



SUSTAINABLE PALM OIL POLICY

Policy Owner: Global Procurement and Global Sustainability

Effective Date: October 31, 2025

I. INTRODUCTION & SUPPLY CHAIN CONTEXT

IFF is committed to environmentally and socially responsible sourcing that supports the communities and ecosystems across our value chain. The unsustainable production of palm oil can be linked to deforestation, conversion of other natural ecosystems, biodiversity destruction and human rights abuses.

Sustainability is central to the way we source and work with suppliers, and we are committed to driving continuous improvements through our palm oil supply chain and contributing to the transformation of the wider palm oil sector.

IFF operates primarily in the Business to Business (B2B) market, which means that we are a midstream company in the palm oil supply chain. We do not source from mills and plantations directly and are not involved in the primary production of palm oil. Our purchases of palm-based raw materials include processed palm oil and those that contain refined palm oil, derivatives and fractions. Our tier one suppliers include refineries, oleochemical companies supplying refined palm oil and derivatives, and distributors of products that contain some volumes of palm-based derivatives.

With our global presence, both in terms of manufacturing and the markets we serve, we believe that partnerships with our supply chain partners play an important role in supporting the availability and uptake of sustainable products. IFF is an active member of the Roundtable on Sustainable Palm Oil (RSPO) since 2004 and is committed towards 100% RSPO Certified Sustainable Palm Oil. We are also an active member of the Action for Sustainable Derivatives (ASD) since 2024 to collaborate with industry players on activities focused on risk monitoring, sector engagement, and increasing transparency in the palm supply chain.

II. OUR COMMITMENT

IFF has a role to play and is committed to sourcing palm oil in a sustainable manner. That implies, for example, contributing to the protection and conservation of forests, peatlands and biodiversity; respecting human rights; contributing to better livelihoods; and promoting transparency in the palm oil supply chain.

By 2030, IFF will only source from 100% Deforestation- and Conversion-Free (DCF) palm supply chains with a cut-off date of **December 31, 2015**. We also commit to achieving 100% Traceability to Mill (TTM) and 100% Traceability to Plantation (TTP) by 2030.

III. SCOPE

This Policy applies to all palm-based raw materials (refined palm oil, palm kernel oil and derivatives) sourced globally by IFF and its subsidiaries¹. Its implementation will be done in stages, and we will transparently report on progress annually. IFF conducts thorough investigations of our palm supply chain through an independent third party via consultations with our palm suppliers. We expect all Direct and Indirect suppliers, including third party manufacturers of palm-based raw materials, to adhere to expectations in this Policy.

IV. PRINCIPLES

IFF engages with stakeholders and our suppliers on our commitment towards deforestation- and conversion-free, transparent palm supply chain. We expect our partners to commit to the three (3) principles set forth below, in alignment with international and industry standards, such as the RSPO Principles and Criteria for the Production of Sustainable Palm Oil and the RSPO Shared Responsibility Requirements.

1. Protect natural forests, natural ecosystems and biodiversity from deforestation and conversion.

Our approach to long-term protection of natural ecosystems is to require no deforestation or conversion of forests and other natural ecosystems from our supply chain. The following are critical components to this principle:

- Palm oil does not originate from land cleared of High Conservation Value areas (HCV) and High Carbon Stock (HCS) Forest and Peatland areas.
- Assessments and new planting development assessments should follow HCV Resource Network requirements and HCS Approach. Identified HCV and HCS areas are managed and monitored to maintain or enhance HCV and to protect HCS forests.
- Fire is not used in the preparation of new planting, replanting or any developments, except for exceptional circumstances as defined by RSPO.
- There are no new plantings on peat, as defined by RSPO, regardless of depth and existing plantations on peat following the RSPO's Best Management Practices for palm cultivation on peat.
- Palm-based raw materials are produced in accordance with the relevant legislation of the country of production and sale, including any arrangement conferring the right to use the respective area for the purposes of the production of the relevant commodity.
- IFF encourages suppliers to reduce and to adopt alternative solutions for the use of pesticides and fertilizers in palm production. The use of fertilizers and pesticides must be done in accordance with local legislation. Agrochemicals listed in the Stockholm and Rotterdam Conventions are not used.

2. Respect human rights including those of indigenous people, local communities, workers and smallholder farmers.

¹ For new businesses that become part of IFF, there will be an adaptation period of one year after integration.

Our approach to human rights due diligence is detailed in IFF's Global Human Rights Policy, which sets out our commitment to respect all internationally recognized human rights as defined by the International Bill of Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. We pay particular attention to individuals or groups within our supply chain who may be at greater risk of negative human rights impacts due to their vulnerability or marginalization, notably smallholder farmers, children and young workers, and migrant workers:

- We are committed to identifying child labor – as defined in the ILO Conventions No. 138 and No. 182 – where it exists in our supply chain and finding practical and culturally appropriate responses to support its prohibition
- We are also committed to identifying and addressing any form of modern slavery in our supply chain.
- We respect the rights and title to property and land of the individual, indigenous people and local communities. We support the principles of Free, Prior and Informed Consent (FPIC) to empower local communities to give or withhold consent to activities that may affect them or their territories.
- We recognize the need to reduce our environmental footprint and protect communities' livelihoods throughout our value chain. We do not tolerate threats or attacks against environmental human rights defenders in our palm oil supply chain.

