

CULTIVATING THE FUTURE

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:

6,200

Net sales:

\$3.1 billion

Net income:

\$415 million

Return on Average Invested Capital:

19.7%

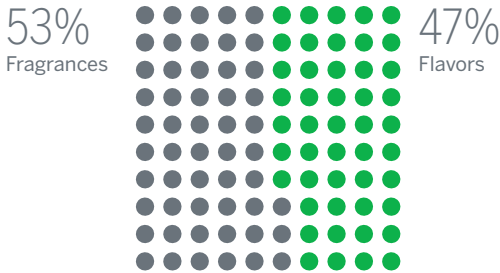
R&D Spend:

8.2% of sales

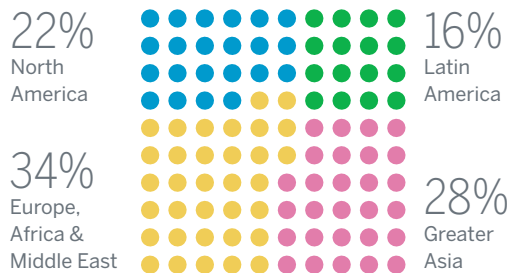
Countries in which IFF products are sold:

100+

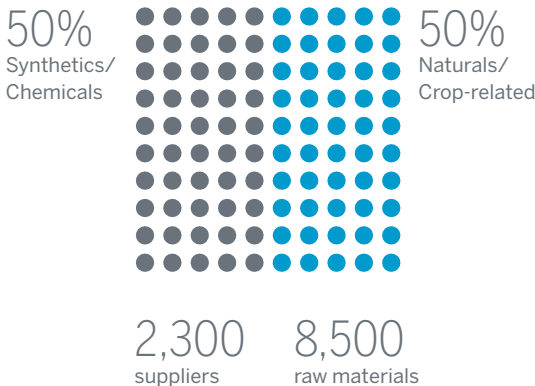
GLOBAL SALES



OUR MARKETS



OUR SUPPLIERS



OUR PRODUCTS

Flavors	Fragrances	
Beverages	Fabric Care	Home Care
Dairy	Fine Fragrance	Personal Wash
Savory	Fragrance Ingredients	Toiletries
Sweet	Hair Care	

OUR LOCATIONS

Operations in 32 countries
 R&D Centers: 6
 Creative Centers: 31
 Manufacturing Sites: 29

Data as of December 31, 2014. When we refer to our products, we mean the end-use category of products.

HIGHLIGHTS

SOURCES

PAGE 40

50%+ of our spend with vendors registered on Sedex

Achieved Roundtable on Sustainable Palm Oil (RSPO) Supply Chain Certification for select facilities

Supported the construction of a primary school in Madagascar through the purchase of Natural Ethics™ vanilla

Achieved For Life social responsibility certification for Turkish rose

IMPACT

PAGE 50

Surpassed our 2020 water reduction goal of 25% and increased the goal to 50%

Completed installation of the largest solar array in the flavors & fragrances industry

Recognized by CDP for leadership in climate disclosure

Completed our goal to establish Green Teams at all of our manufacturing sites

Achieved EcoVadis CSR Gold Rating

2

PERFORMANCE HIGHLIGHTS

PRODUCTS

PAGE 64

Expanded the use of our Green Chemistry Evaluation Tool

Completed green chemistry workshops for our chemists and engineers around the world

Completed LCAs of select flavor and fragrance ingredients

PEOPLE

PAGE 74

Further embedded our Employee Value Proposition

Expanded our community outreach partnerships

Partnered with Clean the World to donate hygiene kits

Formalized our Eco-efficiency Recognition Program for our manufacturing facilities

GOALS

- Require that our major suppliers have been assessed through Sedex
- 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
- Grow our portfolio of sustainable raw materials

- Reduce energy use by 20% by 2020
- Reduce GHG emissions by 25% by 2020
- Reduce water use by 25% by 2020
- Reduce hazardous waste by 25% by 2020
- Establish Green Teams in all of our manufacturing sites
- Strengthen our employee health and safety programs

- Formally adopt and apply the 12 Principles of Green Chemistry to our R&D processes
- Train and engage our technical teams in these principles
- Evaluate new and existing products and leverage green chemistry to improve their design
- Continue to advance our Health & Wellness product portfolio
- Leverage biotechnology

- Continue to educate our employees about our sustainability strategy
- Engage employees through community outreach events locally and globally
- Develop and launch a new component of our employee recognition program that highlights sustainability contributions in our manufacturing facilities

LOOKING AHEAD

- Continue to drive improvements in our supply chain with Sedex
- Publish a revised policy on sustainable palm oil
- Expand Natural Ethics™ responsible sourcing program
- Expand our portfolio of For Life socially responsible certified ingredients

- Drive annual reductions in eco-efficiency performance
- Expand our renewable energy program
- Complete ISO 14001 certification and SMETA audits at all major manufacturing facilities

- Expand the application of green chemistry globally
- Integrate LCA insights into product evaluation
- Enhance our Health & Wellness initiatives
- Continue to leverage biotechnology

- Continue to engage our employees globally to take action locally
- Support employee outreach activities in local communities
- Implement our Eco-efficiency Recognition Program
- Continue to educate our people on critical sustainability issues



A MESSAGE FROM OUR CHAIRMAN

2014 was full of incredible milestones. We celebrated our 125th Anniversary. We launched our corporate values of passion, creativity, expertise and empowerment. And we significantly progressed against our sustainability strategy established in 2011. What has remained consistent, however, is our steadfast commitment to embedding sustainability throughout our enterprise and operations.

When IFF first enacted its formalized sustainability program we were already ahead of the game. Since our founding in 1889, the Company has been a solid corporate citizen concerned with the well-being of the environments in which we operate and of our people who come to work each day. We functioned with efficiency, safety and resource preservation as integral components of our operations while creating exceptional flavors and fragrances for our

rose products and earning the 2014 For Life Social Responsibility certification in 2014.

The sustainability of our products is of utmost importance to us. Last year, we trained IFF chemists and engineers throughout the world on green chemistry to promote biodegradability and renewability, reduce waste and improve our energy efficiency. In order to track product improvements, we developed a proprietary tool to measure and benchmark these efforts so we can confidently calculate our progress for the future. By tapping into the passion of our employees and empowering them to continually innovate, we have established Green Teams in all of our major manufacturing sites. These employee-driven teams are extremely well positioned to drive cultural and environmental advances throughout our operations.

Customers and consumers are calling for responsible products from responsible companies throughout the supply chain.

customers. These focal points are the foundation of our four strategic sustainability pillars and have been strengthened to the point where sustainability touches everything we do.

Yet today, like so many of our partners and customers, we are faced with pervasive mega trends that cannot be overlooked: global climate change, water scarcity, increasing world populations and health and wellness needs. And increasingly, customers and consumers are calling for responsible products from responsible companies throughout the supply chain. Our sustainability strategy is an exciting roadmap that addresses these dynamics as we become a more efficient, progressive company.

To that extent, our sourcing pillar was established to ensure responsible sourcing from our suppliers around the world, such as in Madagascar, where farmers are growing high-quality, fully traceable vanilla beans used in our Natural Ethics™ vanilla. What is equally beneficial for the community is how this partnership supported the creation of a local primary school. Another prime example is IFF-LMR Naturals working with farmers in Turkey to produce pure, high-quality

What is perhaps one of the most exciting developments to date is that we have already reached and exceeded our original 2020 goal of reducing our water usage by 25 percent. To continue to lead in this area, we have now redefined that commitment to reach an overall 50 percent reduction by 2020. This bold goal clearly shows our dedication to reducing our water usage as well as our overall environmental footprint while successfully growing our business. We are also particularly proud to have been recognized by the CDP by inclusion in the 2014 Carbon Disclosure Leadership Index.

Our achievements to date are undoubtedly significant. Yet in 2015 we will refresh our 2020 vision and open ourselves up to limitless possibilities. Fortified with the experience we have gained so far, the future will no doubt result in bolder, more innovative outcomes as we continue to embed sustainability within our corporate strategy, our culture and into everything we do.

ANDREAS FIBIG

Chairman of the Board and Chief Executive Officer

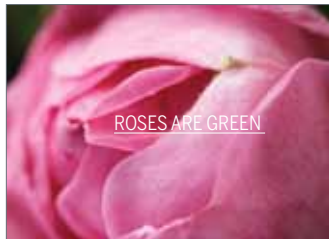
OUR SUSTAINABILITY STRATEGY

IFF's mission is to create unique taste and scent experiences that people love. Our products enhance consumers' lives. To achieve this, we are committed to developing a portfolio of innovative, high-quality products for our customers, and sustainability is integral to these efforts. Our sustainability strategy drives the innovation that results in social and environmental improvements — from the raw materials that we source responsibly, to our eco-efficient manufacturing facilities, to carefully designed products that consider critical sustainability attributes. Our four-pillar strategy is fully integrated and targets the most material opportunities to create sustainable flavors and fragrances for our customers and for consumers worldwide.

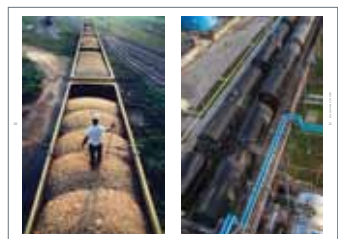
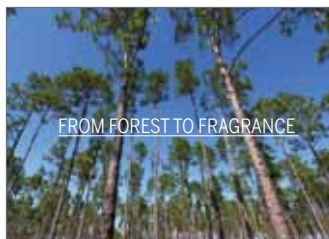
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RAW MATERIAL PROFILES

Roses Are Green



From Forest to Fragrance



Vanilla Our Way

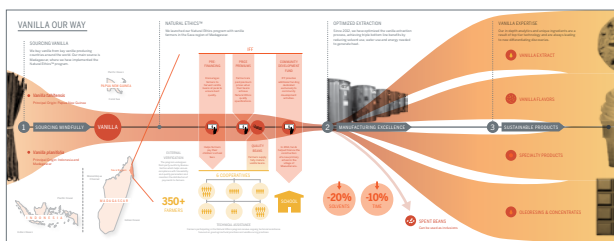
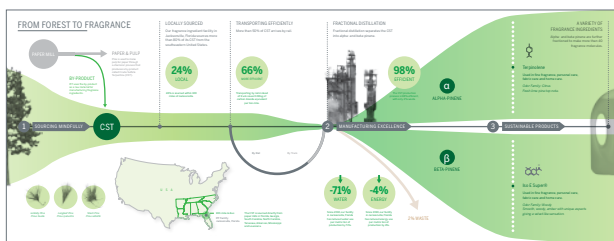
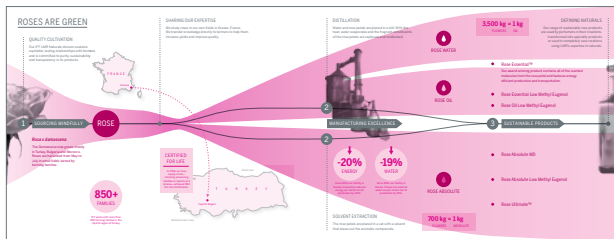


Over the last four years, we have made lasting changes. Moving forward, we will continue to refine and enhance our sustainability strategy to reflect the needs of our business and expectations of our various stakeholders (see Materiality Assessment, page 84). What will remain constant is a commitment to delivering the most sustainable products we can to our customers. That is how we define Sustainability – the Essence of IFF.

KIP CLEVERLEY
 Director, Global Sustainability

NICOLAS MIRZAYANTZ
 Group President, Fragrances and Executive Sustainability Champion

See our four-pillar strategy come to life through the profiles of three raw materials that we transform into flavors and fragrances that touch the lives of billions of consumers every day.



A close-up, macro photograph of a pink rose. The petals are layered and show a gradient of pink colors, from light to deep magenta. The texture of the petals is visible, showing veins and slight ripples. The background is dark and out of focus.

ROSES



ARE GREEN





ROSES ARE GREEN

QUALITY CULTIVATION

Our IFF-LMR Naturals division sustains equitable, lasting relationships with farmers and is committed to purity, sustainability and transparency in its products.



SHARING OUR EXPERTISE

We study roses in our own fields in Grasse, France. We transfer knowledge directly to farmers to help them increase yields and improve quality.

1

SOURCING MINDFULLY

ROSE

Rosa x damascena

The Damascena rose grows mostly in Turkey, Bulgaria and Morocco. Roses are harvested from May to July in small fields owned by farming families.

850+
FAMILIES

IFF works with more than 850 farming families in the Isparta region of Turkey.

CERTIFIED FOR LIFE

In 2014, our rose supply chain—including processing facilities in Isparta and Grasse—achieved IMO For Life Certification.



DISTILLATION

Water and rose petals are placed in a still. With the heat, water evaporates and the fragrant constituents of the rose petals are captured and condensed.



ROSE WATER

3,500 kg = 1 kg

FLOWERS OIL

DEFINING NATURALS

Our range of sustainable rose products are used by perfumers in their creations, transformed into specialty products or used in completely new creations using LMR's expertise in naturals.



ROSE OIL

- **Rose Essential™**

Our award-winning product contains all of the scented molecules from the rose petal and features energy efficient production and transportation.

