking questions and challenging themselves to use less energy, choose reaction conditions that produce less waste and employ raw materials in smarter ways. "Less is more" is how we think now when we approach our discovery research. We apply new technology and innovation to reduce chemical inputs, waste and energy and water use. Our chemists look at every part of the process — the reactions they run, the instruments they use, the way they clean up, distill or purify. Ultimately green chemistry will make our products and processes more efficient and environmentally sound.

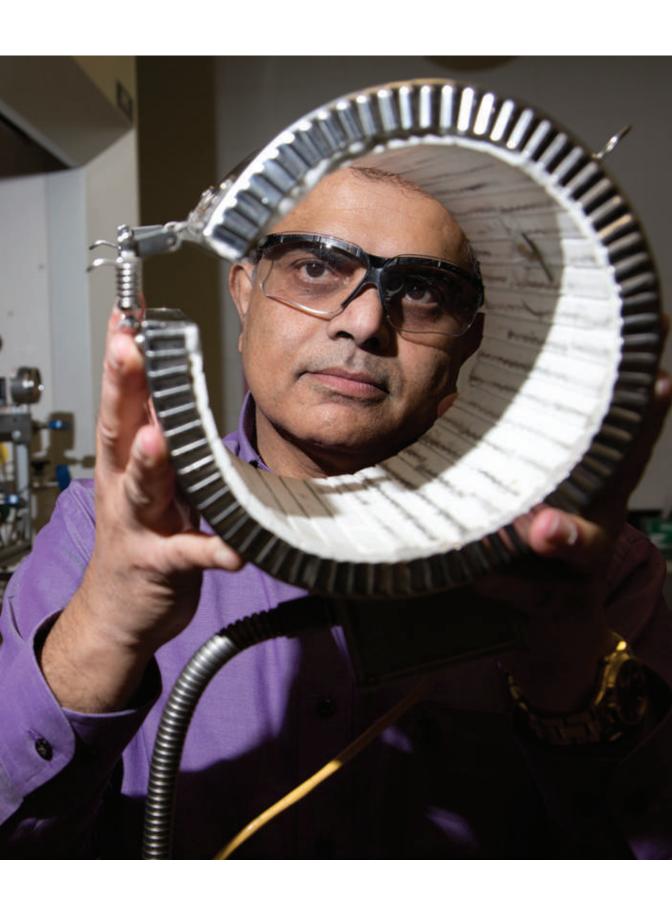
Q: How are you measuring your progress with green chemistry?

A: Just the other day, one of our chemists told me he has been using principles 1, 6, 7 and 12. He knew the numbers by heart and is definitely a convert. We have also developed a tool to help us evaluate to what extent we are utilizing the Principles of Green Chemistry in the products we make, which allows us to measure our progress.

Q: What are your next steps?

Q: We are truly excited about our progress and the opportunity to improve even further. We will focus more on biodegradable and renewable raw materials to cut down on reaction time, waste and energy use. There is always room for improvement and we fully intend to capture it.





Our Impact

How do wooth our footpression of the second second





WATER

Reducing water use $through\ equipment$ optimization at our South Brunswick, New Jersey, U.S. facility



New and expanded facilities



WASTE

New dewatering equipment reduces hazardous waste at our facility in Hangzhou, China

Recycling systems at our Haverhill, U.K. facility will reduce waste generation



Installation of new eco-intense equipment

A Sustainability Road Map

Site by site, we manage our use of natural resources. We are putting in place reduction initiatives while managing our growth and natural fluctuations in our business and the environment.



Water Use

2020 GOAL

2013 PERFORMANCE

-25% **-28.6**%



Hazardous Waste

2020 GOAL

2013 PERFORMANCE

-25% **-30.7**%

Our Goals

Improve eco-efficiency performance in line with our 2020 goals.

Establish Green Teams in all of our manufacturing sites.

Strengthen our employee health and safety programs.

2013 Progress

Exceeded our 2020 goals in two categories: water use and hazardous waste.

Implemented one- to five-year ecoefficiency action plans.

Developed scorecards to track usage and costs.

Expanded our employee Safety Imaging program, launched in Greater Asia in 2012, to other regions.

More than 75 percent of IFF manufacturing facilities now have Green Teams.



ENERGY / CARBON

On-site solar energy generation at our Hazlet, New Jersey, U.S. facility

Upgrades to lighting, chillers and steam boilers at several facilities reduce energy use

Sourcing of green electricity in multiple facilities



Product mix and process changes



MANAGEMENT SYSTEMS & SAFETY

Process safety and environmental management training in our Guangzhou, China, ensures good management practices

Green Teams instill cultural changes to reduce waste, water and energy



Energy Use

2020 GOAL 2013 PERFORMANCE

-20% -8.8%



Scope 1 & 2 GHG Emissions

2020 GOAL

2013 PERFORMANCE

-25% **-8.5**%

Percentage reductions from 2010 to 2013 are in per metric ton of production, excluding fleet vehicles

Looking Ahead

Continue to drive annual reductions in GHG emissions, energy use, water use, and hazardous waste per metric ton of production and reevaluate our 2020 water use and hazardous waste goals.

Establish of Green Teams at all IFF manufacturing sites.

Continue to rollout ISO 14001 certification and Sedex third-party audits at our manufacturing sites.

PILLAR OWNER

Francisco Fortanet SVP Operations

PILLAR LEAD

Mike O'Neal, P.E. VP Corporate Engineering & Safety

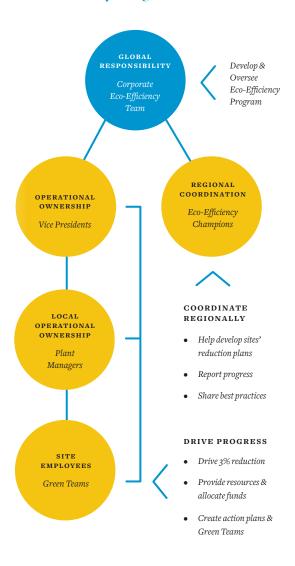
Embedding Eco-Efficiency

Eco-efficiency improvements allow us to use less energy and water and reduce waste while producing the same output, saving both natural resources and money. These efforts are the foundation of our strategy to reduce our environmental impact. In 2013, we enhanced our approach for managing eco-efficiency, and made progress at many of our sites. We believe that by becoming more efficient each year we can improve our operations, environmentally, socially and economically.

ECO-EFFICIENCY IN ACTION

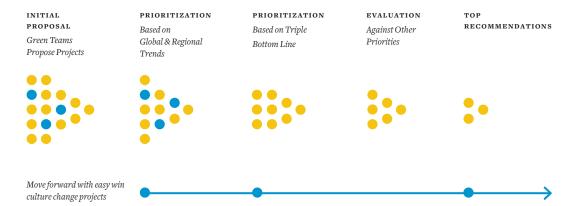
To further embed eco-efficiency in our operations in 2013, we enhanced our governance model to manage eco-efficiency. Under this more robust model, a cross-functional corporate sustainability team oversees the eco-efficiency program, analyzing data from our environmental management system and devising global strategies to improve eco-efficiency. At the regional level, our five regional Eco-Efficiency Champions confirm site environmental data and share best practices between sites. Plant managers, together with their Green Teams, develop reduction strategies, overseeing behavioral or capital projects to advance eco-efficiency. Green Teams, made up of employees with expertise and passion for sustainability, are crucial in developing and driving these site improvements. Operational vice presidents within each of our business units approve reduction strategies, allocate funds and resources for eco-efficiency projects, and hold plant managers and their Green Teams accountable for results.

Eco-Efficiency Integration Model



Improvements in eco-efficiency are essential for the well-being of our business and our world.

Our Eco-Efficiency Project Approval Process



HOW DO WE MEASURE OUR ECO-EFFICIENCY

Gathering actionable data is a critical part of our ecoefficiency strategy. Staff at both the corporate and facility levels collect and analyze our environmental performance metrics. In 2013, we developed an eco-efficiency scorecard to assess progress at the facility level. These scorecards compile key operational data, allowing us to track GHG emissions, energy, waste, water and their associated costs at each site. We use this data to monitor trends and strategically target our future eco-efficiency efforts. For instance, we determined that approximately 10 facilities in each category (waste, water, energy, and GHG emissions) account for the majority of our impacts.

REDUCING OUR IMPACT WHILE IMPROVING THE BOTTOM LINE

Sustainability-related capital and non-capital improvement projects benefit our Triple Bottom Line by generating financial savings while reducing our environmental impact and supporting the communities in which we operate. In 2013, we ranked all IFF sites based on their material impacts, and asked sites to propose improvement projects to reduce waste, water use, and energy consumption. Project examples include boiler upgrades and water efficiency investments.

Because we cannot execute all such projects simultaneously, each request is considered from a Triple Bottom Line perspective and ranked in terms of feasibility, return on investment, and overall environmental impact. We are happy to report that we have completed several milestone capital projects and have already developed a pipeline of projects for 2014 at sites around the world.

IFF'S ECO-EFFICIENCY CHAMPIONS

IFF's employees are the cornerstone of our sustainability efforts. Our Eco-Efficiency Champions, regional operations managers, and financial leaders monitor eco-efficiency progress through regular meetings which promote the sharing of best practices. Our employees demonstrate exceptional creativity and technological expertise, finding ways to increase eco-efficiency at our sites. We recognize these accomplishments at meetings and we plan to launch a formal eco-efficiency recognition program to further engage employees in 2014. IFF also holds key employees accountable for meeting our sustainability goals by embedding eco-efficiency performance metrics in their overall goals. Green Teams at our sites play a key role in identifying and implementing these environmental improvement projects.

Conserving Energy & Reducing Carbon Emissions

Our 2020 goal is to reduce energy use by 20 percent and Scope 1 and Scope 2 GHG emissions by 25 percent. To achieve this goal, we continually look to reduce energy use, advance energy efficiency efforts, use cleaner fuels and source renewable energy. A growing number of our sites purchase or generate renewable energy, which now accounts for over 25 percent of our electricity consumption worldwide. While these strategies are driving steady overall reductions, we know that our site-based GHG emission levels are sometimes altered by process changes and uncontrollable external factors.