We are committed to remedial actions when we find or become aware of negative human rights impacts within our value chain. We expect our Business Partners and Direct Suppliers to offer appropriate, confidential, and fair procedures for resolving grievances and to cascade this to the next tiers of the supply chain. IFF will rely on established grievance systems where they exist and are deemed to be relevant and functional, such as the RSPO grievance process.

3. Uphold the highest standards of transparency on progress towards deforestation- and conversion-free palm oil, and respect to human rights commitments.

We are committed to achieve 100% traceability in our palm supply chain. To achieve this, we engage with our Direct Suppliers and their suppliers to understand the supply source to mill and plantation levels, including the identification of priority players like refiners and crushers to mapped sourcing areas to confirm DCF volumes in our palm supply chain. Towards this effort, we leverage supplier engagement campaigns, industry partnerships, and shared tools where possible.

V. SUPPLIER REQUIREMENTS

When procuring palm-based products, we expect our Direct and Indirect Suppliers to meet these requirements:

1. Adhere to our Vendor Code of Conduct and Responsible Sourcing Policy (see [IFF Policy Center](#)).
2. Comply with all applicable local and international regulations. The higher standard must be followed.

3. Have a sustainable palm oil policy and timebound plan that includes third party suppliers and are consistent with all the Principles for palm oil production outlined in the section above.
4. Have a robust due diligence mechanism that allows suppliers to monitor and address social and environmental risks in their supply chain. This must include the use of technology and spatial data to assess risks of deforestation and conversion.
5. Have a robust and public grievance mechanism in place that is appropriate, confidential and fair.
6. Remediate non-compliance when it is found that the supplier has been linked to deforestation or other forms of conversions based on the cut-off date outlined in our Principles.
7. Provide an effective remedy when a supplier has been linked to or caused negative human rights or deforestation impacts.
8. Share with IFF traceability information and geolocation data specific to its supply chains. That includes processing facilities supplying directly and indirectly as well as the agricultural supply area (location of mills and plantations) linked to IFF supply chains.
9. Support a culture of trust by addressing requests for collaboration, information sharing and action. That includes sharing information on deforestation- and conversion-free volumes as well as proactive communication on potential supply chain issues, so we can find the best approach forward.
10. Provide documentation demonstrating the relevant products are deforestation-free by the cut-off date as indicated in this Policy.

VI. IMPLEMENTATION PLAN

We aim to implement our above commitments through the following line of actions, including working in priority areas within and beyond our palm supply chains.

1. Source from 100% Deforestation- and Conversion-Free (DCF) palm supply chains by 2030.
2. Continue to support RSPO as a mechanism for mainstreaming certified sustainable palm oil.
3. Increase palm oil supply chain transparency with a goal to achieve 100% Traceability To Mill (TTM) and Traceability To Plantation (TTP) by 2030.
4. Engage with Direct Suppliers, including the requirement of time-bound plans, to meet policy commitments, address potential supply chain risks and support best practices.
5. Encourage our suppliers to minimize greenhouse gas emissions (GHGs) linked to palm oil production and processing and to report on progress.
6. Support the livelihoods of smallholder growers and the local sustainable development of communities through collaboration with our Direct Suppliers.
7. Monitor and address any potential non-policy compliance via appropriate, confidential and fair grievance channels as well as close collaboration with our suppliers.
8. Participate in leading multi-stakeholder industry platforms where we can engage and drive collective change with NGOs, supply chain actors and other relevant stakeholders.
9. Monitor and report regularly, transparently, and publicly on our progress via our website and annual reporting, using KPIs.
10. Review of this Policy and implementation plan with targets and actions in the areas outlined above.

VII. VERIFICATION & REPORTING

To verify compliance, we will leverage a combination of tools and programs available for supplier engagement including but not limited to an annual traceability study conducted by a third-party partner, satellite monitoring technology, RSPO certification scheme, and geospatial data analysis from expert partners. These tools will enable us to assess risks, monitor land use changes, and validate supplier practices in alignment with our sustainability objectives. We will work collaboratively with our suppliers to ensure consistent and accurate data sharing, including geolocation information for all relevant facilities and agricultural areas.

IFF will publicly report on our progress of our implementation action towards our commitments in this Policy through annual reporting opportunities, including, but not limited to, in our annual Sustainability Report and the [Annual Communication of Progress \(ACOP\)](#).

VIII. WHERE TO GO FOR HELP

IFF strictly forbids reprisal, retaliation, or subsequent discrimination against any person who in good faith raises a concern or reports possible misconduct. You may also report a concern or violation at <http://iff.com/speakup>. IFF will investigate alleged misconduct in relation to this Policy in accordance with internal procedures on investigations. Any IFF Personnel who violates this Policy may be subject to disciplinary measures, up to and including termination of employment.

IX. DOCUMENT HISTORY

Issue Date	Version	Description for Changes
December 10, 2021	1.0	Initial release. This is a new policy on sustainable palm oil.
October 31, 2025	2.0	Updated release. Revised policy format and level of detail.