- **Rose Essential Low Methyl Eugenol**

- **Rose Oil Low Methyl Eugenol**

MANUFACTURING EXCELLENCE

2

-20%
ENERGY

Since 2010, our facility in Grasse, France has reduced energy per metric ton of production by 20%.

-19%
WATER

Since 2010, our facility in Grasse, France has reduced water use per metric ton of production by 19%.



ROSE ABSOLUTE

- **Rose Absolute MD**

- **Rose Absolute Low Methyl Eugenol**

- **Rose Ultimate™**

SOLVENT EXTRACTION

The rose petals are placed in a vat with a solvent that draws out the aromatic compounds.

700 kg = 1 kg

FLOWERS ABSOLUTE

SUSTAINABLE PRODUCTS









FROM FOREST

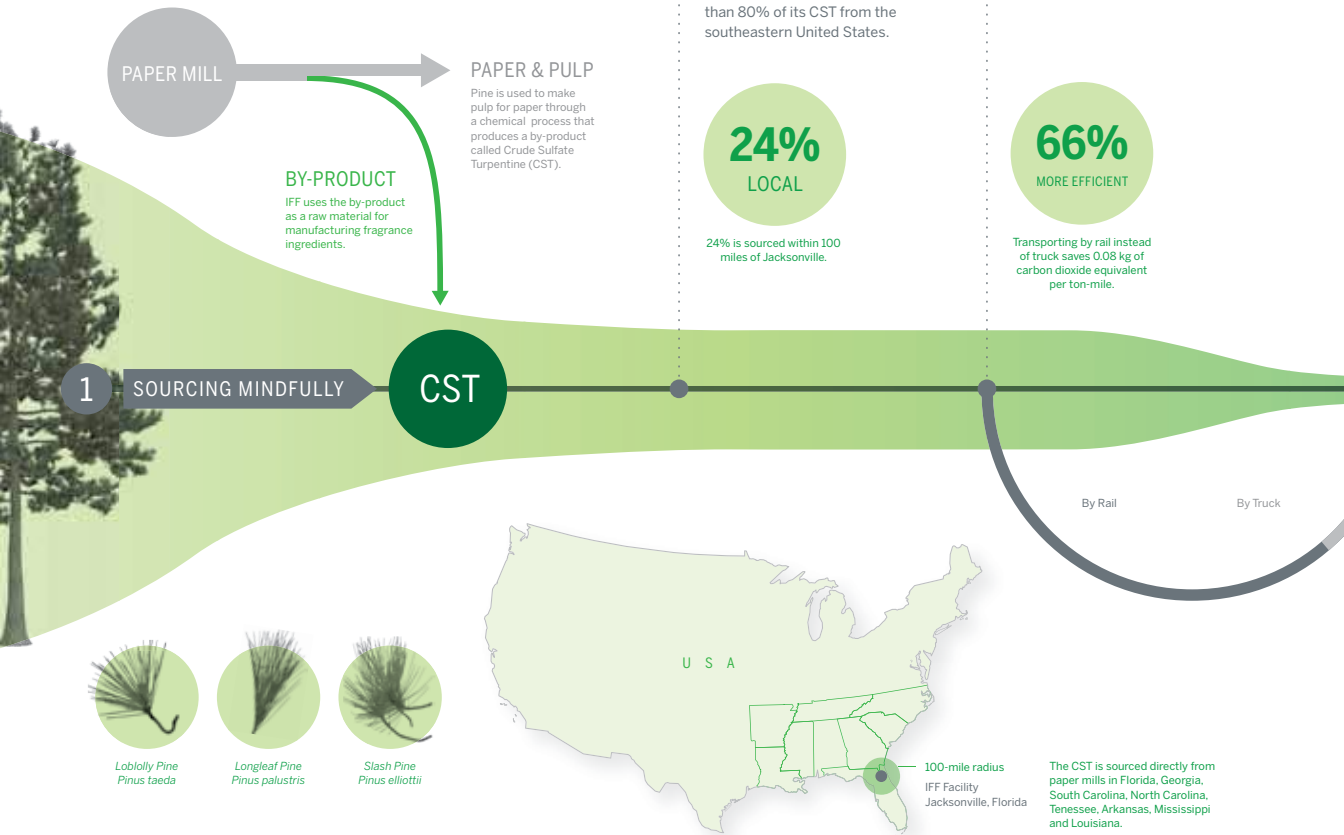


TO FRAGRANCE





FROM FOREST TO FRAGRANCE



PAPER MILL

PAPER & PULP

Pine is used to make pulp for paper through a chemical process that produces a by-product called Crude Sulfate Turpentine (CST).

BY-PRODUCT

IFF uses the by-product as a raw material for manufacturing fragrance ingredients.

1

SOURCING MINDFULLY

CST

LOCALLY SOURCED

Our fragrance ingredient facility in Jacksonville, Florida sources more than 80% of its CST from the southeastern United States.

24%

LOCAL

24% is sourced within 100 miles of Jacksonville.

TRANSPORTING EFFICIENTLY

More than 50% of CST arrives by rail.

66%

MORE EFFICIENT

Transporting by rail instead of truck saves 0.08 kg of carbon dioxide equivalent per ton-mile.

By Rail

By Truck



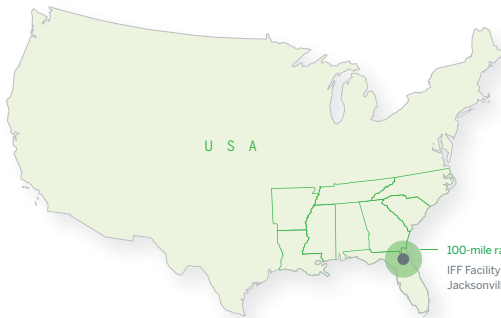
Loblolly Pine
Pinus taeda



Longleaf Pine
Pinus palustris



Slash Pine
Pinus elliottii



U S A

100-mile radius
IFF Facility
Jacksonville, Florida

The CST is sourced directly from paper mills in Florida, Georgia, South Carolina, North Carolina, Tennessee, Arkansas, Mississippi and Louisiana.

FRACTIONAL DISTILLATION

Fractional distillation separates the CST into alpha- and beta-pinene.



98%
EFFICIENT

The CST production process is 98% efficient, with only 2% waste.

α

ALPHA-PINENE

A VARIETY OF FRAGRANCE INGREDIENTS

Alpha- and beta-pinene are further fractionated to make more than 40 fragrance molecules.



Terpinolene

Used in fine fragrance, personal care, fabric care and home care.

Odor Family: Citrus
Fresh lime-pine top note.

2 MANUFACTURING EXCELLENCE

3 SUSTAINABLE PRODUCTS

-71%
WATER

Since 2010, our facility in Jacksonville, Florida has reduced water use per metric ton of production by 71%.

-4%
ENERGY

Since 2010, our facility in Jacksonville, Florida has reduced energy use per metric ton of production by 4%.

2% WASTE

β

BETA-PINENE



Iso E Super®

Used in fine fragrance, personal care, fabric care and home care.

Odor Family: Woody
Smooth, woody, amber with unique aspects giving a velvet like sensation.







00202825
TERPINOLENE 20

Lot No: 3644371
Produced: 8/28/2014

SL: 730

BR1 - S1 - C3

00090774
ISO E SUPER

Lot No: SM1411
Produced: 10/15/12

SL: 365



VANILLA

A close-up photograph of a person's hand holding a thick, green plant stem. The background is filled with lush green foliage, including large, pointed leaves and a cluster of yellowish-green buds or flowers. The lighting is bright and natural, creating a vibrant, organic feel. The text 'OUR WAY' is centered in the middle of the image in a clean, white, sans-serif font, with a thin white horizontal line underneath it.

OUR WAY





VANILLA OUR WAY

SOURCING VANILLA

We buy vanilla from key vanilla-producing countries around the world. Our main source is Madagascar, where we have implemented the Natural Ethics™ program.

● **Vanilla tahitensis**
Principal Origin: Papua New Guinea



1 SOURCING MINDFULLY

VANILLA

● **Vanilla planifolia**
Principal Origin: Indonesia and Madagascar

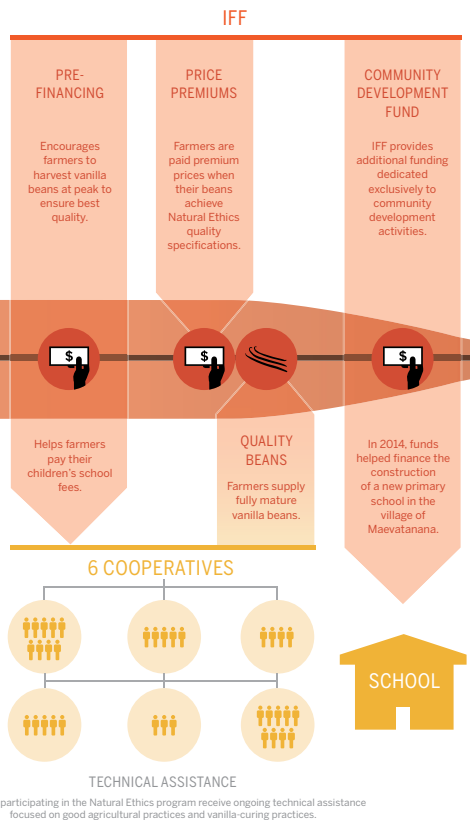


NATURAL ETHICS™

We launched our Natural Ethics program with vanilla farmers in the Sava region of Madagascar.

EXTERNAL VERIFICATION
The program undergoes third-party audits by Bureau Veritas which helps ensure compliance with traceability and quality parameters and monitors the distribution of payments to farmers.

350+
FARMERS



OPTIMIZED EXTRACTION

Since 2012, we have optimized the vanilla extraction process, achieving triple bottom line benefits by reducing solvent use, water use and energy needed to generate heat.



2

MANUFACTURING EXCELLENCE

3

SUSTAINABLE PRODUCTS

VANILLA EXPERTISE

Our in-depth analytics and unique ingredients are a result of top-tier technology and are always leading to new differentiating discoveries.



VANILLA EXTRACT



VANILLA FLAVORS



SPECIALTY PRODUCTS



OLEORESINS & CONCENTRATES



SPENT BEANS

Can be used as inclusions

-20%
SOLVENTS

-10%
TIME







1. SOURCES

SOURCING MINDFULLY

Sustainable products start with sustainable raw materials. We forge trust and transparency with carefully selected vendors, address critical social and environmental issues in our supply chain and develop sourcing strategies that focus on quality and traceability and support community development.



OUR FOUR PILLAR STRATEGY

2. IMPACT

MANUFACTURING EXCELLENCE

By reducing energy use, greenhouse gas emissions, water use and hazardous waste within our operations, we reduce our environmental footprint and operating costs. Efficient manufacturing means that we can deliver eco-efficient flavors and fragrances to our customers that help them create more.



3. PRODUCTS

CREATING OUR PRODUCTS

Creating innovative and sustainable products for our customers is a key priority. We leverage the principles of green chemistry throughout the ideation, development and manufacturing cycles of our products. We assess critical sustainability attributes like renewability and biodegradability and develop solutions to support the health and wellness of consumers.



4. PEOPLE

GROWING EXPERIENCE

In a spoonful of yogurt, a sip of tea or a fresh load of laundry, you can find our people: creative, talented and passionate IFFers dedicated to creating unique scent and taste experiences that people love. Each of the above pillars relies on engaging employees in our sustainability journey, and by empowering them to make sustainable change, we attract and retain the best talent — for the long-term sustainability of our business.



A close-up photograph of a succulent plant with thick, rounded, green leaves. The leaves are arranged in a dense, overlapping cluster. The lighting is soft, highlighting the texture of the leaves. The background is a blurred green, suggesting more of the plant or foliage.

1

SOURCING



MINDFULLY

We support our vendors around the world on their path to continuous improvement.

ENGAGING OUR VENDORS

Our Vendor Management Program helps us ensure that our supply chain meets our rigorous quality expectations. New suppliers undergo initial audits of their business operations to confirm that they meet IFF's requirements and standards, while existing suppliers are audited on an ongoing, periodic basis. In 2014, we increased the size of our audit team and increased the number of audits conducted by nearly 50 percent.

Our auditing efforts are complemented by our vendor risk management program, which tracks vendor performance to help determine audit frequency. We enhanced this program in 2014 with the development of vendor risk scorecards, enabling us to focus our resources on vendors that need it most.

As part of our Vendor Management Program, we share best practices and advice on technical issues, which support our vendors around the world on their path to continuous improvement.





ASSESSING OUR SUPPLY CHAIN

IFF's Vendor Code of Conduct is at the core of our relationships with our vendors. 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.

In 2014, we continued working with the Supplier Ethical Data Exchange (Sedex), the largest collaborative platform in the world for sharing supply chain data. Sedex

helps drive continuous improvement in our supply chain in the areas of labor, health and safety, environmental management and ethical business practice. We focus our efforts with Sedex on a core set of suppliers who are critical to our business. We review the list annually to capture the shifts that occur in supply chains. We use the Sedex Risk Assessment Tool to determine which of these suppliers are top priority for completing the Sedex Self-Assessment Questionnaire (SAQ) and Sedex Members Ethical Trade Audit (SMETA) third-party audits. More than 50 percent of our 2014 spend was with vendors registered on Sedex.