Energy reduction is a key element of our eco-efficiency strategy—it strengthens our bottom line by reducing costs while lowering our GHG emissions. We are working toward achieving our energy goal in tandem with our GHG emissions reduction goal, targeting efforts on sites with the highest energy consumption. We are pleased with our progress since 2010 to reduce our energy use by 8.8 percent and our Scope 1 and Scope 2 emissions by 8.5 percent. This year we reduced our energy per metric ton of production from 10.06 gigajoules in 2012, to 9.63 in 2013. Consequently, we reduced our Scope 1 and 2 GHG emissions per metric ton of production from 0.85 CO₂e in 2012 to 0.83 in 2013.

IFF tracks Scope 1, 2, and 3 GHG emissions. Scope 1 covers direct emissions from sources that we own and control, such as the fuel we burn to create steam and heat our buildings. Scope 2 emissions are those we generate through purchased electricity and steam. Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in our value chain, including both upstream and downstream emissions. In 2013, we enhanced our GHG emissions tracking to include all Scope 1 and 2 emissions sources, including mobile sources, fugitive losses from refrigeration and wastewater systems, and process emissions.

We analyze our manufacturing processes by region, facility type, and fuel type, and use this data to find the greatest opportunities for emission reductions. Our ecoefficiency teams implement projects at the site level and track progress.

Some of the projects that help us reduce our energy use and GHG emissions include:

- Replacing chillers at our Tilburg facility in the Netherlands, reducing electricity use by over 43,000 kilowatt-hours per year.
- Upgrading lighting at our facility in Tlalnepantla,
 Mexico, that will reduce electricity by 1,120 kilowatts per year.
- Replacing a boiler at our Rio de Janeiro, Brazil, facility, which will save over 165,000 kwh in electricity and 50,000 cubic meters of natural gas per year.
- Installing motion sensors for the lighting in many of our manufacturing facilities and warehouses, including more efficient lighting fixtures in our Hazlet, New Jersey, U.S. facility that will save 620,000 kilowatt-hours of energy per year.
- Upgrading our wastewater treatment plant in Jammu, India, which will reduce summer fuel consumption by 50 percent.
- In May 2013, our Guangzhou, China, facility was recognized by the local government for their energy saving program.

WHY IFF SUPPORTS THE CARBON DISCLOSURE PROJECT

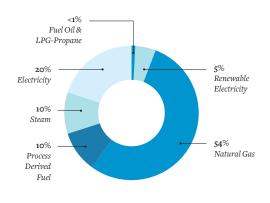
Reporting to the CDP has been central to IFF's carbon management strategy since 2010. We use the CDP to monitor our progress, compare our performance against global standards, and stay abreast of best practices. Our CDP score improved in 2013 — we achieved a B rating in performance and an 89 in disclosure on the 2013 CDP Investor Questionnaire, up from our 2012 score of 86. We also continue to respond to the CDP supply chain module. In 2013, we took a new step by reporting our Scope 3 GHG emissions from transmission and distribution losses of purchased utilities.

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Energy & Carbon Emissions Data

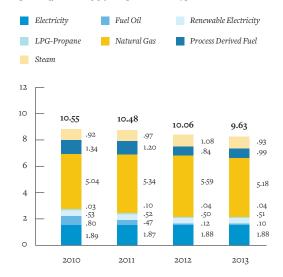
TOTAL ENERGY CONSUMPTION IN 2013

2,749,486.16 gigajoules*



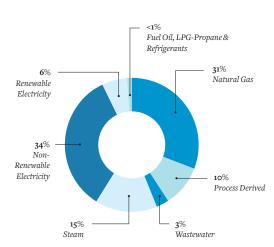
ENERGY CONSUMPTION BY TYPE, 2010-2013

per energy source in gigajoules per metric ton of production*



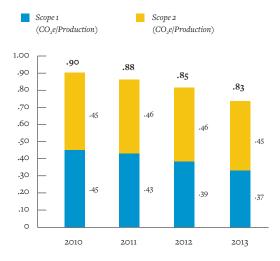
TOTAL STATIONARY SCOPE 1&2 GHG EMISSIONS IN 2013

235,635.31 metric tons*



SCOPE 1&2 GHG EMISSIONS, 2010-2013

in metric tons of CO₂e per metric ton of production*



^{*} Excluding fleet vehicles. In 2013, we restated our energy use, GHG emission and production data as we expanded the scope of our GHG emissions reporting and further enhanced our data collection systems. Values in graphs are rounded for clarity. Percentages are derived from nonrounded values. See our GRI Content Index for more information (3.7–3.10).

Conserving Water

Through the inventiveness of our employees around the globe, we discover opportunities to conserve water throughout the product life cycle, from product design through production. Water is a vital component of our operations and essential to our manufacturing processes. Using water efficiently benefits the communities in which we operate and contributes to our business success by reducing both risk and costs.

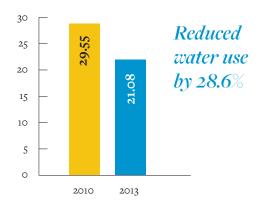
We are very pleased with our progress since 2010 to reduce our water usage and are tracking ahead of our goal. In-depth analysis of our water footprint has provided greater insight into the opportunities as well as the challenges in reducing water usage. As expected, we found that some of our facilities have much more intense water usage than others. This allows us the opportunity to focus our efforts in these areas for the most impact going forward. We also found that the challenge of having such intense water usage at those sites is that changes in production mix and even weather can have significant positive or negative impacts on our overall global water usage. With this in mind, we will continue to strive for permanent purposeful annual water usage reductions in pursuit of our long-term goals.

Using data gleaned from our eco-efficiency scorecards, one of the key 2013 successes was the clarification that our South Brunswick, New Jersey, U.S. flavors facility contributed significantly to IFF's global water consumption. With this knowledge, the local Green Team focused their efforts to reduce water use through improvements, such as the optimization of tank cleaning, efficient scrubber operations, and the elimination of a single-pass cooling. Going forward this site will continue to implement improvement projects that will decrease water use at the site, thereby reducing our global water footprint.

Water Intensity

2010-2013

in cubic meters per metric ton of production



* In 2013, we restated our 2010 water use and production data as we further enhanced our data collection systems. Values in graphs are rounded for clarity. Percentages are derived from nonrounded values. See our GRI Content Index for more information (3.7–3.10).

MAPPING OUR WATER FOOTPRINT

In 2013, IFF began reporting its water data and performance to CDP's Water questionnaire. As part of this process and to improve our understanding of our global water footprint, we utilized the World Resources Institute's (WRI) Aqueduct tool to map our water footprint, thereby guiding future water reduction initiatives. Through this reporting, we are improving transparency with investors and other stakeholders while gaining access to performance benchmarks.

In 2013, we took the next step in water responsibility by participating in the CDP's Water Program.

Reducing Waste

IFF uses many different chemical ingredients and processes to produce flavors and fragrances. Some of these can generate hazardous waste, which we manage carefully, following all regulatory guidelines to protect human health and the environment. We are working to reduce hazardous waste in order to lessen our environmental impact while also reducing waste management costs. Our sites are diligently looking for ways to reduce, reuse or recycle waste, from composting vegetative waste in Rio de Janeiro, Brazil to finding ways to develop waste as a sustainable fuel for our boilers in Haverhill, U.K.

We are very pleased with our progress since 2010 to reduce our generation of hazardous waste and we are tracking ahead of our goal. Similar to water, in-depth analysis of our hazardous waste generation has provided greater insight into opportunities as well as challenges. For some sites the generation of hazardous waste varies widely and is dependent on specific processes. Changes in production mix as well as the elimination or introduction of new processes can lead to wide fluctuations in hazardous waste generation. Understanding these trends has helped us to focus our efforts on the controllable portion of these processes in both the short and long term. Using this information, we will continue to strive for permanent purposeful annual hazardous waste reductions as part of our overall waste management plan.

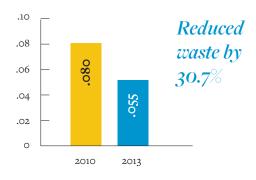
We have made good progress in extending the use of our environmental management tool to track the amount of industrial non-hazardous waste and wastewater generated by our operations. During 2013, we gathered this historical data and began the process of verifying it back to our baseline year.

Our commitment to green chemistry is helping drive these efforts by allowing IFF to use fewer hazardous raw materials in developing and manufacturing our products.

Total Hazardous Waste

2010-2013

 $in\ metric\ tons\ per\ metric\ ton\ of\ production$



^{*} In 2013, we restated our 2010 hazardous waste and production data as we further enhanced our data collection systems. Values in graphs are rounded for clarity. Percentages are derived from nonrounded values. See our GRI Content Index for more information (3.7–3.10).



Waste Reduction Highlights

- Our facility in Hangzhou, China, installed a new dry sludge apparatus that is expected to eliminate approximately 600 metric tons of hazardous waste per year.
- Our Haverhill, U.K. and Benicarló,
 Spain, facilities increased the amount
 of process-derived fuels used for the
 site's boilers, thereby reducing fossil
 fuel consumption.
- Our Haverhill, U.K. site alone reduced hazardous waste generation by 91 metric tons annually. We expect this facility to achieve more hazardous waste reductions through a project under way in 2014 that will modernize its propylene oxide recycling system.

Working to Protect Our Most Crucial Resource

Sustainability is as much about social responsibility as about protecting the environment. Keeping our employees safe and healthy is a top priority at IFF and a critical part of our sustainability agenda. IFF is committed to an accidentfree workplace, and we expect every employee to support this commitment. We have comprehensive safety policies and procedures to guide our employees and operations via trainings, regular inspections, and audits to ensure sites meet our standards. To build a lasting safety culture, all sites are expected to develop their local safety programs based on IFF global polices. Plant managers are ultimately responsible for employee safety and we hold them accountable by evaluating their achievement of safetyrelated key performance indicators (KPIs) and objectives. IFF also maintains safety management software to track accidents and injuries, recommended corrective actions and the implementation of those actions. Root causes and preventive actions are shared on our intranet site so that we learn from our mistakes, share best practices and continually improve. Our focus on stringent safety practices frees our workforce to be productive and engaged, helping IFF to innovate and thrive in the long term.

ENHANCING SAFETY THROUGH IMAGING

Our Safety Imaging program is an innovative form of behavioral training that uses images and video from IFF sites to promote best practices in safety. Safety Imaging facilitators lead sessions with small teams of employees, emphasizing that safety is the responsibility of everyone at IFF. The program launched in 2012 throughout our Greater Asia region and was rolled out in our Europe, Africa & Middle East, Latin America, and North America regions in 2013. We will continue to grow the program in each of these regions and build a base of competent Safety Imaging facilitators.

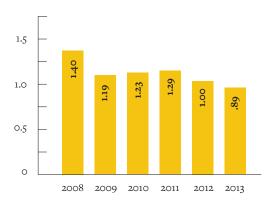
SAFETY PROGRESS IN 2013

During 2013, IFF employees worked to further embed safe practices in their workplaces around the world. A few examples are:

 In April and October 2013, we held week-long workshops in Taubate, Brazil, and Guangzhou, China, for EHS professionals, engineers, and managers in

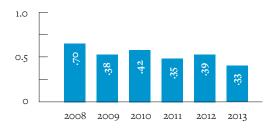
Total Recordable Accidents

per 100 employees



Lost-Time Accidents

per 100 employees



the region to enhance the group's understanding of process safety, worker safety, and environmental management.

- In November 2013, our facility in Jakarta, Indonesia, was recognized for exceptional performance for our occupational health and safety management systems.
- In Mexico, our facilities conduct biannual fire and earthquake evacuation drills with the Red Cross, the local fire department and a local environmental agency.
- In the Netherlands, our Tilburg facility upgraded their fire protection system and enhanced training on fire scenarios.

Assuring Through Certification

As we work to further embed sustainability across our operations, we often use external certification systems to validate our procedures and help guide any preventative and corrective actions we need to take. We utilize several organizations to verify the safety, social and environmental performance of many of our sites.

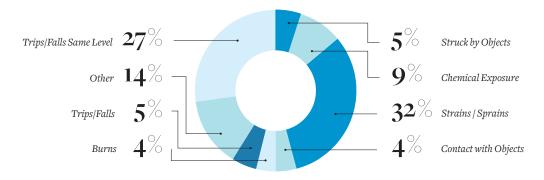
IFF's Environment, Health, and Safety guidelines align closely with the requirements of the ISO 14001 environmental management system standard. This framework helps us improve resource efficiency, reduce waste, and drive down associated costs, while assuring our employees and external stakeholders that our environmental impact is being measured and improved. Some of our facilities that achieved ISO 14001 certification in 2013, include our Guangzhou, China, and Jurong, Singapore, sites. By the end of 2015, we plan to expand ISO 14001 certifications at our major manufacturing facilities. In addition, our Jurong facility became certified in OHSAS 18001, an international occupational health and safety management system.

Jurong was recommended for certification in 2013 and received its certificates in early 2014. All of our flavors compounding facilities were certified according to the Global Food Safety Initiative (GFSI) standards during 2013.

In addition, we use the Supplier Ethical Data Exchange (Sedex) platform to verify that our sites maintain ethical and responsible practices, and to share data with our customers. Most of our manufacturing sites have completed Sedex Self-Assessment Questionnaires, and are in the process of completing Sedex third-party audits.

In 2013, IFF registered with EcoVadis, a collaborative platform enabling companies to monitor the sustainability performance of their suppliers. We are a member of the U.S. Green Building Council and continue to pursue green building practices at our sites globally. We are currently looking to pilot Leadership in Energy and Environmental Design (LEED) certification initiatives at several sites.

Lost-Time Accidents 2013



IFF is committed to an accidentfree workplace.

Star Powered

Our Hazlet Green Team is harnessing the sun to reduce energy costs and CO, emissions.

ave Smith, plant manager, and his local colleagues have long envisioned our Hazlet, New Jersey, U.S. facility as an archetype of renewable energy. "Due to our efforts over the past year, we will now have a lasting legacy in place. Our new solar installation is something tangible, long-lasting and eco-friendly, and I'm very proud of that."

The major solar installation, which was conceived and began construction in 2013, is planned to open in spring 2014, and is a first for IFF. It will prevent greenhouse gas emissions equivalent to planting approximately 2,600 acres of trees a year.

"At first, the scale of the project was a bit daunting,"
Dave says. "But as we looked into it further, everyone
agreed — from the Chairman and CFO down — that it was
the right thing to do."

People at IFF were really excited to be part of this project: it became and continues to be a real cross-functional team effort. Dave joined forces with IFF's Office of Sustainability as well as local and corporate team members including IFFers from finance, legal, operations, engineering and procurement to bring this project to fruition.











The photovoltaic solar installation is the industry's largest, featuring more than 16,000 ground-mounted modules, is expected to supply approximately 40 percent of the site's electricity. The clean energy generated will reduce the site's carbon dioxide emissions by approximately 3,200 metric tons annually.

The Hazlet solar team secured approvals from multiple state agencies and going forward is investigating a partnership with the Wildlife Habitat Council to create a protected natural habitat as part of the project.

While the installation is projected to reduce the site's energy costs, the benefits go well beyond financial sav-

ings and are a source of employee pride. With employee awareness of energy issues growing and sustainable practices becoming embedded behaviors, the site has also pursued recycling, composting and energy efficiency projects.

"People in Hazlet and around the IFF world are really excited about the installation," says Dave. "As soon as we are fully operational, we will share our learnings with other IFF sites around the world that want to follow suit." Dave Smith is on board and will enthusiastically promote the development of alternative energy sources while leading Hazlet further down the sustainability road.

"We evaluate each project from a Triple Bottom Line view and the solar project was the perfect balance of all three, making it truly sustainable."

Kevin Berryman, EVP & Chief Financial Officer



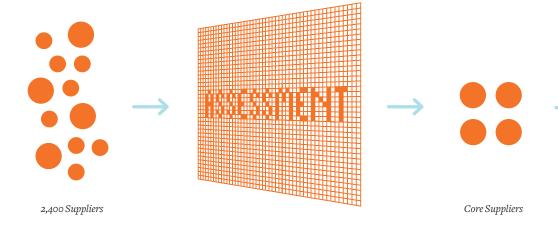
Our Sources

How do wo with our st



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Supply Chain

We use Sedex to drive improvements in our supply chain, focusing our efforts on suppliers who can benefit the most.

Our Goals

Require that our major suppliers have been assessed through Sedex by 2015.

Assess our supply chain for vulnerable raw materials, and develop and advance policies to ensure long-term supply chain resiliency.

Establish long-term community partnerships to ensure our supply of natural materials is socially and environmentally sustainable.

Enhance our portfolio of sustainable ingredients.

2013 Progress

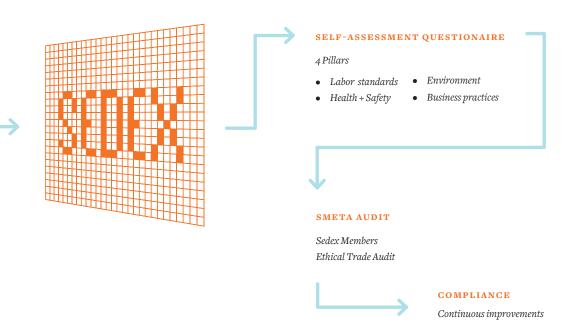
Increased the number of suppliers registered with Sedex and continued to work with them on Self-Assessment Questionnaires and associated audits.

Continued our commitment to sustainable palm oil sourcing through engagement with the Roundtable for Sustainable Palm Oil (RSPO).

Identified our top 20 most vulnerable natural raw materials and began a process of in-depth risk assessment.

Continued to strengthen our partnerships with suppliers and local communities and identified opportunities for collaboration in Haiti and Madagascar.

Developed our first Natural Ethics $^{\text{TM}}$ product, Bourbon vanilla from Madagascar.



Looking Ahead

Continue to drive improvements in our supply chains with Sedex, focusing our efforts on suppliers who can benefit the most.

Review and update our policy on palm oil to ensure it reflects current information and trends.

Complete our assessment of the top 20 most vulnerable natural raw materials and target areas for improvement within the supply chain.

Develop a pipeline for expanding our portfolio of sustainable ingredients, including Natural Ethics.

PILLAR OWNER

Francisco Fortanet SVP Operations

PILLAR LEAD

Carmelo Pennestri VP Global Procurement

Engaging with Suppliers

VENDOR MANAGEMENT PROGRAM

Upholding the integrity and resilience of our supply chain is fundamental to IFF's business success, today and tomorrow. We earn our customers' trust by demonstrating that we protect and respect their brands. Central to this commitment is developing and maintaining an ethical and responsible supply chain. We select the sources of our ingredients with great care and conduct quality inspections to verify our vendors' ability to deliver products that meet our strict requirements.

One of the guiding principles of our Global Quality Policy is focused on sourcing consistent, high-quality ingredients. Through the use of our sophisticated risk management process, vendor development programs and analytical capabilities, we carefully select the sources of our ingredients. Through quality inspections, we verify our vendors' ability to deliver products that meet our global specifications for material and service requirements.

At the heart of our relationship with suppliers lies our Vendor Code of Conduct. IFF is committed to operating our business with the highest standards of ethics, honesty and integrity, and we select and treat our vendors and suppliers fairly and objectively. As a condition of doing business with IFF, vendors must adhere to the Vendor Code of Conduct, which outlines our expectations for suppliers.

Our Vendor Management Program requires new suppliers to undergo audits of their business operations to confirm that they meet IFF's requirements and standards, and existing suppliers undergo periodic audits. The audits, conducted by specially trained IFF staff, are holistic in nature and broad in scope. We are interested not just in verifying a vendor's performance, but in working closely with them to help them align with our philosophy and our requirements. We provide training on legislation and on how we use their products, helping them on their path of continuous improvement. Our farm-to-factory approach means that we are looking upstream in our supply chains to thoroughly understand where our ingredients come from.