NATURAL ETHICS™: ENSURING SUPPLY CHAIN RESILIENCY

IFF's Natural Ethics program is designed to ensure that our supply of natural raw materials is socially and environmentally responsible. Through close relationships with farmers and vendors, the program directly addresses material issues including traceability, community development and human rights while ensuring quality. We plan to expand our Natural Ethics portfolio in 2015. Our pipeline is guided by the results of the risk assessment that we completed in 2014, which helped prioritize the raw materials that present the greatest opportunity for positive impact through the implementation of our Natural Ethics program.



TO FIND THE RIGHT INGREDIENTS

NATURAL ETHICS VANILLA: MAKING AN IMPACT IN MADAGASCAR

In collaboration with one of our vendor partners in Madagascar, Bourbon vanilla beans became our first Natural Ethics product. IFF supports more than 350 farmers and their families through pre-financing, price premiums and community development projects. Most farmers do not have access to credit. Their decision to harvest vanilla is dictated by their need for cash, not optimal harvest conditions. The program's pre-financing model encourages farmers to harvest the vanilla beans at their peak, giving IFF access to high-quality vanilla beans while ensuring

that farmers are able to meet their own financial needs. Farmers who reach quality targets are given a price premium, and through the purchase of vanilla beans, IFF provides additional funding for development projects chosen by the local communities. In 2014, the funds helped finance the construction of a new primary school, Ecole Primaire Publique, in the village of Maevatanana. The school is recognized as a national public school and is open to all the children of the village with the state providing teachers.





FOR LIFE SOCIAL RESPONSIBILITY CERTIFICATION

In 2014, long-standing commitment to sustainability of IFF-LMR Naturals (LMR) was taken to a higher level with the introduction of third-party certification. LMR worked with the rigorous Fair For Life program of the Institute for Marketecology (IMO). For Life Social Responsibility certification is broad in scope, and everyone along the value chain must adhere to criteria, which require fair working conditions, transparent administration, good community relations and the monitoring of environmental performance. A group of more than 800 rose farmers, processing facilities in Turkey and LMR's

operations in Grasse, France, were all audited and achieved For Life certification. The certification confirms that LMR and our partner in Turkey are committed to acting as responsible employers and promoters of sustainable practices, and that the rose products are completely traceable. IMO publishes summaries of the audit reports on their website, which brings an even higher level of transparency to the supply chain. In 2015, LMR will provide additional training to the farmers on worker health and safety and good agriculture practices. LMR will also continue to expand the portfolio of For Life certified products.



STRENGTHENING OUR POSITION ON PALM OIL

Palm oil is used minimally in our products, but because the production of palm oil is linked to deforestation, biodiversity destruction and human rights abuses, we have an important role in ensuring that the palm oil in our supply chain comes from sustainable sources. We joined the Roundtable for Sustainable Palm Oil (RSPO) in 2012 and issued our first policy on palm oil soon after. In 2014, we completed RSPO Supply Chain Certification

audits at our key facilities in the United States, the United Kingdom and the Netherlands. We are now able to supply certified mass balance ingredients to our customers from these IFF facilities. We plan to publish a revised palm oil policy in 2015 and we will continue to expand Supply Chain Certification to our other facilities around the world, doing our part to transform markets to make sustainable palm oil the norm.





LMR: FOR THE LONG HAUL

When it comes to sourcing sustainable raw materials, IFF-LMR Naturals (LMR) has been leading the way for more than 30 years. Our LMR team works directly with agricultural producers to ensure the raw materials we purchase are pure, natural and high quality, while providing sustainable livelihoods for the producers and protecting the environment. LMR's R&D department in Grasse, France, tests different plant varieties, identifies best agriculture practices and works to optimize post-harvest processing to maximize quality, increase yields and reduce waste. Knowledge is shared and tested with our partners in the field to develop sustainable supply chains.

SPOTLIGHT ON YLANG-YLANG

Ylang-ylang (*Cananga odorata*) is a fast-growing tree that produces year round and is harvested by hand. The essential oil of ylang-ylang is obtained through the steam distillation of the tree's fragrant flowers. There is tremendous opportunity for improvement at each step of the process, from harvesting to distillation, and best practices are determined through extensive trial and error. In addition to focusing on improving the quality of products, our R&D team will work in the future on identifying alternative fuels used to feed the boilers during distillation.



SUSTAINABLE FRAGRANCES FROM MADAGASCAR

Madagascar is one of the most biodiverse places on earth. With ecosystems that range from high plateaus to tropical rainforests, its variety of flora makes it an ideal place for the research and cultivation of aromatic botanicals. The island has 12,000 indigenous plant species, of which 80 percent are endemic.

LMR's long-term approach to working with our partners is key to our success in Madagascar, where they grow high-value aromatic plants including ylang-

ylang, tagetes, cinnamon and pink peppercorns.

In 2014, we made significant progress with our New Botanicals project, the goal of which is to discover botanicals in Madagascar that have high potential to be commercialized as fragrance ingredients.

LMR has established a long-term partnership with the University of Antananarivo, and LMR staff are working in tandem with leading ethnobotanists and phytochemists at the University to identify and



study endemic species with potential for fragrance applications.

Unlike commodity crops such as coffee and cocoa, there is limited research available about what works best in the field for these unique plants, which are grown on a much smaller scale. LMR fills this gap with in-house, agronomy expertise and works with farmers by conducting ongoing field trials and monitoring every step of the process. LMR provides

specialized equipment to the laboratories at the University and trains faculty and research staff in olfaction and analytical chemistry. The model aims to ensure future benefit sharing to all stakeholders in the value chain: the local communities that collect the plants and will cultivate them in the future, the faculty and staff at the University who are in partnership with LMR and the local businesses that will manage initial extraction.

A large white number '2' is positioned on the left side of the image, partially overlapping the grassy foreground. The background features a wide, green grassy field with several industrial buildings, including a prominent white building with blue accents and a blue door. The sky is a clear, bright blue with some light clouds.

2

MANUFACTURING



EXCELLENCE

By reducing energy use, greenhouse gas (GHG) emissions, water use and hazardous waste within our operations, we reduce our environmental footprint and operating costs. Efficient manufacturing means that we can deliver eco-efficient flavors and fragrances to our customers that help them create more sustainable products for the consumer.

Since establishing our 2020 goals for reducing energy use, GHG emissions, water use and hazardous waste, we have made significant progress toward driving reductions throughout our operations. In 2014, we focused our efforts on the most material areas and sites within our footprint. We have surpassed our long-term goals for reducing water use and hazardous waste and continue to drive reductions in energy use and GHG emissions while continuing to expand and grow as a company. With five years of data we now have a comprehensive understanding of our global footprint, allowing us to make evidence-based decisions and focus our efforts on sites that are most material. As we continue to gain a better understanding of our ability to reduce our impact, we will reevaluate our goals and update them appropriately.

The eco-efficiency scorecards that we developed in 2013 clearly show which plants have the most significant impact. For example, the sites that generated the majority of our hazardous waste have similar characteristics, and the Green Teams at those facilities are now sharing best practices to drive reductions.

MANAGING OUR IMPACT

Our eco-efficiency management team is structured so that each site has responsibility to drive reductions while benefiting from the tools, resources and learnings of all our other sites. This autonomy is crucial where bottom-up cultural and behavioral changes are the most effective way to make progress.

In 2014, we increased our overall production and changed our product mix to meet customer demand. The range of the product mix was more energy intensive and created more waste per metric ton of production. We continue to focus on finding ways to manufacture more efficiently and produce less waste.

As we look to the future,
we will challenge ourselves
to reduce our water use even
further by increasing our
2020 goal to 50%.

Energy

MAKING MORE WITH LESS

2020 GOAL

-20%

2014 VS 2010 PERFORMANCE

-8.2%

GHG Emissions

STEPS TO A SMALLER FOOTPRINT

2020 GOAL

-25%

2014 VS 2010 PERFORMANCE

-8.5%

Water

MONITORING THE FLOW

ORIGINAL 2020 GOAL

-25%

2014 VS 2010 PERFORMANCE

-35.4%

UPDATED 2020 GOAL

-50%

Hazardous Waste

KEEPING IT TO A MINIMUM

2020 GOAL

-25%

2014 VS 2010 PERFORMANCE

-26.4%

CST FEED

F

D

60" LOW FEED LINE

C

TK 4N

B



MAKING MORE WITH LESS

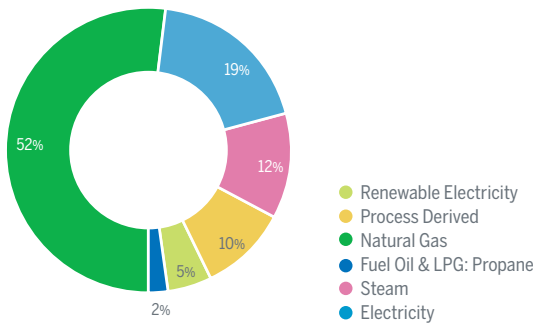
Energy reduction is a key element of our eco-efficiency strategy and strengthens our bottom line. In 2014, many of our sites reduced energy use through facility upgrades, new equipment and operational changes. However, these reductions were offset by the manufacture of energy-intensive product mix, resulting in no significant change to our overall energy use per metric ton of production as compared to 2013. That said, we are confident and on track to reach our 2020 energy reduction goal of 20 percent.

ENERGY MANAGEMENT IN BRAZIL

Installing new equipment at our manufacturing facilities can contribute to shifts in energy use. We rely on robust site-level environmental management systems in line with ISO 14001 certification to effectively manage such changes. In some instances, new equipment can lead to immediate savings: a new boiler at our facility in Rio de Janeiro, Brazil, is estimated to reduce the plant's annual natural gas consumption by roughly

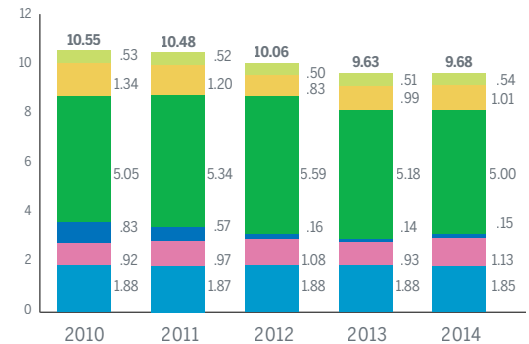
40 percent. On the other hand, we anticipate spikes in energy use with the installation of new equipment in our site in Taubaté, Brazil. Management systems are in place to minimize environmental impact. Plant operators and the planning department have identified ways to reduce setup times and optimize production for each run, making the overall process more energy efficient in the long term.

TOTAL ENERGY CONSUMPTION IN 2014
2,831,173 gigajoules



Values in graphs are rounded for clarity. Percentages are derived from non-rounded values. See our GRI Content Index for more information (EN3-EN7).

ENERGY CONSUMPTION BY TYPE, 2010-2014
per energy source in gigajoules per metric ton of production



BUILDING GREEN IN INDONESIA

In 2014, IFF opened a new flavors creative center at our existing campus in Jakarta, Indonesia, where we have maintained a presence for more than 60 years. The new construction presented an opportunity for a design guided by our commitment to sustainability. The building incorporates various heat, water and emissions management systems all designed to reduce its environmental impact, conserve water and energy and improve indoor air quality. These

best-in-class building practices are consistent with globally accepted Leadership in Energy & Environmental Design (LEED) principles. By adhering to the green building practices recognized by LEED, IFF will effectively manage operating costs, reduce environmental impact and improve the quality of life for IFFers at work every day. This work in Jakarta was the first step to set the standard for future building projects at IFF.



STEPS TO A SMALLER FOOTPRINT

GHG emissions are a significant contributor to global climate change, and we are committed to reducing our Scope 1 (direct emissions we control) and Scope 2 (generated through purchased electricity and steam) GHG emissions. We also track Scope 3 (indirect emissions in our value chain). GHG emissions are highly dependent on energy use, and we aim to reduce our carbon footprint by minimizing energy use and increasing our purchases of renewable energy. Even though our global energy use did not change significantly from 2013 to 2014, our overall GHG emissions increased. The increase is linked to growth in Greater Asia, where available fuel sources have higher carbon emissions factors. In 2014, we offset this increase with the purchase of certified renewable energy and continued to progress toward our goal of reducing our global GHG emissions by 25 percent by 2020.

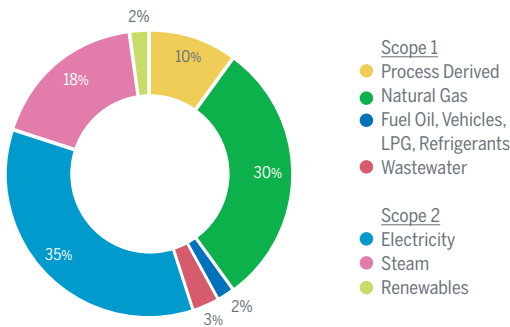
TAKING THE LEAD IN GREEN ENERGY

In 2013, we took the first major step in our broader renewable energy strategy. We partnered with a solar energy provider to jointly develop a solar installation at our Hazlet, New Jersey, U.S. facility. The installation—

the largest in the flavors and fragrances industry—went on line in 2014.

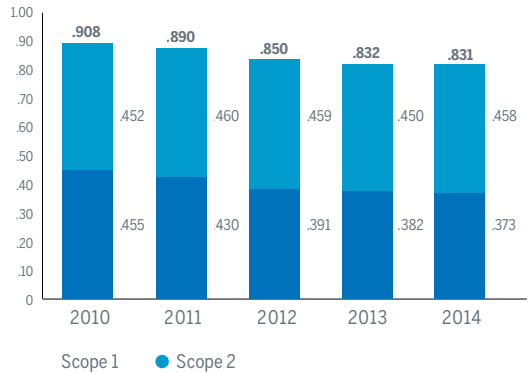
For more information on GHG accounting, please see About this Report.

TOTAL STATIONARY SCOPE 1&2 GHG EMISSIONS IN 2014
242,924 metric tons of CO₂e



Values in graphs are rounded for clarity. Percentages are derived from non-rounded values. See our GRI Content Index for more information (EN15-EN21). Emissions from Renewables (Scope 2) are adjusted with the purchases of Renewable Energy Certificates. 9,949 metric tons of CO₂e reduced from purchased RECs. For more information on GHG accounting, please see About this Report.

ANNUAL EMISSIONS PER PRODUCTION BY SCOPE, 2010–2014
metric tons of CO₂e per metric ton of production



LEADERSHIP IN CLIMATE CHANGE MITIGATION

In 2014, IFF was recognized by CDP for achieving a performance rating of A- and a disclosure score of 97 out of 100, and was included in the Climate Disclosure Leadership Index (CDLI). Inclusion in the CDLI ranks IFF among the top 10 percent of nearly 2,000 companies that have been assessed against CDP's scoring methodology. Our disclosure score signals a

comprehensive management system and our performance rating reflects a robust program to set and meet carbon-reduction plans. IFF's inclusion in the CDLI is a demonstration of our ongoing commitment to effective climate change mitigation and the integration of climate change risk into strategic business decisions.



MONITORING THE FLOW

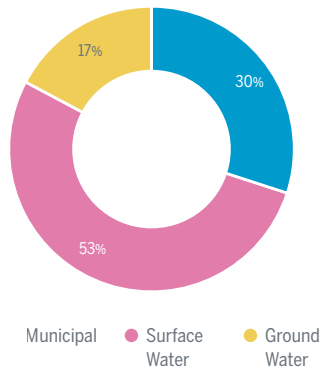
Water is a vital component of our operations and was identified as a key issue in our recent materiality assessment. This year we are pleased to report a 9.4 percent reduction in water use, going from 21.08 to 19.09 cubic meters per metric ton of production from 2013 to 2014, thereby surpassing our 2020 goal of a 25 % reduction in water use. Our priority is to continue to reduce our overall water use, and we are continuing to install meters along key production lines to better understand how water is consumed in each step of our manufacturing processes. This information helps our green teams to develop and implement action plans for water conservation. As we look to the future, we will challenge ourselves to reduce our water use even further by increasing our 2020 goal to 50 percent. This ambitious goal will stretch our abilities but with our previous success in water management and the tools we are using to estimate our future impact, we are confident in our new commitment.

MANAGING WATER USE

Through the use of our eco-efficiency scorecards, we have found that five facilities contribute to a majority of our global water usage. Green Teams at these facilities have focused their efforts on monitoring and reducing water use. The Green Teams worked to improve water controls, focusing on flow and temperature at each

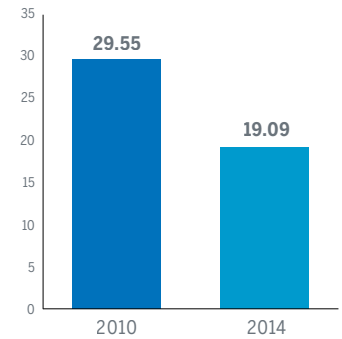
point of usage. To achieve further reductions, cleaning processes were streamlined by optimizing tank cleaning and using water-efficient high-pressure equipment. As a result of these improvements, in the last year alone, all five sites achieved notable reductions, contributing to our global success.

WATER USE BY SOURCE IN 2014
5,584,151 cubic meters



Values in graphs are rounded for clarity. Percentages are derived from non-rounded values. See our GRI Content Index for more information (EN8 and EN10).

WATER INTENSITY, 2010–2014
cubic meters per metric ton of production



UNDERSTANDING OUR WATER FOOTPRINT

To improve our understanding of our relationship with water, we use the World Resources Institute’s (WRI) Aqueduct Tool to map our water footprint and identify risks. The tool shows which IFF sites are in water-stressed areas, and this knowledge will help determine future water conservation initiatives at our sites. In 2014, we continued to manage and disclose our water use data

through CDP’s Water Assessment. The CDP Water Assessment gives us access to performance benchmarks and helps us improve transparency with various stakeholders. The assessment requires a solid understanding of how our operations are affected by potential water risks and how we manage those risks.



KEEPING IT TO A MINIMUM

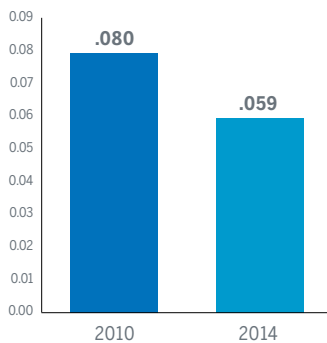
Over the last five years, our sites have significantly reduced their generation of hazardous waste, and our eco-efficiency management team has gained a deeper understanding of the relationship between product mix and hazardous waste generation. Because manufacturing processes generate varying amounts of waste, shifting product mix can lead to fluctuations in performance from year to year. For instance, in 2014, we saw an increase of hazardous waste of 6.2 percent, going from 0.055 to 0.059 metric tons per metric ton of production. Although many of our facilities reduced their generation of hazardous waste, this increase was driven by changes in production at a few select facilities. Implementing changes and maintaining reductions over time is more challenging for facilities with a diverse product portfolio, while sites with consistent product mix can more consistently implement improvements and maintain reductions over time. Overall, we are still trending ahead of our 2020 goal, and as we look ahead, we will continue to monitor the trends that affect our waste, track our progress and increase our commitments accordingly.

REDUCE, REUSE, RECYCLE IN THE U.K.

Over the last two years, our fragrance ingredients site in Haverhill, U.K., has made reducing hazardous waste a priority. Through innovative process improvements in 2014, the site succeeded in achieving a 4 percent reduction in total hazardous waste compared to 2013. The process improvements focused on raw material recovery and reuse in the production of a main fragrance ingredient. The plant focused on two essential raw materials that were key to reducing waste in the manufacturing process. Through separation and cleaning

techniques, a large portion of these raw materials are now recovered and reused, reducing both the volume of hazardous waste generated and the amount of raw material needed for production. The team in Haverhill has shared these best practices with other sites so they can have similar successes. Recovering raw materials from waste, although challenging, is a true triple bottom line success story. Reducing hazardous waste, reducing the costs associated with managing waste and increasing yields is good for our bottom line, society and the planet.

HAZARDOUS WASTE INTENSITY, 2010–2014
metric tons per metric ton of production



Values in graphs are rounded for clarity. Percentages are derived from non-rounded values. 17,205 metric tons of hazardous waste generated in 2014. See our GRI Content Index for more information (EN23-EN26).



FOCUSING ON SAFETY

SAFETY IMAGING PROGRAM

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 accident-free workplace, and we expect our employees to support this commitment. We have comprehensive safety policies and procedures to guide our employees and operations. Ongoing training and periodic internal audits ensure that our sites meet our rigorous standards.

Safety imaging is an innovative method of behavioral training designed to embed best practices in safety across IFF manufacturing sites. The interactive small group sessions focus on specific safety situations through a photo or video carefully selected by the site facilitators. The goal is to identify what individuals and teams can do to reduce or eliminate safety risks. The safety imaging methodology is adaptable to a broad range of topics, from forklift safety to chemical handling. It gives each IFF location the flexibility to select topics that are most relevant to their operations and employees. With trained facilitators at every site, our goal is to carry out one or two sessions per month based on the size and complexity of the facility. The safety imaging program has proved to be relevant, and we will continue to enhance the program to ensure it remains deeply embedded in our culture.

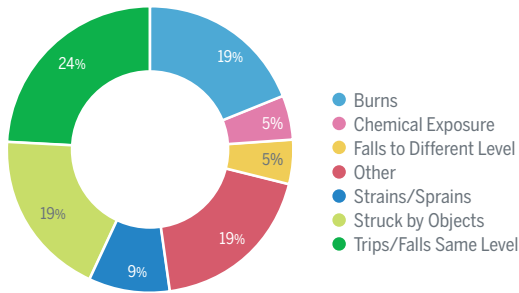
ACHIEVING THE GOLD STANDARD WITH ECOVADIS

EcoVadis is a collaborative platform that enables companies throughout global supply chains to monitor their sustainability and corporate social responsibility (CSR) performance. Through a comprehensive rating and reporting tool, companies can communicate their progress, manage risk and improve social and environmental practices. We first engaged with EcoVadis in 2013 and committed to continuous improvement. We are pleased to report that in 2014 IFF achieved a Gold CSR rating. Our CSR performance puts us in the top 10 percent of all suppliers assessed by EcoVadis. We are driven by continuous improvement, and in 2015 will further strengthen our sustainability programs to ensure ongoing excellence.

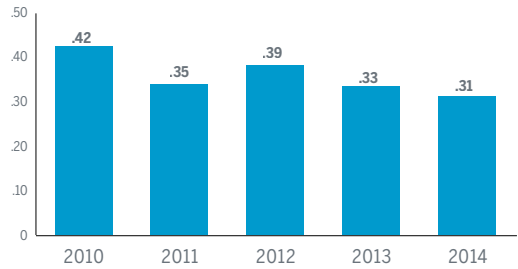
ASSURING THROUGH CERTIFICATION

As we work to reduce our impacts throughout the value chain, we rely on external certification systems to validate our procedures and to help guide our continuous improvement plans. Implementing the ISO 14001 environmental management system at our facilities helps us improve resource efficiency, reduce waste and manage costs, while assuring our employees and external stakeholders that our environmental impact is being measured and managed. Many of our facilities are ISO 14001 certified, and we continue to work towards our goal of expanding certification to all of our major manufacturing facilities by the end of 2015.

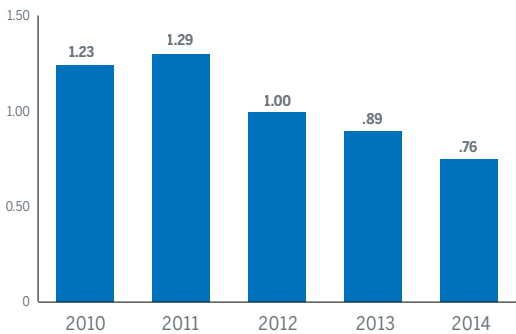
LOST-TIME ACCIDENT TYPES, 2014



LOST-TIME ACCIDENTS FREQUENCY RATE, 2010-2014
per 100 employees



TOTAL RECORDABLE ACCIDENTS FREQUENCY RATE, 2010-2014
per 100 employees



Values in graphs are rounded for clarity. Percentages are derived from non-rounded values. See our GRI Content Index for more information (LA6).

A close-up photograph of a person wearing a dark blue long-sleeved shirt. The person is holding a green pen in their right hand, positioned over a white cup. The cup contains a green liquid. The background is a light green wall. The overall scene suggests a professional or creative setting.

3

CREATING OUR



PRODUCTS

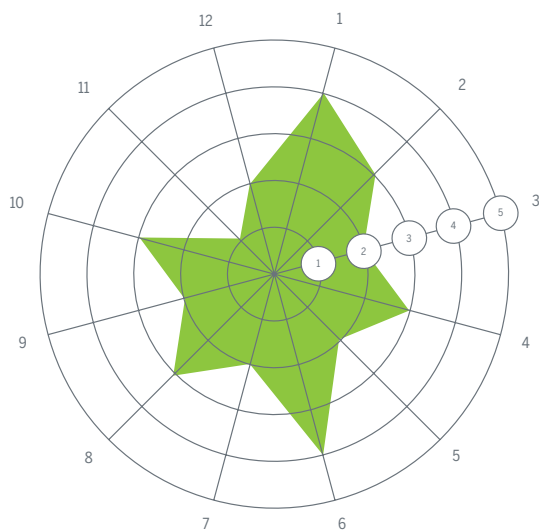
Green chemistry is the foundation of creating sustainable products.

FROM PRINCIPLES TO PRACTICE

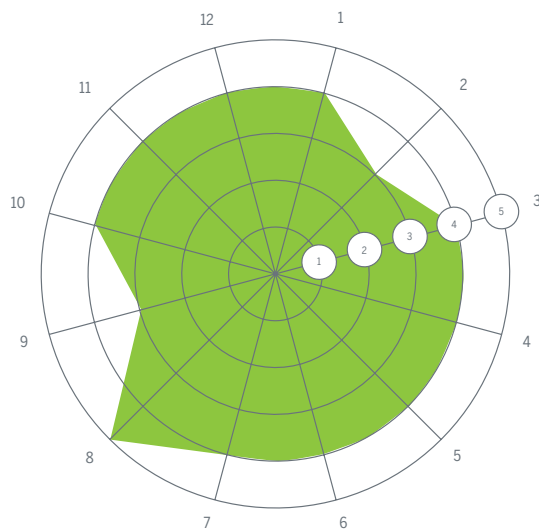
GREEN CHEMISTRY

Green chemistry is the foundation of creating sustainable flavors and fragrances. Our approach to embedding green chemistry into our R&D programs is twofold: to train our technical teams globally on the 12 Principles of Green Chemistry and to use our proprietary Green Chemistry Evaluation Tool to evaluate our products. Integrating the 12 Principles of Green Chemistry into our processes results in clear environmental benefits through waste reduction and biodegradability and economic benefit by reducing the cost of manufacturing. Our goal is to have green chemistry in the toolkit of every scientist at IFF. With the support of Michael Cann, PhD, a renowned expert in green chemistry at the University of Scranton, we introduced green chemistry training at our global R&D headquarters in North America in 2012. In 2014, our chemists and engineers throughout the world completed the training. The customized training provides an overview of the 12 Principles of Green Chemistry and how they apply to flavors and fragrances as well as guidance on how to use IFF's Green Chemistry Evaluation Tool. We are committed to an ongoing training program on green chemistry across our operations.