To confirm this commitment, in 2013, we added resources to our dedicated auditing team. The goal in 2014 is to increase the number of vendor audits we conduct to cover the majority of our global spend.



Our Vendor Management Program

- New suppliers undergo audits of their business, quality, and technical systems
- Existing suppliers undergo periodic audits
- Special testing programs are employed to detect and prevent contamination and other irregularities from entering our raw material supply
- Regulatory and other issues affecting the flavor and fragrance industry are proactively monitored
- Our Quality, Strategic Sourcing, and Global Regulatory Affairs teams collaborate and coordinate to bring the right raw materials into the IFF system

SEDEX

At the core of our sustainable sourcing strategy is the Supplier Ethical Data Exchange (Sedex). Sedex is the largest collaborative platform in the world for sharing supply chain data and focuses on reducing risk and driving improvements in the performance of our suppliers in the areas of social, environmental and business practices.

We began our journey with Sedex in 2010, and the critical first steps were to make sure that our own procurement and vendor quality management teams had a good understanding of the Sedex platform. Our procurement professionals continue to work closely with our suppliers as they register with Sedex, complete the Self-Assessment Questionnaire and undergo external third-party audits to ensure compliance with the Sedex standards. These audits will help us further embed sustainability through our supply chain, reduce risks, and enable collaboration to reduce social and environmental impacts. We are focused on our core suppliers and we will continue to actively engage them in the Sedex process. We believe this comprehensive approach based on continuous improvement will help us establish a supplier base that meets not only IFF's sustainability requirements, but also those of our customers.

Improving Supply Chain Resiliency

UNDERSTANDING SUPPLY RISKS

Transparency and traceability in our supply chain are critical to the sustainability of our business. We are committed to building trust among all stakeholders in our supply chain by forging long-term relationships, conducting rigorous audits, and assessing the quality and environmental footprint of major raw materials.

The Sedex platform is a highly effective tool to help IFF manage our vast global network of supply chain partners. But we also depend on a smaller group of suppliers for a range of high-value natural raw materials that are especially vulnerable to environmental, social and economic risks. These natural raw materials, which

often grow in fragile ecosystems, can be especially sensitive to the impacts of climate change. In addition, they come from communities where there are significant opportunities to improve the livelihoods of farmers and their families through ethical, long-term relationships. An in-depth understanding of the sustainability risks associated with these materials is essential to help us manage our supply chain risk, and identify the greatest opportunities for positive impact.

In 2013, we conducted a sustainability risk assessment of the 20 natural ingredients identified by our procurement experts as the most significant to our business and most likely to represent risk. In collaboration with outside experts in sustainable agricultural development, the



Sustainability Risk Assessment

Key Risk Factors Evaluated

- Wages & Local Economic Issues
- Biodiversity & Land Use
- 3 Waste
- 4 Toxicity
- 5 Water
- 6 Air Emissions
- 7 Carbon Footprint

- 8 Discrimination
- 9 Health & Safety
- 10 Forced Labor
- 11 Freedom of Association
- 12 Child Labor & Schooling
- 13 Working Hours

In 2013, we assessed risks to the 20 natural materials most essential to our business so that we can help conserve them.

materials were analyzed from cultivation to harvest and through the primary processing stage, and a risk profile was created for each one. The assessment process looked at several key indicators for the specific crops and their countries of origin, including working conditions, agronomic practices, agrochemical use, waste management and ecosystem damage.

With the risk profiles in hand, our next step was to develop a specific questionnaire for the suppliers of these ingredients. The questionnaires have been developed and will be distributed to our suppliers in 2014. Our goal is to understand what policies, practices and activities our suppliers already have in place to mitigate the risks that we have identified. The results of the questionnaire will help us develop sourcing strategies that are tailor-made for each ingredient and each supplier.



IFF's Position on Palm Oil

Palm oil and its derivatives are used minimally in our products. However, it is an ingredient that is linked to significant sustainability issues including deforestation, loss of biodiversity and workers' rights. IFF continues to be an active member of the Roundtable for Sustainable Palm Oil (RSPO) and in 2013 we developed and published our position on palm oil sourcing. It is our intention to move toward the use of certified sustainable palm oil (CSPO) or its derivatives by 2015, provided sufficient material is available in the market place to meet our demand. We buy palm oil from RSPO members and our dedicated palm oil team monitors developments in the palm oil industry. In the interim, we are buying according to the mass balance system when available, removing palm from ingredients we purchase, and using palm-free alternatives.



Partnering with Communities



Our commitment to sustainability extends to the communities at the very start of our supply chain. When we source raw materials from economically and ecologically fragile areas, we want to ensure that we work in a way that benefits developing communities and conserves resources for future generations. To meet these goals, in 2012 we announced a commitment to develop a portfolio of sustainably sourced products called Natural EthicsTM.

Through the Natural Ethics program, IFF will meet the needs of our customers by delivering a sustainable supply of traceable, ethically sourced targeted ingredients while supporting farming communities around the world. We have committed to identifying and introducing one new Natural Ethics type ingredient each year, supported by a community partnership.

Natural EthicsTM Vanilla



In collaboration with our supply chain partner in Madagascar, in 2013 we successfully met our goal of developing IFF's first Natural Ethics™ product, Bourbon vanilla. Farmers in cooperatives in the Sava region

actively participate in the program, and the first shipment of Natural Ethics Vanilla will be delivered to IFF in the second quarter of 2014.

The Natural Ethics program was developed not only to provide high-quality, traceable and sustainable vanilla to our customers, but also to address the most pressing issues in the local farming communities. Through the Natural Ethics Vanilla program, we pay farmers premium prices and invite them to share challenges faced by their communities so we can assist in developing sustainable solutions. Some of the issues on which we are taking action include health services, access to education, and living conditions.

Because farmers do not have access to credit, their decision to harvest vanilla is dictated by their need for cash in preparation for national holiday celebrations and to pay for school fees. As a consequence, farmers often harvest the beans before they reach full maturity. Through an innovative pre-financing model, the Natural Ethics program encourages farmers to harvest the vanilla beans when they have reached full maturity, giving IFF access to the highest quality vanilla beans while ensuring that farmers are able to meet their own financial needs.

To ensure traceability in the supply chain, the participating farmers are linked directly to curers that are dedicated to the Natural Ethics program and have been trained on quality management. The procedures and controls for product segregation, traceability and quality have been developed and documented by Bureau Veritas, a global leader in testing, inspection and certification. Regular audits will be conducted against these procedures to confirm ongoing compliance.

IFF will continue to source Natural Ethics Vanilla and our goal is to increase our volumes over time, bringing the benefits of the program to additional cooperatives in Madagascar.



In 2013, we developed IFF's first Natural Ethics product, Bourbon vanilla, working with farmers in Madagascar.

IFF-LMR[™] Naturals: Protecting Ingredients Locally & Globally



Sustainable sourcing is not new to IFF. For more than 20 years, IFF-LMR™ Naturals has worked closely with farmers to help them cultivate and harvest plants with respect for the environment. We work closely with farmers, helping to ensure sustainable livelihoods through collaboration and innovation both in the field and during the process of transforming naturals like rose, jasmine and blackcurrant bud into pure oils

and absolutes. We work with third-party certification programs to help ensure that our supply chain is ethical and sustainable and our portfolio includes a selection of certified organic ingredients. As consumers seek more information about the origin of their products, we are working closely with our suppliers and our customers to align on sustainability requirements that benefit everyone in the value chain.





PROTECTING INGREDIENTS: NARCISSUS IN FRANCE

LMR is the only manufacturer in the world that extracts fresh narcissus (Narcissus poeticus) for perfumery. Also known as Poet's Daffodil or Poet's Narcissus, this fragrant flower is widely naturalized in Europe and the United States, but grows in the wild in the Aubrac region in southeastern France — just 400 kilometers from Grasse. The area is a botanist's dream, with arnica, gentian, elder-flowered orchids and calamint transforming the landscape into a constellation of flowers during the summer months. Depending on the elevation, narcissus typically blossoms in late May or early June, blanketing the pasturelands in white and filling the air with a sweet floral aroma. The flowers are extremely fragile and were traditionally harvested using a handheld comb. LMR

has worked closely with the farmers in the region since the 1980s, and over the years developed and introduced new harvesting techniques to help the farmers efficiently gather the delicate flowers — a notable development especially considering that 1,500 kilograms of fresh flowers are needed to produce just one kilogram of concentrated extract. The most recent technology is a harvesting machine that has significantly multiplied speeds, helping farmers and ensuring a high-quality product. By sharing this technology, we are helping to conserve biodiversity in the region and creating alternative sources of income for the local community while protecting our supply.



PROTECTING INGREDIENTS: VETIVER IN HAITI

LMR also works to ensure the sustainable cultivation of plants as far afield as Haiti — 7,000 kilometers from Grasse. The oil produced from the roots of vetiver (*Chrysopogon zizanioides*) — a perennial grass native to India — is a common ingredient in perfumes and one of the key natural ingredients sourced by IFF. Haiti produces what is considered to be the best vetiver in the world, but due to economic pressure, farmers often harvest the roots before they are fully mature, leading to low

prices, poor oil yields and soil erosion. IFF is proactively working in Haiti to strengthen our relationship with our vetiver suppliers, sharing our technical expertise to help improve yields and oil quality. As members of the Natural Resources Stewardship Circle (NRSC), a not-for-profit organization founded by leaders in the beauty, flavor and fragrance industry committed to the goal of responsible sourcing of natural ingredients, we are working with our vetiver suppliers to ensure that they will comply with the specifications laid out by the NRSC for fully traceable, sustainable and high-quality product.

By helping farmers around the world build sustainable livelihoods, we bring benefits to nature, society and our business.





BENICARLÓ, SPAIN

Sense & Sustainability

Our state-of-the-art pilot plant in Benicarló is testing new technologies to enable eco-efficient scale-up at our facilities worldwide.

elio Serrano Gonzalez and Monica Diaz Sierra both like to think big and make a difference. And as site manager and technical director respectively at IFF's facility in Benicarló, Spain — likely the world's largest fragrance ingredients manufacturing site - they are doing just that. Together, they lead efforts to embed sustainability across the site's nine plants and approximately 700 products. In May 2013, IFF opened a new pilot plant and laboratory facilities in Benicarló.

According to Helio, "There are many opportunities, but the Benicarló team's goal is simple — to make our manufacturing process and operations, in the broadest sense, more efficient and sustainable tomorrow than they are today." For Monica, sustainability provides an outlet for her passion to make a difference beyond the site's boundaries. "It's exciting and inspiring to know that what you do at work - greening IFF's processes and products — has a positive impact on the lives of people all around the world."

Below, Helio and Monica describe their approach to reducing energy, waste and water and piloting new technologies for IFF's manufacturing facilities of the future.

What approach are you taking to be more efficient?

HELIO: One of our guiding principles is to develop more cost-effective processes that help us stay competitive

"Our pilot plant is testing new technologies and processes to reduce our eco-impact. The best methods we identify will be adopted and implemented at our manufacturing facilities in other regions, contributing to longterm sustainability and cost efficiency."

Helio Serrano Gonzalez











while also achieving our 2020 sustainability goals. We make smart choices about where we invest in efficiency projects and make sure we maximize the benefits. Our protocols are very broad — using approximately 1,500 different chemical processes. So our eco-efficiency and green chemistry solutions need to work across products, processes and locations as we build scale without increasing our footprint.

How does the pilot plant opened in 2013 at Benicarló support your sustainability strategy?

HELIO: Sustainability is a long-term commitment at IFF. Our pilot plant is testing new technologies and processes to reduce our eco-impact. The best methods we identify will be adopted and implemented at our manufacturing facilities in other regions, contributing to long-term sustainability and cost efficiency as we scale up. It's a big investment for IFF and a great opportunity for us to better serve our creative teams and our customers in our combined efforts to reduce environmental impact.

How is eco-efficiency transforming production?

MONICA: I oversee the chemists and engineers that implement new molecules and production processes. Our commitment to using the Principles of Green Chemistry leads to a reduction of raw materials, energy and waste during production. It's a way of thinking that has transformed the way our chemists do their everyday work.

How have people at the site responded to these sustainability efforts?

HELIO: Our people are very excited. Our chemists have a true sense of purpose knowing that the work they do in the lab has a significant beneficial impact on the world outside.

MONICA: Collaboration is an integral part of the IFF culture and has helped us to work together to meet our sustainability targets. Everyone contributes and we provide a platform to encourage this — from offices to laboratories to the factory floor.





"Everyone contributes and we provide a platform to encourage this—from offices to laboratories to the factory floor." Monica Diaz Sierra





Our Global Reach

Engaging our employees through volunteer efforts to enrich local communities and establishing Green Teams at our manufacturing facilities.



Green Teams North America and Latin America

- 1. South Brunswick, New Jersey, U.S.
- 2. Hazlet, New Jersey, U.S.
- 3. Jacksonville, Florida, U.S.
- 4. Tlalnepantla, Mexico
- 5. Rio De Janiero, Brazil
- 6. Taubate, Brazil
- 7. Garin, Argentina

Our Goals

Develop and deploy a Sustainability Training and Education Program (STEP).

Develop and launch a new component of our employee recognition program that highlights sustainability contributions in our manufacturing facilities.

2013 Progress

Engaged employees in Sustainability 101 training through in-person sessions and via our Global Learning Center (GLC).

Provided employees with in-depth sustainability training in areas such as eco-efficiency and green chemistry.

Moved forward with formalizing our Employee Value Proposition (EVP).

Established the framework for a formal operations sustainability recognition program.

Green Teams Europe, Africa & Middle East and Greater Asia

- 8. Haverhill, U.K.
- 9. Tilburg, the Netherlands
- 10. Aumont-Aubrac, France
- 11. Grasse, France
- 12 Benicarló, Spain
- 13. Gebze, Turkey
- 14. Cairo, Egypt
- 15. Isando, South Africa
- 16. Jammu,India
- 17. STM Chennai, India
- 18. TMD Chennai, India19. Zhejiang, China
- 20. Guangzhou, China

OUR PEOPLE

- 21. Jurong, Singapore
- 22. Jakarta, Indonesia
- 23. Dandenong, Australia

Looking Ahead

Complete Sustainability 101 training for 30 percent of our global workforce by 2014 and 50 percent by 2015.

In conjunction with the launch of the operations sustainability recognition program, formally recognize manufacturing Γ

Continue to incorporate sustainability-related goals for relevant employees in their Performance Management Process & Development (PMP&D) objectives.

Continue to engage our employees globally to take action locally.

PILLAR OWNER

Angelica Cantlon SVP & Chief Human Resources Officer

PILLAR LEAD

Francoise Caraguel VP Global Learning & Talent Development

Our Employee Value Proposition

At its heart, an Employee Value Proposition (EVP) is a consistent experience that is offered to people in exchange for their performance and productivity. Our EVP frames all our efforts to create an environment where the right people are attracted to IFF, are offered outstanding professional and personal growth opportunities, and where their long and rewarding careers benefit us all. But for us, it is so much more than that.

Our EVP is values-focused. We believe that the right values, appropriately defined for our many cultures and with clear behavioral expectations, will support and foster a culture where our people — and IFF — will thrive. We believe that values influence behavior and behavior influences performance. And we believe that our values, and the way they are embraced and expressed by our people, are a key component of our long success. For 125 years, IFF employees have thrived in an environment that fosters our core values — passion, creativity, expertise and empowerment. Our values were defined by our people, are ingrained in our culture and express who we are.

BRINGING OUR VALUES TO LIFE

Our values are more than words on a page. They are alive and evident in our everyday actions. We understand the importance of maintaining a culture that people love.

In 2011, we began the formal process of identifying the values that matter the most to our people. In 2012, we formed a task force to evaluate how to bring these values to life throughout our organization. And in 2013, we executed a focused and concerted effort by appointing Carol Brys as our dedicated project leader of our EVP and forming a cross-category, cross-regional and cross-functional team to build on the work of the task force.

This extensive effort included a values survey that was sent to virtually all IFFers. We had a 35 percent response rate, with participation from each of our four geographic regions. We wanted to capture their current understanding of our values. And we wanted to touch the hidden pockets of our employee population, so the survey was translated into 13 languages including several translations

done by our HR business partners. For those without daily access to computers and email, we hand-delivered hard copy versions of our survey. We reached out to, and heard from, people at every level of the organization, ranging from sales offices to factory floors to creative centers and laboratories.

We followed up with focus groups in every region to probe further. Our employee focus groups helped us create meaningful definitions of the values that apply to all our people, no matter what their role. For example, when a perfumer is passionate about creating a new scent it manifests itself very differently than the passion displayed by someone on the line in one of our manufacturing facilities or someone developing a new systems application, but they all have to have it. We probed our manager population to understand what behaviors were associated with each core value so we can share these expectations with our employees. This is a first step toward fully embedding our values into our processes, ensuring that our values are more than wall decor.

Our plans for 2014 include creating a visual and verbal brand for our values that will be embedded in all appropriate IFF materials and communications. To ensure a global understanding of our values and the expectations they influence, the values will be embedded in all our recruiting, training and development, talent management and succession planning materials. We will also implement a global recognition program that rewards the behaviors that are consistent with our values.

At IFF, our people are an integral part of our sustainability strategy. Our well-articulated sustainability stategy, along with our EVP strategy, is a key differentiator for the company in recruiting talent. As we celebrate our 125th anniversary in 2014, we honor our long culture. We honor those who came before us, whose values we share. We are proud to stand on the shoulders of these giants of our company and of our industry. And we believe that the formal embedding of our values will foster the continued development of giants at IFF for the future.





Developing Our Most Critical Resource

By fostering a learning culture at IFF, we strengthen our commitment to employees and enable them to excel professionally. Our approach prioritizes learning on the job, as well as formal training, in accordance with our learning model:

- Most learning happens through on-the-job experiences.
- Some learning occurs through informal networks, feedback, and day-to-day engagement.
- Formal training, although needed and important, accounts for the smallest proportion of learning.

ENSURING SUCCESS FROM THE START

New employees participate in our daylong onboarding program, which we developed and piloted in North America in 2010. Orientation to Business provides new employees with an introduction to our leadership team and an overview of IFF's strategy and organization through live presentations and group activities. The Orientation includes a component dedicated to sustainability, where participants work in cross-functional groups, simulate Green Teams and learn about IFF's sustainability strategy. In North America, over 100 new employees completed Orientation to Business training in 2013. We have rolled out this program to other locations where our employees are onboarded via local management and introduced to our corporate leadership and sustainability strategy either in person or by prerecorded video presentations.

GLOBAL LEARNING CENTER

In March 2013, we launched our online Global Learning Center (GLC). This multimedia learning platform was designed to enhance employees' formal learning opportunities and features more than 130 learning sites, with topics ranging from business and management skills to analytical chemistry. Available to all employees, the GLC is designed to be a collaborative learning environment, featuring live discussion boards and other features to encourage active learning. Since the launch, more than 570 employees have enrolled in over 100 courses on the GLC.

SUSTAINABILITY TRAINING AND EDUCATION

Ongoing training and education of our people on our sustainability strategy and sustainable behaviors and best practices is a key ingredient to fully integrating sustainability across IFF. To support this, the Global Learning Center includes learning sites dedicated to sustainability. One feature is a "Sustainability 101" module, available to all IFF employees, which explains how we developed and formalized our sustainability strategy, provides an overview of the four pillars and describes our sustainability governance structure and key stakeholder groups. It is also a call to action for our people to become actively involved in sustainability at IFF. In 2013, we also engaged our employees through specific formal training in courses on green chemistry, eco-efficiency, and Sedex supplier management.