BEFORE



AFTER



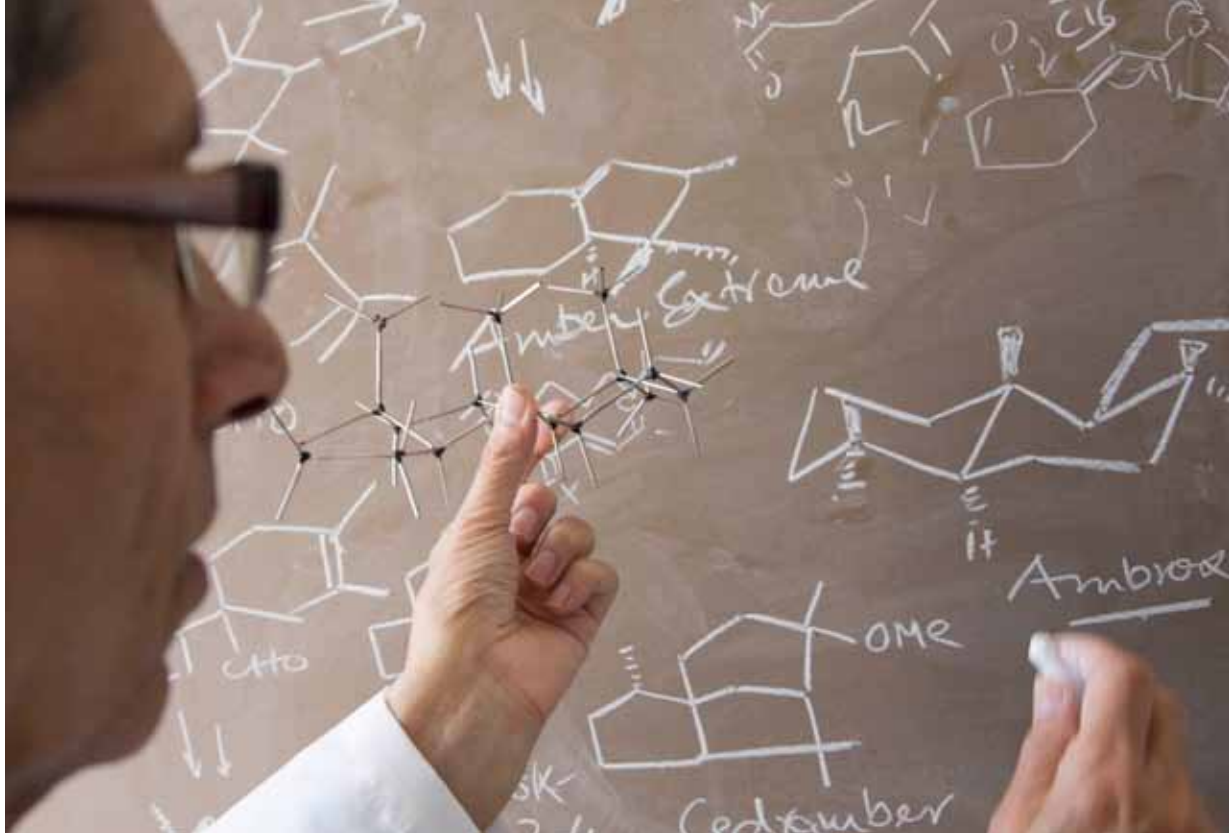
12 PRINCIPLES OF GREEN CHEMISTRY

- 1 Prevention
- 2 Atom Economy
- 3 Less Hazardous Chemical Syntheses
- 4 Designing Safer Chemicals
- 5 Safer Solvents and 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 Safer Chemistry for Accident Prevention

SEEING THROUGH A GREEN LENS

Our proprietary Green Chemistry Evaluation Tool is part of our R&D toolkit, and enables our scientists to quantitatively score and evaluate our products and processes against each of the 12 Principles. The scores are charted to provide a visual display of how “green” the process is. Using the Tool, our scientists establish baselines for overall green chemistry performance, identify potential areas for improvement, set goals and track progress toward those goals. The Tool is especially helpful in the case of new molecules, which are invented and optimized in a laboratory and then transferred to a manufacturing facility where they continue to be assessed. Improvements are made on a continuous basis to ensure optimal performance as production is scaled up.

We will continue to use the Green Chemistry Evaluation Tool across our R&D activities, with our sites defining specific targets that are most relevant to their programs and product portfolios. For example, in Benicarló, Spain, we integrated the Principles as a powerful mechanism to assess project impact on the sustainability profile of a number of key processes.



IMPROVING OUR RESULTS

DESIGNING FOR BIODEGRADATION

A product is biodegradable when it can break down into organic compounds found in nature. When creating new fragrance molecules, our chemists can design biodegradation into our products, creating molecules that promote degradation and eliminate features that promote persistence. Our efforts are designed with one thing in mind: creating sustainable ingredients for our customers. In 2014, we integrated a biodegradability model into a tool our chemists use, allowing them to assess newly designed molecules prior to synthesis. Since our fragrances in products like shampoo and detergents wash off, we are careful to understand the biodegradability of the materials we use. Our work with biodegradability is an example of IFF's commitment to water stewardship.

DEEPENING LIFE CYCLE INSIGHTS

Life Cycle Assessments (LCA) help us understand the environmental impacts of our products. Having a deeper understanding of the life cycle of our products enables our chemists and creative teams to choose greener raw materials and develop sustainable flavor and fragrance formulas. We continue to leverage our collaborations with life cycle experts and have begun to focus on product-level assessments. In 2014, we completed the initial cradle-to-gate assessment of selected flavor and fragrance ingredients. The assessment measured, among other factors, the carbon emissions associated with the production of the raw materials we use, their transportation to IFF and the impact of the manufacturing process. We are using our Green Chemistry Evaluation Tool to identify ways we can improve the manufacturing process to reduce the impact of the product. Having an understanding of the impact of our raw materials at each part of the life cycle will improve our decision-making and support the improvement of our products.



BIOTECHNOLOGY

Using renewable feedstocks is one of the 12 Principles of Green Chemistry. We leverage biotechnology to create renewable, low-carbon and cost-effective flavor and fragrance solutions and to reduce supply volatility of critical ingredients. In 2014, we strengthened our collaboration with Amyris, a leading global renewable products company. By working to convert plant sugars into molecules and raw materials, our work with Amyris will provide alternatives to petroleum-based products.

We have a critical role to play in helping our customers create products that support the health and wellness of consumers.



SUPPORTING WELLNESS

RESTORING HEALTH THROUGH SCENT

For IFF, making the connection between fragrance and health is not new. Our previous sustainability reports have highlighted IFF's commitment to unleashing the power of scent for healing. Over the past decade, IFF has partnered with Cosmetic Executive Women (CEW) in hospitals in France to support a pioneering treatment known as olfactotherapy. This therapeutic approach uses fragrances created by IFF to help people regain their memory and speech after brain injury, relieve pain and bring joy through the power of scent. Olfactotherapy has also been introduced in Paris to help teenagers with eating disorders.

More recently, IFF has partnered with Susan Camera Leret of Thought Collider as part of a Creative Industry Scientific Program (CRISP) administered through the Mistral Rehabilitation Clinic, in The Hague, the Netherlands. This initiative explores the use of smell as a storytelling tool that can be used in therapeutic settings. Together with IFF's Olfactive Design Studio, a Smell-Memory Kit: The Molecules that Matter, and Kindred Spirits series based on fictional creatures have been designed and implemented as a therapy tool for recovery from drug addiction. Linking personal health with sustainability reflects IFF's continued commitment to creating innovative fragrance solutions that address the pro-wellness demands of consumers.

THE GREAT TASTE OF HEALTH & WELLNESS

As a leading supplier to some of the world's largest food and beverage brands, we have a critical role to play in helping our customers create products that support the health and wellness of consumers. Our commitment is reflected in the growing uptake of our ingredients in health and wellness products around the world. Our portfolio of flavor solutions, including FlavorFit™ technologies, enables the formulation of great tasting products that help meet the needs of those with dietary restrictions and food

sensitivities and address broader consumer concerns around diabetes and other diet-related diseases. Our priority is to make sure that taste is never compromised as we provide our customers with flavor solutions for products fortified with protein, fiber, vitamins and minerals, or dairy alternatives like almond or soy milk. We are leveraging our R&D expertise to help create great tasting flavor profiles for gluten-free options and for foods and beverages with less sodium, sugar or fat.



REGULATORY & PRODUCT 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 safety compliance 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 taking leadership positions within the trade associations and working with regulators, we seek to ensure that upcoming regulations

benefit consumers while protecting the interests of the industry.

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. In addition, we are working with a variety of external stakeholders and initiatives to explore additional ingredient disclosure models that can provide consumers with valuable information while protecting our proprietary formulations. In the meantime, we understand that information requests will continue to vary by product and customer, and we therefore tailor our disclosures to the requirements of each situation.



EVALUATING WITH PRECISION

SensIFF

Delivering safe, high-quality flavors and fragrances is fundamental to meeting the requirements of our customers who use our products in thousands of food, beverage and personal care brands worldwide. A harmonized quality management program is an essential part of our Global Quality Policy. Our regulatory teams manage the comprehensive policies and procedures that help us achieve safety compliance in the countries in which we operate.

After product safety, sensory evaluation is IFF's most critical quality control test, with more than a million evaluations of key attributes like color, taste and smell performed each year. An analysis of our quality performance over the last five years showed the greatest opportunity for improvement is in the area of sensory evaluation.

IFF developed SensIFF, a custom mobile application designed to improve the accuracy of the sensory evaluation process. SensIFF provides sensory analysts with previous sensory decisions on a product in real-time, and they are able to make more accurate judgments on batch samples. The application is fully integrated with IFF's enterprise software and allows for the definition of key sensory attributes. Ultimately, SensIFF leads to customer alignment and fewer rejections, contributing directly to the triple bottom line by improving efficiency and reducing waste. In 2014, SensIFF was put in place at 100 percent of our Flavors and Fragrances manufacturing sites globally.

SENSORY UNIVERSITY

Additionally, we established IFF's Sensory University, designed to develop the skills of our sensory evaluators by aligning palettes, creating a common vocabulary and harmonizing the way they communicate about products. Originally conceived in 2011 in Tilburg, the Netherlands and in 2014 the Sensory University training was introduced at our sites in Garín, Argentina, and Gebze, Turkey.

The University's training modules focus on the building blocks of flavor ingredients, such as lactones, esters and alcohols, and progress through to broader categories like citrus, herbs and spices. Custom-built modules such as citrus off-notes and dairy and meaty notes also became a key part of how we work with customers to ensure alignment. Joint training has helped align our palettes with our customers and harmonized the language we use to

describe sensory attributes, which has improved communication, built trust and translated into direct business impact.

The Sensory University is already delivering results: the participants' knowledge has increased significantly, which has accelerated career advancement within the sensory evaluation team. Our staff are able to identify and describe sensory differences more effectively and address non-conformances before products leave our factories. Our customers get exactly what they want, and fewer rejections mean tangible triple bottom line benefits: greater efficiency, reduced waste, reduced packaging and reduced transportation. In 2015, the Sensory University will be expanded to additional sites, and training modules for fragrances are being replicated for our fragrance business unit.





4

GROWING



EXPERIENCE

CELEBRATING OUR 125TH ANNIVERSARY

January 2014 marked the start of our 125th anniversary celebration throughout the IFF world. Beginning with the founding of Polak & Schwarz on January 27, 1889 in Zutphen, the Netherlands, and culminating in the 1958 merger with van Ameringen-Haebler to form International Flavors & Fragrances Inc. in New York, we attribute our long success to our talented employees.

As we look back through our long history, we see passion, creativity and expertise in generation after generation of empowered IFFers. These values came to life in the local celebrations throughout 2014 that honored our heritage and expressed hope for an even stronger future. We created a 125th anniversary gift for our employees, customers and shareholders consisting of a bespoke flavor and fragrance. Our sustainable Natural Ethics™ vanilla provided a special extract blend for a delicious vanilla baking and cooking experience, while Rose Essential™ from IFF-LMR Naturals captured in a limited edition scent the moment when a rose first opens and is about to bloom.

We continue to invest in our employees as they drive our success by creating exceptional products and providing superior service to our customers.

BUILDING ON OUR STRENGTHS

SUPPORTING EMPLOYEE DEVELOPMENT

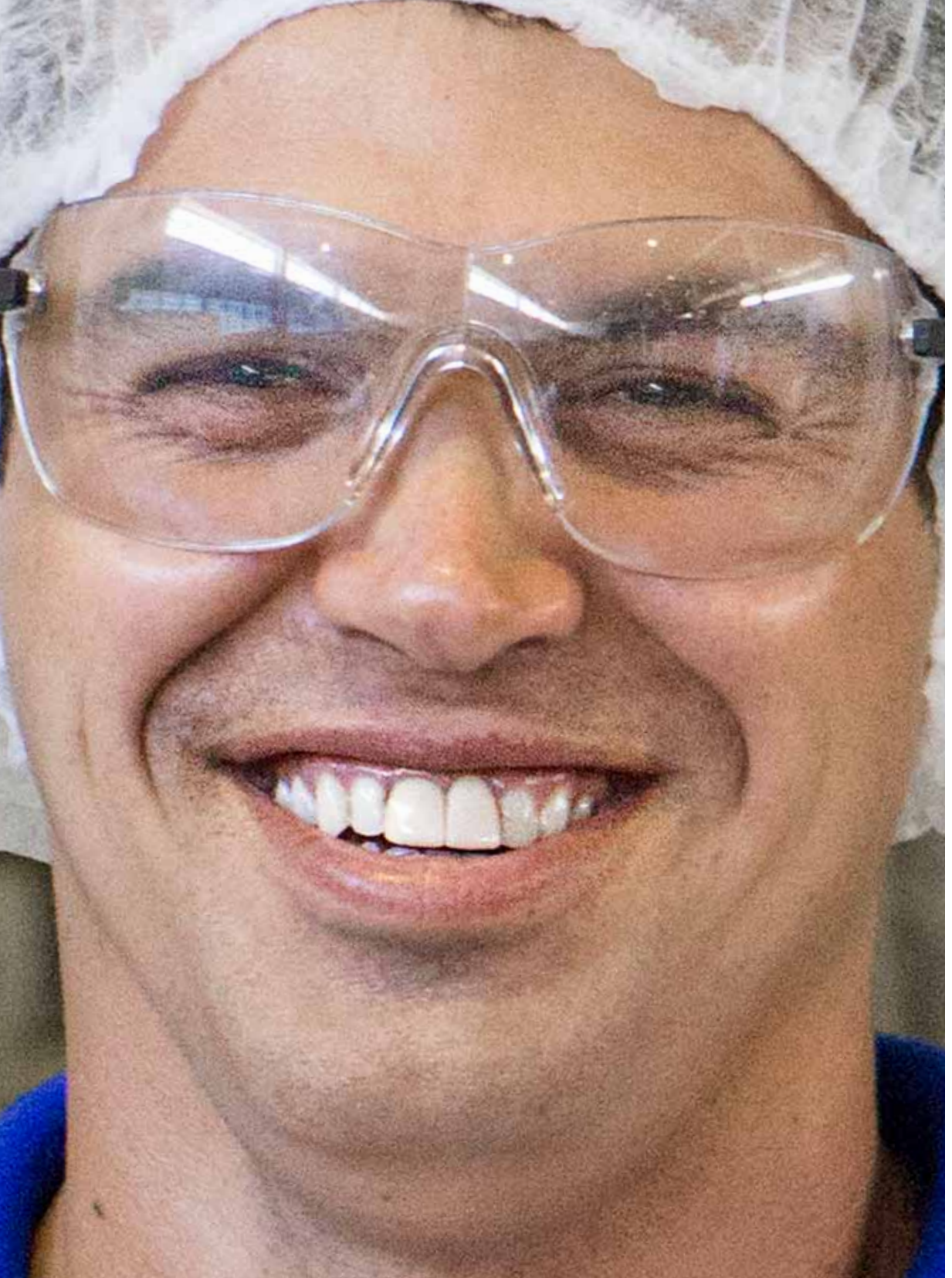
Performance management at IFF is a year-long process that begins with managers and their direct reports working together to develop annual work and personal objectives that support core business priorities as well as professional development goals. Formal progress evaluations take place twice a year, creating opportunities for feedback to drive continuous improvement. The process uses an online performance management system, which captures performance history, strengthens accountability and enhances transparency. Each year, 100 percent of eligible employees hired before October 1, regardless of gender or employee category, use the performance management system and receive performance reviews. Eligible employees hired after October 1 participate in the performance management process at the start of the following year.



EMPLOYEE VALUE PROPOSITION

One of our goals as a company is to nurture a values-based culture that we





believe fosters an excellent work environment and helps us perform at our best. Over the last two years, we defined our values-based Employee Value



Proposition (EVP) that captures the essence of IFF: passion, creativity, expertise and empowerment. These values are key to attracting and retaining the right





people and providing best-in-class service to our customers. To ensure that values and the behaviors they inspire are firmly embedded in our culture,



they are being included in our recruitment materials and interview protocols, career development programs, performance management process and more.





Managers have been provided with toolkits to help every member of their team understand how the values benefit their roles. A recognition program will be



launched globally to support everyone's efforts to live the values and recognize them in others.





CAREER LADDERS

Career Ladders are designed to provide clear role expectations at all levels and to help managers and employees create more meaningful and focused career and development plans. The ladders detail the knowledge, experience, skills, competencies and performance expectations for specific roles and layout criteria for success. In combination with our extensive training programs, the ladders provide a comprehensive roadmap to lifelong careers at IFF.

BUILDING OUR TALENT PIPELINE

Talent development is a top priority at IFF. In an industry that has highly specialized roles, it is critical that we help our employees excel at their jobs and develop the unique skills necessary to build long-lasting careers at IFF.

Perfumery School

Trainees are selected and prepared for careers as creative and technical perfumers, following a rigorous curriculum and guidance from IFF's expert perfumers.

Flavorist School

The 32-month program combines full time training and on-the-job experience. The curriculum is focused on understanding raw materials, solvents, building a flavor language, flavors applications and flavor creation techniques.

Scent Design Management School

Students develop olfactive skills and gain an understanding of consumer insights, finance, creative strategy and project management. Formal coursework is followed by a six-month on-the-job training program.

Mastering Business Agility

Developed for high-potential global leaders in collaboration with INSEAD, one of the world's leading graduate business schools. Participants work on learning projects exploring new business opportunities, new markets and enhanced profitability models.

ECO-EFFICIENCY RECOGNITION PROGRAM

In 2014, we formalized IFF's Eco-efficiency Recognition Program for our manufacturing facilities, intended to acknowledge the employees and sites that have made significant achievements in sustainability and to incentivize sites to improve their eco-efficiency performance moving forward.

Recognition will be given on an annual basis in two categories. One compounding and one fragrance ingredients manufacturing facility will be recognized as the Most Sustainable Site of the year. Three Most Improved Site awards will be distributed for the most significant year-on-year improvements in waste, water, energy and carbon management. In addition to demonstrated improvements, selection criteria will also factor in social and environmental audits and certifications such as Sedex and ISO 14001, and examples of employee engagement, innovation and community outreach activities.

GREEN TEAMS IN ACTION

Green Teams are now established at 100 percent of our global manufacturing facilities. This is a significant achievement that will help us continue to drive eco-efficiency improvements throughout our global operations.

We also have more than 30 creative centers around the world, and although their environmental footprint is less than our manufacturing facilities, IFFers working at creative centers are no less passionate about sustainability, and Green Teams have also been established at several creative centers.

In early 2014, IFFers at our creative center in Hilversum, the Netherlands formed what is now one of the most active Green Teams at IFF. They brought to life the values of passion, creativity, expertise and empowerment into a series of projects and events during the course of the year to help green the office, support the local community and engage their colleagues in sustainability initiatives.

CONTRIBUTING TO COMMUNITY

Office paper recycling was already in place in Hilversum, but it was not being optimized. The Green Team focused their efforts on increasing paper recycling and the office is now actively participating in paper recycling on an ongoing basis.

Green Week in December 2014 was a celebration of their efforts. Throughout the week, employees received green tips of the day, learned about the achievements of the Green Team, and participated in a toy drive for a local toy bank. Employees submitted nearly 200 ideas on how to make IFF more sustainable.

The Hilversum Green Team plans to continue employee engagement activities and is also working on a Green Idea Platform that will allow IFFers to exchange ideas for a more sustainable work environment. The grassroots efforts of the Green Team in Hilversum is being replicated in other creative centers, and the Idea Platform will help teams communicate, share ideas and inspire one another on a global level.

PROMOTING HYGIENE WITH CLEAN THE WORLD

Evidence shows that handwashing with soap can significantly reduce the incidence of diseases and can prevent the transmission of a variety of pathogens, in particular among children under five years old. Many of IFF's fragrance customers are focused on promoting good hygiene practices, and IFF supports their efforts by providing expert insight into consumer preferences in different parts of the world. Fragrances created specifically to match regional and cultural preferences encourage hand washing with soap.

IFF works with Clean the World, a not-for-profit organization that promotes good hygiene practices by collecting and recycling unused soap and other hygiene amenities, which are then assembled into hygiene kits by volunteers and distributed to local charities. During our first hygiene kit build in 2013, IFFers at our creative center in Hazlet, New Jersey, U.S., assembled 300 kits. In 2014, the event was expanded to multiple IFF facilities around the world, and a total of 3,700 kits were distributed to the following local charities:

JACKSONVILLE, FLORIDA, U.S.

Sulzbacher Center

Northeast Florida's largest provider of comprehensive services for homeless men, women and children.

HAZLET & UNION BEACH, NEW JERSEY, U.S.

Interfaith Neighbors

A non-profit agency with eight distinct programs that serve to meet basic needs and increase the self-sufficiency of thousands of families throughout Monmouth County, New Jersey.

NEW YORK, NEW YORK, U.S.

Henry Street Settlement

Founded in 1893, the Henry Street Settlement delivers a wide range of social services, arts and health care programs to more than 60,000 New Yorkers each year.

TLALNEPANTLA, MEXICO

Mano Amiga

An educational charity operating a network of schools for underprivileged children throughout Mexico focused on breaking the cycle of poverty through education.

SINGAPORE

Food from the Heart

A Singaporean charity working to deliver food and other basic needs to people in need in the local community.

ALL THAT IS NOT GIVEN, IS LOST: CHARITY DAY IN FRANCE

IFFers from our office in Neuilly, France, gathered together for their annual Charity Day in June. For the second year in a row, they volunteered at La Ferme Pédagogique de la Butte Pinson, a children's educational farm just outside Paris. IFFers worked to refurbish the facilities and rebuild animal enclosures. Their success has helped launch additional projects at our sites in Dijon and Grasse.

PARTNERING WITH MANO AMIGA

Our teams in Argentina, Brazil and Mexico have been working for many years with Mano Amiga, an international foundation that works to improve education for children in need. IFF has visited facilities, met with the students and provided funds for enhancements. Groups of students have come to IFF's facilities to learn about our business and to understand flavor and fragrance creation. The partnership is at the heart of our charitable activities in Latin America and we look forward to ongoing collaboration with Mano Amiga.

We are passionate about embracing different cultures, languages and beliefs, and appreciate the benefits that diverse backgrounds and viewpoints bring to our business.

OUR COMMITMENT

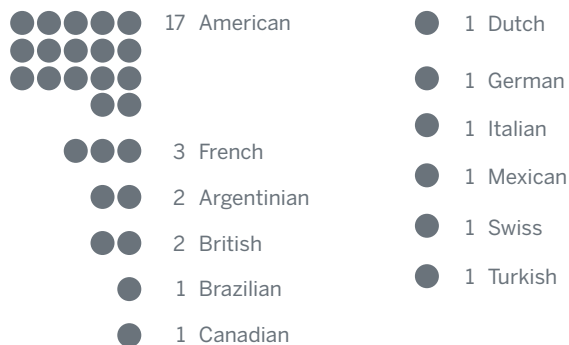
As an equal opportunity employer, IFF selects, hires, promotes, develops and compensates employees based solely on their abilities, and without regard to race, color, ethnicity, sex, age, religion, pregnancy, national origin, sexual orientation, disability, veteran status or any other protected class, group or status.

80 EMBODYING DIVERSITY

IFF operates in more than 30 countries worldwide, each with specific legal frameworks and requirements for diversity in the workplace. Human resources teams in each region and country have accountability for ensuring that IFF complies with local legal requirements, and the teams are empowered to implement additional programs and projects to support diversity and inclusion based on the local context and local priorities.

IFF's senior leadership team represents 12 countries and is 84 percent male and 16 percent female.

GLOBAL SENIOR LEADERSHIP COMPOSITION





PARTNERSHIP WITH FUNDAÇÃO DORINA NOWILL

IFF collaborates with Fundação Dorina Nowill, a non-profit organization that provides services for the blind and visually impaired, focusing on supporting social inclusion and workforce integration.





IFF supports Fundação Dorina Nowill's olfactive evaluation course, and as a result of this collaboration IFF Brazil now employs two graduates of the program.

DISABILITY INCLUSION IN BRAZIL

Our operations in Brazil include flavor and fragrance manufacturing facilities in Taubaté and Rio de Janeiro, along with a creative center and sales office in Tamboré. IFFers in Brazil receive targeted training on diversity and inclusion. Participants learn about best practices and the benefits of inclusion and diversity in the workplace, including employees with disabilities. At the Tamboré creative center, a job-mapping exercise was developed specifically to analyze adaptation needs in the workplace, and a site assessment was conducted to recommend adjustments and improvement to infrastructure. People with disabilities work in the manufacturing plants and in the creative center, in customer service, lab and maintenance roles. IFF Brazil also provides targeted training to local managers about working with people with special needs to ensure that they are able to manage effectively, address any needs-specific issues that may emerge and to provide consistent performance evaluations. Several employees with disabilities who have joined IFF Brazil have since returned to school to pursue degrees in chemistry and other related fields, their tuition supported in part by IFF.