We also took steps to enhance our knowledge and address challenges we encountered in compiling data from our global eco-efficiency programs during 2013. Operations and finance teams at our manufacturing sites were trained on eco-efficiency indicators, the financial

Sustainability 101 is a call to action for our people to become actively involved in sustainability at IFF.

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drivers behind them, and how to use an environmental management system. The training program is designed to create uniform, automated protocols and enable easier comparisons of key environmental performance metrics between sites. Consequently, we saw great improvements in this area in 2013 and are pleased with the enhancement of our fact-based data to support Triple Bottom Line decisions.

RECOGNIZING EMPLOYEE EFFORTS

Our local sites have recognition efforts in place to acknowledge employees for advancing our sustainability strategy. Additionally, we are currently exploring a recognition platform as part of the company-wide effort to promote our values and related behaviors. By the end of 2014, our goal is to have a global employee recognition program in place as a key component of our Employee Value Proposition.

Going forward we plan to establish a team to recognize superior eco-efficiency performance within our manufacturing organization. The team will develop a comprehensive set of facility performance metrics — both quantitative and qualitative — to assess and measure the impact of employees' efforts; review facilities against these performance metrics; and recognize high-performing facilities and the associated employees for their efforts annually.



Green Teams in Action



At the heart of our sustainability efforts are our people. In 2013, we took steps toward meeting our 2020 ecoefficiency goals by increasing the number of formal Green Teams at our manufacturing facilities worldwide. Our Green Teams are also increasingly pursuing activities beyond eco-efficiency, such as engaging local communities and working with suppliers to use greener fuels in transporting products. We aim to have a Green Team in place at every IFF manufacturing site by 2015.

Each IFF plant manager is responsible for forming Green Teams to help them achieve facility level sustainability targets, and their success at doing so will be incorporated in their annual performance evaluation. The composition of Green Teams varies based on each facility's needs. Some employees proactively join, while others are hand-selected based on their expertise and track record of completing complex projects. Creating a Green Team with the right balance of expertise is critical to develop effective site-specific strategies to reduce their water and energy use, as well as waste. It also reinforces our approach to implement our global strategy locally.

More than 75 percent of our manufacturing facilities have active Green Teams, including our flavors compounding facility in South Brunswick, New Jersey, U.S. With more than 140 years of combined experience at IFF, the 10-person team has led the way for transforming one of IFF's biggest water users into a model of $\rm H_2O$ efficiency and implementing innovative solutions to waste management.

Below, the Green Team shares highlights of their experience.

ABOUT THE SOUTH BRUNSWICK GREEN TEAM

Ray Crouse

Our Green Team is composed of representatives from all the different departments at the plant, from spray drying to distillation and extraction. We pulled together to brainstorm solutions that can have the biggest impact, with everyone offering their time and expertise.

Lou Wesolowsky

I have been with IFF for over 30 years, and can see that our Green Team is helping to create a real shift in the way people work. Being green is now part of the IFF culture.

Being green is now part of the IFF culture.

Mark Delendra

As a newcomer to IFF, it's really exciting to see the company's greening efforts, and to have an opportunity to contribute ideas.

The 10-person team has led the way for transforming one of IFF's biggest water users into a model of H,O efficiency.

GREEN TEAM WINS

Wayne Siegwarth

Water use was a key focus area. We are a large plant and the second biggest water user at IFF, so it made sense to concentrate our efforts there. The scrubber systems take the air from each department at the plant and scrub it clean before it's released into the atmosphere. It's a very water-intensive process, so we developed a system to monitor water levels to ensure that the systems are performing at optimum efficiency levels.

Walter Anderson

The biggest game changer was introducing a high pressure cleaning system in the reactions department. We now use a water hose with pressure that is three times higher than what a fire truck uses, so cleaning is faster and more efficient.

Rich Kiray

Other quick wins include eliminating water-intensive heat exchangers in the emulsions department, and introducing a dust collection cleaning device which used five gallons of water a minute. In both cases, we connected the areas into more efficient, low water systems elsewhere in the factory.

Russell Thomas

Water reduction reduces costs as well as water use and can also make the production line more efficient. There is a Triple Bottom Line benefit to a lot of these water projects.

David O'Chat

Another key focus area is waste management. We implemented a comprehensive waste segregation program that yielded a 11 percent reduction in hazardous waste in the first three months alone. We also located a vendor specializing in repurposing non-hazardous food waste for organics recycling, which diverted the majority of our nonhazardous food waste from the landfill.

SHARING KNOWLEDGE TO BE EVEN MORE GREEN

Kevin Byrne

We use TV screens throughout the factory to track daily water consumption and raise awareness with everyone working at the plant. This gives all employees the opportunity to see our performance, keep eco-efficiency top of mind and take action at every opportunity. Our employees really like to get involved in these types of initiatives, because they know their work will make a difference.

We now have best practices in place for water conservation that other sites can roll out.

Thomas Noesner

We identified a range of opportunities for improving our eco-efficiency, in particular around water. We now have best practices in place for water conservation that other sites can roll out. We are carefully monitoring our performance, and the data helps drive the process of continuous improvement. Our efforts are already paying off and our Green Team is motivated to do much more.

People Development



We want our employees to excel in their jobs and to build long-lasting careers at IFF. To help them succeed, we provide an array of career progression opportunities. Many of our 6,000 employees have made significant professional advancements since they joined IFF. We will continue to invest in career development opportunities to help retain employees' loyalty and cultivate the next generation of IFF leaders.

CAREER LADDERS

IFF has a strong preference to promote from within and supports that philosophy with a series of career ladders. Each career ladder provides our employees with specific expectations with respect to knowledge, experience, skills, competencies, and performance at each level of their careers. This information guides our people to understand the expertise and behaviors required for promotion, and helps them identify areas for improvement.

Since 2012, we have been developing comprehensive career progression guidelines for more than 15 different

functional specialties. One noteworthy example in 2013 was the rollout of a career ladder for our Scent Design Group (previously known as the Fragrance Development Group). Our approach, based on our Creative Excellence Model, involved an intensive review of the skills and experience levels of current employees to identify what is needed to meet the changing demands on this talent pool. We changed the name of the group to more accurately reflect their current and future contributions to the fragrances creation process. We developed new guidelines on the skill sets required to provide clarity, transparency and guidance so our employees know what they need to accomplish to excel.

In 2013 we established IFF's first Scent Design training program, launched in Brazil. The first group of trainees were selected internally and represented seven different countries. After an intensive multi-month training experience, the graduates were sent to IFF creative centers around the world. It was a truly global experience and we look forward to repeating the process in 2014.

MANAGING FOR CONTINUED SUCCESS

Each IFF employee works with his or her manager to create work objectives that support our strategic pillars and our core business priorities, as well as their professional development objectives. Employees dialogue regularly with their managers and progress is formally evaluated twice each year with our online performance management documentation for both the employee and manager. In 2013, we met our goal of having 100 percent of our eligible employees with defined objectives and development plans.

FLAVORISTS AND PERFUMERS TALENT PIPELINE

The future of IFF depends on cultivating a robust, talented pipeline of flavorists and perfumers.

Training Tomorrow's Flavorists

To enhance our talent pipeline, we piloted a virtual Flavorist School. Participants are engaged around the world to learn a global curriculum that is combined with local mentoring to help our high-potential employees develop and enhance their skill sets over the course of this multi-year program.

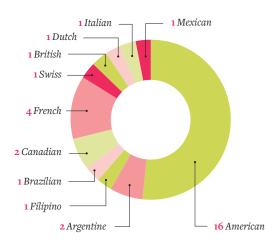
Perfumery Training in New York

The IFF Perfumery School, established in the New York Creative Center in 2000, has a stellar reputation and record for training aspiring perfumers. In 2013, a new class was assembled from our creative centers in all four regions. IFF makes a significant investment in the identification and training of tomorrow's perfumers to maintain our competitive edge in the creation of fragrances for a wide variety of products, from fabric care to personal wash to fine fragrances.

THE NEXT GENERATION OF IFF LEADERS

IFF's leadership is composed of a global, diverse mix of individuals with the passion and expertise to lead, inspire, and motivate our employees. We offer comprehensive leadership development training courses to frontline leaders and managers in every region, providing opportunities for high-performing IFF employees. In 2013, we provided

Global Executive Diversity



workshops in our Leadership Essentials Acceleration, People Leadership and Organization Leadership Programs.

In addition, we provide participation in our Mastering Business Agility program to a select group of high-potential emerging leaders. Mastering Business Agility is our customized, collaborative program with INSEAD, an international business school located in France. One class group is completed and the second is in process. Of those selected, more than 20 percent have been promoted since the inception of the program. In terms of diversity, we have tripled the number of high-potential women as participants in our second program.

The attendees are grouped cross-functionally and cross-regionally to work in teams on business challenges shaped into action learning projects. Several of these projects are currently being implemented within IFF's strategic plan in various regions. Each member of the IFF Operating Committee sponsors a learning project which contains a critical business challenge with the potential to result in a significant impact to our business. These projects include exploring new business opportunities, new markets and enhanced profitability models.

In December 2013, to further extend and embed the lessons and applications from the Mastering Business Agility program, IFF offered a three-day learning program to 70 of IFF's senior leaders. INSEAD faculty conducted this session focused on leadership, innovation and strategic execution.

Giving Back Is in Our Nature

The success of our business depends on healthy, vital communities where people prosper and nature thrives. The passion IFF employees bring to their jobs every day extends beyond our walls to the neighborhoods where they live and work. Our people give back to their communities through a variety of volunteering efforts and philanthropic giving.

THE IFF FOUNDATION

IFF operates the IFF Foundation, a 501(c)3 entity through which we fund causes that resonate with our employees and align with our business objectives.

In 2013, the IFF Foundation made contributions to organizations such as Lincoln Center Corporate Fund, Lincoln Square Neighborhood Center, The Posse Foundation and the World Science Festival. The Foundation manages the IFF Matching Gift Program, which provides an opportunity for all eligible IFF employees to join IFF's continuing effort to assist educational, cultural, civic, and health and welfare institutions. Under this voluntary program, designed to provide participants with an additional incentive to make periodic contributions to organizations of their own choosing, the IFF Foundation matches eligible contributions up to an aggregate of \$10,000 per employee per calendar year.

IFF's Family Fund supports the needs of IFF employees around the world who have suffered a hardship in the aftermath of a large-scale event, such as hurricane Sandy. This program makes grants available to our people, wherever they may be located, when they need it most.

POWER OF SCENT HELPS HEALING

IFF continues to partner with Cosmetic Executive Women (CEW) to support a pioneering treatment known as olfactotherapy in more than 10 hospitals across France. In addition to helping fund the work of professional olfactotherapists, IFF contributes all the ingredients and materials for the treatment workshops. IFFers also volunteer their own time, working directly with patients who have suffered trauma, helping them to regain their memory and speech, relieve pain and bring them joy with the power of scent.

Olfactotherapy has been introduced at the Maison des Adolescents Cochin and Hôpital Amboise Pare in Paris, specifically to help teenagers with eating disorders. Small groups of teenagers worked with olfactotherapists from CEW and supporting medical staff. The participants are given a range of scents, from vanilla to rose to madeleine, and are asked to describe the scent and the feelings they evoke. Then, the participants create their own fragrances — for themselves or as a gift for someone else. The process of smelling and fragrances creation helps them open up and communicate in ways that are otherwise difficult, and advances the healing process. In 2013 a leading medical journal in France published an extensive review of the treatment process.

SUPPORTING COMMUNITIES IN THE AMAZON

IFF's technical development team based in our Fragrances Creative Center in Tambore, Brazil, is working with communities in the states of Amazonas, Pará and Acre to study plant species from Brazil that can be used as new fragrance ingredients. The project seeks to conserve Brazil's rich biodiversity while helping communities benefit directly

The success of our business depends on healthy, vital communities where people prosper and nature thrives.

from the commercialization of these unique plants and expanding IFF's portfolio of natural ingredients. A portion of the profits is returned directly to the communities, helping support local development.

COLLABORATING WITH UNIVERSITIES

To promote careers in the flavors and fragrances industry and to help recruit the next generation of IFFers, we have teams around the world working with local universities.

A team from IFF's facility in São Paulo delivered a series of daylong training courses at three universities in the local community, including Universidade Estadual de Campinas and Universidade de São Paulo, as well as the Chemical Engineering Students Congress. More than 200 students studying chemistry, biology, pharmaceutical sciences and chemical engineering were given an overview of the fragrances industry, the history of perfumery, and the relationship between chemical structures and their fragrance. In 2014, IFF will continue these training courses at other universities, helping raise awareness of career opportunities in fragrances. Next up: Universidade Presbiteriana Mackenzie.

In New York, we work with students at the Fashion Institute of Technology (FIT) in the Cosmetics and Fragrance Marketing discipline to impress upon them the importance of sustainability for the future of the flavors and fragrances industry. We share our strategy with them and engage them in a variety of Green Team exercises in sustainable thinking to increase their awareness of the Triple Bottom Line and how to successfully apply these principles to our industry.

In China, we have engaged with East China University of Science & Technology to explore the feasibility of developing course work on flavors and fragrances.

Before committing to a more formal program, we held a workshop to determine the interest level of students and university faculty and administration. The workshop covered areas such as fragrances used throughout the day by the consumer, the creation of a taste experience using berries and an overview of career opportunities within the industry. The initial workshop was very successful and we have plans for a second workshop in 2014.

THE IFF SMELL LABTM PROMOTES SCIENCE

For the third consecutive year IFF proudly supported the World Science Festival, a celebration and exploration of science organized in New York City each year by the Science Festival Foundation. On June 2, 2013, more than 50 volunteers from IFF welcomed over 1,000 visitors to our Smell Lab. Participants designed their own fragrances, learned about the elements needed to create a scent, and met IFFers. We featured new olfactive exercises including the "Mystery Smell Game" where visitors were invited to guess the name of different odors and another where visitors were invited to test their scent IQ. The goals are to make science fun, accessible, and to introduce young people in the New York community to the possibility of a career in the fragrances industry through the field of science.

FOOD FROM THE HEART

Leading up to the winter holiday season, IFFers in our facility in Singapore participated again this year in Food from the Heart's annual food drive. Food from the Heart, a Singaporean charity, prepares and delivers healthy meals at no charge to people in need. IFFers gave back to their local community by donating personal care products, non-perishable food items and other treats that were then distributed by Food from the Heart.

Talk to Ger

Putting Green Teams into action and engaging our employees is enabling us to drive progress and improvements at our Tilburg plant and in the local community.

mbracing sustainability has always been in the DNA of IFF and its people. It's a trait embodied by Ger Maasen, who oversees environmental, health and safety affairs for the Tilburg plant and supports several EHS projects globally.

Since joining IFF a quarter century ago, Ger has worked to increase the eco-efficiency of our Tilburg manufacturing facility. The four pillars of our sustainability strategy have enabled him to expand the scope of this work, transform the site's efficiency efforts and reinforce our relationship with the local community.

Q: How have you put IFF's new approach to embedding sustainability into practice?

A: The four pillars approach — looking at Products, Sources, Impacts, People — has really been an eye-opener for me. It made a big difference to look above and beyond technical solutions and think about the role of a global company across these key areas as well as in the local community. It also provided a good structure for moving





"Green is hot here.
We encourage and explore ideas from everybody in the organization from scientists to people on the shop floor."

Ger Maasen









forward on sustainability at Tilburg. We adopted a Green Team approach to identify and implement projects and involved all functions — not just engineers, but also human resources, procurement, scientists, technicians and others.

We encourage and explore ideas from everybody in the organization from scientists to people on the shop floor. The Tilburg Green Teams have identified more than 100 improvement projects.

Q: What are some examples of your achievements so far?

A: We started with quick wins such as efficiency improvements to heating and lighting systems. Our engineers have also made design changes in several product manufacturing processes that reduced emissions and increased product yield while using less energy and water. On the procurement front, we now buy all of the site's electricity supply as clean hydropower, and we contract with trucking companies that commit to using efficient fuel.

As part of our community outreach efforts, we have invited our neighbors to visit the plant, resulting in a much more open and transparent relationship with the city of Tilburg.

Q: How are the 700 employees in Tilburg responding to your sustainability agenda?

A: Green is hot here. People at the site, in the local community and in the Netherlands in general make the connection between sustainability, the environment and their children's future. I am excited about the progress we have made in the plant. It has challenged me to think more about sustainability overall, including in my home life.

Our Ethics

GOVERNANCE AND COMPLIANCE STRUCTURE

IFF's standards of behavior are overseen by our Board of Directors, executive officers and other senior management, and are supported by our Code of Business Conduct and Ethics. Because the flavors and fragrances industry is generally self-regulated in many parts of the world, IFF also complies with established standards of our industry trade associations as well as applicable law.

IFF's Board of Directors provides the highest level of oversight in our organization and has separate, independent Audit, Compensation, and Nominating and Governance Committees. Our diverse, independent board of highly accomplished directors brings value to our organization, and we benefit from their guidance. IFF recognizes the value of diversity and is proud that our 12-member Board of Directors includes four women.

We have a Code of Business Conduct and Ethics, a Code of Conduct for the Board of Directors, and a Code of Conduct for Executive Officers, which set the ethical tone for our organization. We expect all employees to understand and comply with our Code of Business Conduct and Ethics and to annually affirm that they have read and understand the Code. Legal and regulatory compliance is required from all our employees. We conduct extensive compliance training on a global basis and a wide range of topics in person, via online webinars, and through creative contests and events. In addition, we have many ways that employees can communicate any ethical concerns they may have, including through an anonymous reporting hotline. Employees who become aware of or suspect violations of our Codes or policies are expected to report any violation.

HUMAN RIGHTS

Our Vendor Code of Conduct requires our vendors to conform to the same standards for ethical behavior we expect from our employees. We provide our Vendor Code of Conduct to our vendors and have a program for ensuring adherence to our standards. We require our vendors to provide a safe working environment and to conduct their business with integrity. They are expected to comply with all laws, rules, regulations and industry standards, including those regarding human rights issues, such as nondiscrimination, freedom of association, collective bargaining, child labor and no forced or compulsory labor.

SUSTAINABILITY GOVERNANCE

Our Sustainability Business Council (SBC) provides the governance oversight for execution of our global sustainability strategy. Nicolas Mirzayantz, Fragrances Group President, serves as Executive Sustainability Champion to the SBC, providing leadership and executive oversight. The SBC is a multifunctional group led by Kip Cleverley, Director of Global Sustainability, and comprised of Pillar Owners and Leads, as well as the heads of our business units, operations, sourcing, human resources, engineering, product development, legal, finance, communications and IT. Our SBC governance model relies on functional integration of our sustainability strategy across IFF including goal development, implementation and progress toward goals.

ENVIRONMENTAL HEALTH AND SAFETY

IFF has a Global Environmental, Health and Safety (EHS) policy, which sets forth the standards by which our facilities and employees must operate. We also have

We maintain a culture of integrity, honesty, and ethical behavior. These values guide IFF's actions at every level.

other established detailed policies and procedures that help ensure workplace health and safety, environmental protection and compliance with all relevant regulations and laws. We conduct internal regulatory audits of our manufacturing facilities for compliance against the EHS policy and all applicable laws, as well as ensuring the sharing of best practices.

MANAGING REGULATORY CHANGES

IFF stays abreast of regulatory changes and complies with all applicable regulatory requirements. Most notably, our ability to keep current on the ever-changing registration requirements enables us to factor their potential impact into the overall cost/benefit of any new R&D initiatives.

IFF belongs to and actively participates in the activities of the key organizations that regulate our business in the regions and countries in which we operate. We monitor registration requirements carefully as they continue to develop around the world. In most cases, the emerging registration requirements are closely modeled on existing registration processes in other countries and regions, and we are able to leverage our global expertise and leadership for compliance.