BALANCING GENDER IN MEXICO

Our operations in Mexico include flavor and fragrance manufacturing facilities and a creative center at one site. In 2012, the local team identified an opportunity to increase the presence of women in the workforce at our compounding plants. A plan was developed and implemented, requiring that at least half of all applications for replacement positions or new hires must be from female candidates. In addition, the HR and operations teams initiated a discussion forum, giving compounders, supervisors and HR teams an opportunity to meet regularly to discuss gender-related concerns. As a result, the percentage of women in our plants in Mexico has increased each year since 2012.

GOVERNANCE AND COMPLIANCE STRUCTURE

We strive to have governance, risk, and compliance and ethics matters as a priority for everyone at IFF. This expectation applies without exception to each of our senior leaders, all of our employees and all members of our Board of Directors. This starts with a commitment by our executive team and Board of Directors and is supported by our governance framework, which is communicated to our organization through continual communication and training on best practices in governance, risk management, and compliance and ethics.

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. These Codes of Conduct and Ethics apply to each of our employees, officers and directors, including our subsidiaries. We expect our 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. We conduct

HUMAN RIGHTS

Respect for human rights is implemented through our policies and practices. 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 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

ETHICS & GOVERNANCE

compliance training on a global basis in person, via online webinars and through creative contests and events and on a wide range of topics, including, but not limited to, compliance matters and the Foreign Corrupt Practices Act. 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. Any such reports are investigated.

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.

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 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 is committed to stay on top of regulatory changes and to comply with all applicable regulatory requirements. 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. This ability to keep current on these ever-changing registration requirements enables us to factor their potential impact into the overall cost/benefit of any new R&D initiative.

In Europe, we are preparing for the 2018 REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) product registration and plan to 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 prepared for the Korea chemical registration requirements, and is actively engaged in the U.S. Toxic Substance Control Act (TSCA) modernization efforts, as well as various other emerging chemical, food and/or labeling regulations around the globe such as the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals.

During the past few years, IFF has implemented GHS 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. As always, communication and transparency is a key element in this and IFF communicates regularly with our customers well in advance of any 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.

A materiality assessment is an exercise in stakeholder engagement designed to gather insights on the relative importance of specific environmental and social issues. Based on our first materiality assessment, our core values and input from our key internal and external stakeholders we developed the four pillars of our sustainability strategy. Periodically, we refresh our materiality assessment to validate our efforts and identify new and emerging trends. We know that to maximize our sustainability efforts, we must focus on the issues that matter most to our business, the environment and society as a whole.

MATERIALITY ASSESSMENT

In 2014, we conducted a formal materiality assessment to better understand the sustainability issues that impact our business. This process was again an important opportunity for us to engage with our stakeholders and to understand their interests.

As part of this process, we surveyed internal stakeholders including members of

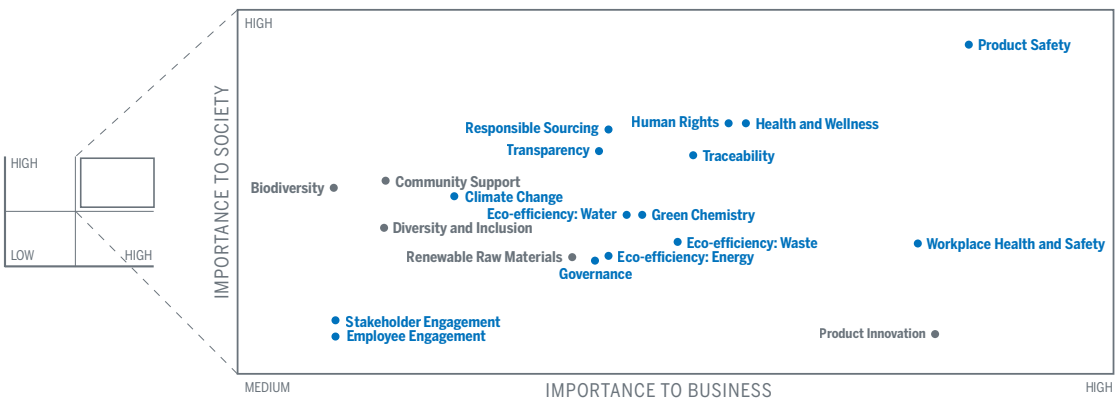
our senior leadership team, our Sustainability Business Council and representatives from our Flavors and Fragrances business units. We also surveyed external stakeholders including customers, nongovernmental organizations and regulatory bodies. In addition to these surveys, we also conducted in-depth interviews with key customers to better understand their sustainability needs and expectations of our business. [G4-18, G4-26]

MATERIAL ISSUES

Our assessment revealed the importance of issues as they relate to our business and to society. These included issues that have informed our core strategy to this point, as well as emerging issues that will shape our strategy and activities as we move forward. We prioritized these areas based on their importance to society and to IFF. Going forward we will focus our sustainability strategy and reporting on the issue that are most highly ranked as well as those that are increasing in importance to stakeholders. [G4-19]

MATERIALITY

MATERIALITY MATRIX



Our materiality matrix depicts the issues that were identified as material during our 2014 materiality assessment and their importance to our business and to society. The issues indicated in blue are being used to guide our reporting.

MATERIALITY AND GRI

This report is prepared in accordance with the Global Reporting Initiative (GRI) G4 Core Guidelines [G4-32]. We are using this materiality assessment to inform our application of the GRI G4 guidelines. We have identified material aspects using this matrix and the GRI Principles for Defining Report Content. We have included information about these aspects throughout this report and in a GRI Index on our website at www.iff.com/sustainability. [G4-18, G4-19]

STAKEHOLDER ENGAGEMENT

[G4-24, G4-25, G4-26, G4-27]

EMPLOYEES

IFF informs employees about company strategy, performance, policy and procedures through regular print and electronic communications, 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 all 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 our Sustainability Business Council 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 2014, we continued this effort through a series of meetings, surveys, presentations, formal and informal sustainability performance reviews and through participation at 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 engages with the investor community throughout the year. In addition to quarterly earnings calls, in 2014 we participated in several events, including the Consumer Analyst Group Europe conference, the Exane Consumer Ingredients Seminar, the Barclay's Back to School conference, the Deutsche Bank 11th Annual Global Consumer Conference and the Morgan Stanley Global Consumer & Retail Conference.

REGULATORS

IFF is a member of the Research Institute for Fragrance Manufacturers (RIFM), the International Fragrance Association (IFRA), and the International Organization of the Flavor Industry (IOFI); the principal trade associations representing the interests of the global flavors and fragrances industry. IFF is actively engaged in these 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 were 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 Quality team monitors our suppliers through periodic audits. IFF-LMR Naturals 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, implemented by our sites and addressing the specific needs of local communities.

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.

GRI INDEX

This report is prepared in accordance with the Global Reporting Initiative (GRI) G4 Core Guidelines. A GRI G4 Content Index is available at iff.com/sustainability.

REPORTING CYCLE, BOUNDARIES AND SCOPE

IFF reports on our sustainability performance on an annual basis. This is our fifth sustainability report and covers calendar year 2014, except as noted. In 2014, we completed the acquisition of Aromor Flavors and Fragrances Ltd., opened an office and applications lab in Santiago, Chile, and opened a creative center in Jakarta, Indonesia. We are in the process of integrating these sites into our environmental management system, and they are excluded from calculations in this reporting period.

REPORTING PROCESS

IFF's annual sustainability report is prepared by our global sustainability team, and follows a robust content development and review process involving all key internal stakeholders. The content is based on our sustainability strategy and materiality

the latest regional emission factors are supplied by the Environmental Protection Agency (EPA) and the International Energy Agency (IEA), while emission factors for steam and process derived fuels are specific for each site and are provided by the suppliers. The emissions calculations include greenhouse gases covered by the Kyoto Protocol: carbon dioxide (CO₂), methane(CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs),perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆) and are reported as CO₂ equivalent. The global warming potential of each gas is provided in the IPCC Second Assessment Report. For more details, please see our GRI Content Index, indicators G4-EN15-19.

As referenced earlier in this report, the Solar Renewable Energy Credits (SRECs) generated from the Hazlet, New Jersey, U.S., solar system are retained by the solar system owner and IFF is supplied with equivalent Green-e certified Renewable Energy Credits (RECs) along with the electricity generated by solar system. Qualifying RECs are also purchased for Benicarló, Spain, and are accounted for in this report.

EXTERNAL ASSURANCE

We have 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 ISO 14064-3 and AA1000AS which are standards that are allowed under Verification of Climate Data (CDP, 2011).

FEEDBACK

Your comments and suggestions are important to us. To provide feedback on IFF's sustainability performance and our 2014 report, please email sustainability@IFF.com.

AWARDS

IFF received Honorable Mentions in the PR CSR Awards in three categories:

- Corporate under 25,000 employees
- 2013 Sustainability Report
- Event with CSR / Green Focus

Our 2014 Sustainability Report, "Lasting Change," was short-listed in the Corporate Register 2015 Reporting Awards in two categories:

- Best Carbon Disclosure
- Creativity in Communications

assessment, and developed through an in-depth consultation process with our pillar leads and other relevant subject matter experts. The report is then reviewed by a committee consisting of a cross-functional team including the Sustainability Business Council and representatives from each division and business function. Feedback is incorporated, and the final draft is reviewed by senior management and our CEO prior to publication.

DATA MEASUREMENT TECHNIQUES AND BASIS OF CALCULATIONS

Greenhouse gas emissions are calculated following the Greenhouse Gas (GHG) Protocol. The report includes Scope 1 and Scope 2 emissions, while information on Scope 3 emissions can be found in our GRI Content Index. The organizational boundaries for this report align with the Operational Control approach outlined in the GHG Protocol. For direct emissions, appropriate emission factors from the IPCC 2006 Guidelines for National Greenhouse Gas Inventories and the EPA's Fugitive Emissions Guidance are used. For electricity,



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

WORKING TOGETHER



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



External Assurance Statement

2014 GRI G4 Core "In Accordance" Report

"Executive Summary"

Scope of Assurance

ISOS Group ["Assurance Provider"] has been commissioned by the management of International Flavors & Fragrances, Inc. ["IFF", "Company"] to conduct a limited assurance engagement on its 2014 Sustainability Report ["Report"] for the period of January 1, 2014 to December 31, 2014. The scope of our assurance covered the GRI General Standard Disclosures regarding the reporting process and a selection of Specific Standard Disclosures: Performance Indicators ["Subject Matter"] for Environmental, Human Rights, Labor Practices and Decent Work within IFF's operational control. Supplier standards and expectations evaluated extended beyond control - to parameters of influence. 2014 acquisitions and already verified financial and organizational detail were excluded from the scope of this engagement.

Objectives

The objective of this assurance arrangement was to independently express conclusions on Subject Matter, and validate qualitative and quantitative claims, so as to limit misinterpretation by stakeholders and increase overall credibility of the reported.

Criteria for Assurance and Level of Assurance

Procedures selected were based on the Assurance Provider's judgment and experience. The focus of all work performed is to ensure that IFF's 2014 Sustainability report was prepared in accordance with the Global Reporting Initiative's G4 Guidelines, the GHG Protocol (WBCSD/WRI, 2004), Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WBCSD/WRI, 2011), GHG Protocol Scope 2 Guidance (WRI, 2015), ISO 14064-3:2006 ("Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions"), SA8000 for social factors, and in adherence to the AA 1000AS for underlying reporting processes. A minimum quality standard was set at 95% for all evaluative tasks performed.

Methodology

To form our conclusions, we undertook the following activities: reviewed information management systems, procedures and controls relating to the collection, aggregation and reporting processes of the selected Subject Matter; performed process interviews with IFF's reporting team and data management partners to verify consistency in management approach for determining materiality, delegating reporting tasks, risk detection and internal quality control procedures; conducted online investigations of public records to determine legitimacy of IFF's assertions regarding performance; reviewed several drafts of the Report along with supporting evidence. A sampling of global sites required additional interviews and in-detail evaluation of supporting systems and original sources of data. The activities were performed during the period of January through April 2015.

Conclusions

Based on the assurance procedures conducted, nothing has come to our attention that causes us to believe that IFF's sustainability-related strategies and key performance indicators defined in the 2014 Sustainability Report are materially misstated. As the fourth consecutive report assured by ISOS, the team was intent on evaluating the IFF's ability to further institutionalize sustainability and firm up cross-functional management schemes. Our investigation concluded the organization's ability to expand programmatic ownership, understanding of monitoring systems, and procedural controls. The organization is now at the point of expanding core principles along the value chain and administering collective action for reducing impacts throughout. IFF has made significant strides to mitigate environmental impacts, while efforts to strengthen management tools on the social side of the Company's operations will bring balance to the sustainability program.