IFF continues to manage the impact of changing and emerging regulations to our business. In Europe, we are preparing for the 2018 REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) product registration and will complete all required registrations within the required deadlines as we did with both the 2010 and 2013 registration deadlines. In addition, IFF took a leading role in the development and publication of standard exposure scenario methodologies for substances for REACH, and has been actively involved in the ongoing discussions related to fragrance allergens. IFF is also actively engaged in the U.S. Toxic Substance Control Act (TSCA) modernization efforts, as well as various emerging chemical, food and/or labeling regulations around the globe.

During the past few years, IFF has implemented the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals in most of the world, including Europe, Africa, the Middle East, Asia, South America and Mexico. The remaining countries will be implemented by

mid-2015. The GHS goal is to promote safety and consistency in labeling and transport. We communicate regularly with our customers well in advance of required implementation dates.

PUBLIC POLICY

As a member of the International Organization of the Flavor Industry (IOFI), the International Fragrance Association (IFRA) and the Research Institute for Fragrance Manufacturers (RIFM), we participate in their respective Regulatory Advisory and Advocacy Committees. These groups coordinate advocacy and regulatory communication between the association, their member companies, and external regulatory and legislative bodies. In addition, we actively participate in our customers' trade associations in order to ensure alignment and common understanding of the challenges of regulations and emerging sustainability trends.

RISK MANAGEMENT

IFF's general approach for identifying significant risks and opportunities relies on our management's evaluation of current events and its expectations regarding future developments. We have a multidisciplinary company-wide enterprise risk management program that annually assesses risks, including sustainability issues and climate change on our business and the business of our customers. IFF's risk management is overseen by the Board of Directors, but management is primarily responsible for day-to-day risk management processes and reports to the Board.

CRISIS MANAGEMENT

Unexpected events can disrupt our operations. When they do, IFF stands ready to implement our comprehensive crisis management plan. This plan outlines preparation for and response to emergency situations that may imperil the safety of our employees, customers, facilities, operations or reputation. We have global and regional crisis management plans and procedures, and we conduct training for members of our cross-functional global and regional crisis teams. In addition, each IFF facility assesses local risks and has a crisis management plan.

About This Report

ASSESSING MATERIALITY AND ENGAGING STAKEHOLDERS

While sustainability is a key part of IFF's business, not every environmental and social challenge and opportunity have an equal impact on our company. To shape our sustainability strategy and the content of our reports, we have conducted materiality assessments to prioritize and report on sustainability issues.

We first assessed the materiality of conventional and emerging sustainability issues in 2010. We evaluated these issues for their importance to our stakeholders, their potential impact on our business and the degree of influence that we had on each issue. Through this initial

analysis we developed the four pillars of our sustainability strategy.

We continue to engage with stakeholders, solicit feedback and refine our focus and approach. In 2014, we will formally update our materiality work by soliciting feedback from IFF employees, including our Sustainability Business Council (SBC), key customers, academics and NGOs. This input will help us further refine IFF's sustainability strategy and reporting.

At IFF, we know that our approach to sustainability must continually evolve, and we will continue to engage with stakeholders through dialogue on sustainability and materiality. In 2013, we engaged with stakeholders in a number of ways.

STAKEHOLDER GROUP

2013 ENGAGEMENT

Employees

IFF keeps employees informed about company strategy, policy and procedures through regular print and electronic publications, town halls and face-to-face meetings. Employees are kept up to date on sustainability issues through a dedicated intranet portal. Green Teams, in place in more than 75 percent of our manufacturing facilities, enable us to embed our global sustainability strategy with our employees locally and on a broad scale. Input from members of the SBC as well as many of our senior leaders is an essential component of our materiality assessments.

Customers

Maintaining dialogue with our customers on sustainability issues is a key part of our sustainability strategy. In 2013, we continued this effort through a series of meetings, presentations, formal and informal sustainability performance reviews and through participation at a range of industry events with dedicated sustainability agendas, including the American Cleaning Institute® Annual Meeting & Industry Convention. Customer input is an essential part of our materiality assessment.

Investors

IFF Investor Relations conducts a year-round calendar of events, including quarterly earning calls with analysts and investors. On June 5, 2013, IFF hosted its second biannual Investor Day in New York City. The event included in-depth presentations by the Chairman and members of the Operating Committee and featured technology demonstrations as well as an overview of our sustainability strategy.

Regulators

IFF is a member of the Research Institute for Fragrance Manufacturers (RIFM), as well as the International Fragrance Association (IFRA), as well as the International Organization of the Flavor Industry (IOFI), the principal trade associations representing the interests of the global flavors and fragrance industries. IFF is actively engaged in trade associations as well as directly with regulators, as applicable, in order to ensure that developing regulations provide increasing protection to consumers and increasing confidence by governments in our industry. Regulatory inputs are also taken into consideration as part of our materiality assessment.

Suppliers

Relationships with our suppliers are managed by our Global Procurement Group and we continue to leverage the Sedex platform to facilitate the exchange of information on our sustainability requirements and to assess the performance of our suppliers. Our Corporate Quality team monitors our suppliers through periodic audits. IFF-LMR, our naturals division, works directly with growers on research and development projects.

Consumers

Although IFF does not market to consumers directly, our consumer research, consumer insight and marketing teams engage with consumers through extensive market research, interpreting key market trends, monitoring product launches and conducting interviews throughout the year.

Communities

IFF is actively involved in the communities in which we operate around the world through a range of localized IFF volunteer and charitable activities, including Global Handwashing Day, the World Science Festival and the Food from the Heart Annual Food Drive. Active engagement with the community was essential to the construction of our solar field in Hazlet, New Jersey, U.S.

Sustainability Community We are actively engaged in several sustainability-focused organizations, including the EHS & Sustainability Management Roundtable, the Sustainability Leadership Forum and the Natural Resources Stewardship Circle. We continue to contribute to the sustainability community through media outlets and panels on emerging issues. Some specific examples include panel discussion and presentations by our Director of Global Sustainability, Kip Cleverley at GRI-G4 training sessions, the EPA Region 2 Green Chemistry in Higher Education Workshop hosted by Beyond Benign and the Research Institute for Fragrance Materials (RIFM) sustainability panel.

GRI INDEX

We prepared this report in accordance with the Global Reporting Initiative (GRI) G3.1 guidelines. A comprehensive GRI Content Index is available at iff.com/sustainability. We have obtained an Application Level B+from the GRI.

REPORTING CYCLE, BOUNDARIES AND SCOPE

IFF reports on our sustainability performance on an annual basis. This is our fourth report on IFF's sustainability initiatives and performance. It covers the calendar year 2013, except as noted.

This report covers IFF's operations worldwide, including all our wholly owned and majority-owned subsidiaries, with certain exceptions. IFF's legal structure is such that each operating unit around the world is organized as a subsidiary. The only significant change during the reporting period of size and structure was the closing of the Knislinge, Sweden, facility in mid-2013. Additional information about IFF, including our annual report, 2013 Form 10-K, and governance documents, can be found on our website at www.iff.com. For complete discussion of scope and boundaries, please refer to our GRI Content Index, Profile Disclosures 3.9 and 3.11.

DATA MEASUREMENT TECHNIQUES AND BASIS OF CALCULATIONS

IFF enhanced our environmental management system (EXP) and established a set of uniform, automated protocols for environmental metric measurement and reporting. Our data has been undergoing annual verification since 2010, which now serves as the baseline year for our eco-efficiency metrics. Our reporting has continued to expand in scope, due to optimized data collection systems and our efforts to align with the Global Reporting Initiative (GRI) G3.1 guidelines. We made updates to our production, energy, water and hazardous waste data. We have used the Greenhouse Gas Protocol to calculate our carbon emissions. This year we enhanced our GHG emissions tracking to include mobile sources, fugitive losses from refrigeration and wastewater systems, and process emissions. We enhanced our measurement methods with

regards to process-derived energy and purchased steam. We also updated the emission factors of the GHG emissions of our purchased electricity according to the U.S. EPA Climate Leaders guidelines (2008). These changes are described and further details on our data measurement techniques are provided in our GRI Content Index, Profile Disclosures 3.7–3.10.

EXTERNAL ASSURANCE

We have sought and obtained external assurance of our sustainability report content from the ISOS Group, a U.S.-based integrated sustainability consultancy and GRI Certified training partner. A letter detailing that assurance can be found at iff.com/sustainability. ISOS is also verifying our GHG emissions data using the CDP protocol.

FEEDBACK

Your comments and suggestions are important to us. To provide feedback on IFF's sustainability performance and our 2013 report, please email sustainability@iff.com.

AWARDS

In 2013, IFF was recognized in the following sustainability-related awards:

- Finalist in PR News CSR Awards in two categories:
 - o Product Design/Redesign LMR Rose Essential™
 - o Video Initiatives Moving Forward
- Short-Listed in Corporate Register 2014 Reporting Awards in four categories:
 - o Best Overall Report
 - o Innovation in Reporting
 - o Creativity in Communication
 - o Relevance and Materiality
- Winner of the Organic Monitor Sustainable Beauty Award for Sustainable Ingredients for LMR Rose Essential



Working Together



American Chemical Society



CDP



Clean the World



EcoVadis Sustainable Supply Management



European Flavour Association



Flavors and Extract Manufacturers Association



U.S. Green Building Council



Global Reporting Initiative



International Fragrances Research Association



International Organization of the Flavor Industry



Natural Resources Stewardship Circle



Research Institute for Fragrance Manufacturers



Renewable Citrus Products Association



Roundtable on Sustainable Palm Oil



Sedex



Statement GRI Application Level Check

GRI hereby states that International Flavors & Fragrances Inc. has presented its report "Lasting Change" (2013) to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 19 May 2014

All Hullade

Ásthildur Hjaltadóttir Director Services Global Reporting Initiative

The "+" has been added to this Application Level because International Flavors & Fragrances Inc. has submitted (part of) this report for external assurance, GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting initiative (GRI) is a network-based arganization that has planeered the development of the world's most widely used sustainability reporting fromework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance, www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 9 May 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

Sustainability is the essence of IFF

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