Statement of Independence

ISOS Group is an independent professional services firm that specializes in sustainability disclosures under the Global Reporting Initiative (GRI), CDP and other specialized management and reporting mechanisms. The Assurance Provider's team members have not been involved in the development of the Report nor have they been associated with IFF's sustainability program, data collection, or processes. We conducted this assurance engagement independently and, to our knowledge, there has been no conflict of interest. ISOS Group ensures that the assurance team possesses the required competencies, maintained neutrality, and performed ethically throughout the engagement. Further information, including a statement of competencies can be found at: www.isosgroup.com.

Signed on behalf of ISOS Group: San Diego | April 5 2015

Nancy Mancilla
Project Lead

Alexandru Georgescu
Quantitative Analysis Lead

Christina Schwerdtfeger
GHG & Environmental Analyst

GRI CONTENT INDEX

This Index accompanies IFF's 2014 Sustainability Report, which was prepared in line with the GRI G4 Guidelines 'in accordance' option core. More information on the GRI framework can be found at www.globalreporting.org. We engaged the ISOS Group, an integrated sustainability consultancy firm and GRI-Certified training partner in the U.S., to conduct an assurance evaluation of our report. After a review of our documentation, procedures and reporting team, ISOS has provided an External Assurance Statement that provides an added level of transparency to our stakeholders. The external assurance statement can be found on page 88 of our report.



GENERAL STANDARD DISCLOSURES

General Standard Disclosures

STRATEGY AND ANALYSIS

G4-1

ORGANIZATIONAL PROFILE

G4-3

G4-4

G4-5

G4-6

G4-7

G4-8

G4-9

G4-10

Disclosure or Location of Disclosure or Link

External Assurance

pg. 5, A Message from Our Chairman

pg. 1, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

pg. 3-7, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

pg. 1, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

pg. 3, 18-19, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

pg. 1, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

pg. 1, Our Company; pg. 3, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

pg. 1, Our Company; pg. 3, 19, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

In 2014, we achieved sales of approximately \$3.1 billion, making us one of the top four companies in the global flavors and fragrances sub-segment of the broader ingredients and compounds market. Within the flavors and fragrances sub-segment of this broader market, the top four companies comprise approximately two-thirds of the total estimated sales.

Global Workforce: 6,180 (Male: 3,890, Female: 2,290)
 North America: 1,386 (22% of total). Male: 60%, Female: 40%
 Latin America: 851 (14% of total). Male: 64% Female: 36%
 Greater Asia: 1,828 (30% of total). Male: 66%, Female: 34%
 Europe Africa Middle East: 2,115 (34% of total) Male: 62%, Female: 38%
 Permanent employees by employment contract:
 Global:
 - Full-time Male: 1,277 (62.3%); - Part-time Male: 37 (0.6%)
 - Full-time Female: 2,102 (34.0%); - Part-time Female: 188 (3.0%)
 North America (% of region):
 - Full-time Male: 829 (59.8%); - Part-time Male: 0 (0%)

G4-10 (continued)

- Full-time Female: 553 (39.9%); - Part-time Female: 4 (0.3%)

Latin America (% of region):

- Full-time Male: 540 (63.5%); - Part-time Male: 1 (0.1%)

- Full-time Female: 307 (36.1%); - Part-time Female: 3 (0.4%)

Greater Asia (% of region):

- Full-time Male: 1,207 (66.0%); - Part-time Male: 6 (0.3%)

- Full-time Female: 607 (33.2%); - Part-time Female: 8 (0.4%)

Europe Africa Middle East (% of region):

- Full-time Male: 1,277 (60.4%); - Part-time Male: 30 (1.4%)

- Full-time Female: 635 (30.0%); - Part-time Female: 173 (8.2%)

G4-11

1,062 employees: 17% of 6,180 total permanent employees

G4-12

pg. 7-8, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm
pg. 42, Sourcing Mindfully. In 2014, we assessed our supply chain for direct materials to determine our core suppliers, allowing us to focus our efforts on the vendors that were most material to our business.

G4-13

pg. 18-45, 58-60, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

G4-14

We do not formally apply the precautionary principle. We implemented a robust risk evaluation tool to identify significant risks faced by our company. This tool involves surveying employees to gauge their assessment of risks and then consolidating their responses into a set of key risks, such as the quality of or disruptions to our supply chain. The consolidated set is communicated to the operating committee and Board of Directors at least annually. Our Form 10-K includes a detailed description of our financial risks: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm

G4-15

Pg. 43-45 Sourcing Mindfully; pg. 63, Manufacturing Excellence; pg. 66-67, Creating Our Products
Also, we subscribe to the International Fragrance Association's Code of Practice.

G4-16

We are a member of the following organizations and associations: American Chemical Society; American Cleaning Institute; Cosmetic Executive Women (serve on board); European Cosmetic Association; European Flavour and Fragrance Association; Fashion Group International; Flavor and Extract Manufacturers Association; Fragrance Foundation (serve on board); Institute of Food Technologists; International Fragrance Association (serve on board); International Fragrance Association—North America (serve on board); International Organization of the Flavor Industry (serve on board); Monell Chemical SenseCenter; Natural Resources Stewardship Circle; Personal Care Products Council; Research Institute for Fragrance Materials (serve on board); Chemistry Council of NJ (serve on board); and Sense of Smell Institute.

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	The list of all entities included in IFF's consolidated financial statements can be found in Exhibit 21 of our 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/iff10k2014exhibit21.htm Our consolidated financial statements are available on page 24 of our 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm This report covers all entities included in IFF's 2014 consolidated financial statements.	Yes, page 50 of 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm
G4-18	pg. 84-85, Materiality	Yes, page 88
G4-19	pg. 84-85, Materiality	Yes, page 88

Issues Material to IFF	G4-19: Equivalent G4 Category	G4-19: Equivalent G4 Material aspects
Responsible sourcing	Economic Environmental Social: Human Rights	Procurement Practices Supplier Environmental Assessment Child Labor; Forced or Compulsory Labor; Supplier Human Rights Assessment
Traceability	Social: Society Economic Environmental Social: Product Responsibility Social: Society	Supplier Assessment for Impacts on Society Procurement Practices Supplier Environmental Assessment Product & Service Labeling Supplier Assessment for Impacts on Society
Transparency	Social: Product Responsibility	Product & Service Labeling
Workplace health and safety	Social: Labor Practices and Decent Work	Occupational Health & Safety
Eco-efficiency: Water	Environmental	Water
Eco-efficiency: Energy	Environmental	Energy
Eco-efficiency: Waste	Environmental	Effluents & Waste
Climate change	Environmental	Emissions
Product safety	Social: Product Responsibility	Customer Health & Safety; Product & Service Labeling
Health and Wellness	Social: Product Responsibility	Customer Health & Safety
Green chemistry	Environmental	Energy; Effluents & Waste
Employee Engagement	Social: Labor Practices and Decent Work	Employment; Training and Education
Human Rights	Social: Human Rights Social: Labor Practices and Decent Work	Child Labor; Forced or Compulsory Labor; Freedom of Association & Collective Bargaining; Human Rights Grievance Mechanisms; Supplier Human Rights Assessment Employment; Supplier Assessment for Labor Practices
Governance	Social: Society Standard Disclosure	Anti-corruption; Public Policy Ethics and Integrity; Governance
Stakeholder engagement	Standard Disclosure	Stakeholder Engagement

G4-20	Material aspects	G4-21 Boundary outside the organization	Yes, page 88
	Procurement Practices	Material outside IFF's operations. See G4-21 for details.	
	Supplier Environmental Assessment	Material outside IFF's operations. See G4-21 for details.	
	Child Labor; Forced or Compulsory Labor; Supplier Human Rights Assessment	Material outside IFF's operations. See G4-21 for details.	
	Supplier Assessment for Impacts on Society	Material outside IFF's operations. See G4-21 for details.	
	Procurement Practices	Material outside IFF's operations. See G4-21 for details.	
	Supplier Environmental Assessment	Material outside IFF's operations. See G4-21 for details.	
	Product & Service Labeling	Material within IFF's operations. We comply with all laws, regulations and voluntary codes regarding products and product labeling.	
	Supplier Assessment for Impacts on Society	Material outside IFF's operations. See G4-21 for details.	
	Product & Service Labeling	Material within IFF's operations. We comply with all laws, regulations and voluntary codes regarding products and product labeling.	
	Occupational Health & Safety	Material within IFF's operations. The well-being of our employees globally is ensured through management and training on health and safety issues.	
	Water	Material within IFF's operations. We manage and reduce water use at our sites globally.	
	Energy	Material within IFF's operations. We manage and reduce energy use at our sites globally.	
	Effluents & Waste	Material within IFF's operations. We manage and reduce effluents and waste at our sites globally.	
	Emissions	Material within IFF's operations. We manage and reduce GHG emissions at our sites globally.	
	Customer Health & Safety; Product & Service Labeling	Material within IFF's operations. Our Global Regulatory Affairs group is responsible for ensuring that we comply with all regulations regarding the safety of our products, including how they are marketed and labeled.	
	Customer Health & Safety	Material within IFF's operations. Our Global Regulatory Affairs group is responsible for ensuring that we comply with all regulations regarding the safety of our products, including safety for our customers and their consumers.	
	Energy; Effluents & Waste	Material within IFF's operations. We utilize the principles of green chemistry to minimize the environmental impact of our products, including the energy required to produce them and waste generated as a byproduct.	

G4-20 (continued)

Employment; Training and Education	Material within IFF. We engage and train our employees.
Child Labor; Forced or Compulsory Labor; Freedom of Association & Collective Bargaining; Human Rights Grievance Mechanisms; Supplier Human Rights Assessment	Material within IFF's operations. Our Code of Business Conduct and Ethics ensures that we provide a respectful workplace for our employees and do not engage in employment practices that violate their human rights. We prohibit discrimination and provide grievance mechanisms for employees to report human rights concerns without threat of retaliation.
Employment; Supplier Assessment for Labor Practices	Material within IFF's operations. Led by our values, we seek to be a good employer, offering our employees a positive and fulfilling career opportunity. Our Code of Business Conduct and Ethics ensures that we act with integrity, and we provide grievance mechanisms for employees to report labor concerns without threat of retaliation.
Anti-corruption; Public Policy	Material within IFF's operations. Our Code of Business Conduct and Ethics prohibits corruption, and our Board of Directors is responsible for ensuring the integrity and ethics of our business at the highest level. We participate in industry and customer trade associations that coordinate advocacy and communications on public policy issues related to our business.
Ethics and Integrity; Governance	Material within IFF's operations. Our Code of Business Conduct and Ethics sets out our expectations for the behavior of everyone at IFF, and our Board of Directors is responsible for ensuring the integrity and ethics of our business at the highest level.
Stakeholder Engagement	Material within IFF's operations. We engage with stakeholders on an ongoing basis so that we can understand the issues that matter to them, learn from others and improve our products and evolve our sustainability strategy.
Stakeholder Engagement	Material within IFF's operations. We engage with stakeholders on an ongoing basis so that we can understand the issues that matter to them, learn from others and improve our products and evolve our sustainability strategy.

G4-21

Material aspects

Procurement Practices

Supplier Environmental Assessment

Child Labor; Forced or Compulsory Labor;
Supplier Human Rights Assessment

Supplier Assessment for Impacts on Society

Procurement Practices

Supplier Environmental Assessment

Product & Service Labeling

Supplier Assessment for Impacts on Society

Product & Service Labeling

Occupational Health & Safety

Water

Energy

Effluents & Waste

Emissions

Customer Health & Safety; Product & Service
Labeling

Customer Health & Safety

Energy; Effluents & Waste

Employment; Training and Education

Child Labor; Forced or Compulsory Labor;
Freedom of Association & Collective
Bargaining; Human Rights Grievance
Mechanisms; Supplier Human Rights
Assessment

G4-21 Boundary outside the organization

Material in IFF's supply chain.
We seek to manage social and environmental impacts in our supply chain.

Material in IFF's supply chain.
We seek to manage social and environmental impacts in our supply chain.

Material in IFF's supply chain.
We seek to manage social and environmental impacts in our supply chain.

Material in IFF's supply chain.
We seek to manage social and environmental impacts in our supply chain.

Material in IFF's supply chain.
We seek to manage social and environmental impacts in our supply chain.

Material within IFF's operations.
See G4-20 for details.

Material in IFF's supply chain.
We seek to manage social and environmental impacts in our supply chain.

Material within IFF's operations.
See G4-20 for details.

Material within IFF's operations.
See G4-20 for details.

Material within IFF's operations.
See G4-20 for details.

Material within IFF's operations.
See G4-20 for details.

Material within IFF's operations.
See G4-20 for details.

Material within IFF's operations.
See G4-20 for details.

Material for IFF's customers and consumers.
We develop products that could help consumers lead healthier lifestyles.

Material within IFF's operations.
See G4-20 for details.

Material within IFF's operations.
See G4-20 for details.

Material in IFF's supply chain. We seek to manage social and environmental impacts in our supply chain.

Yes, page 88

G4-21 (continued)	Employment; Supplier Assessment for Labor Practices	Material in IFF's supply chain. Our responsible sourcing practices impact our vendors around the world. We work with Sedex to assess the performance of a core set of our suppliers on human rights practices.	
	Anti-corruption; Public Policy	Material within IFF's operations. See G4-20 for details.	
	Ethics and Integrity; Governance	Material within IFF's operations. See G4-20 for details.	
	Stakeholder Engagement	Material in IFF's supply chain and for our customers and consumers. We solicit input from external stakeholders to give them an opportunity to share their concerns with us, and so that we can learn from them and improve our products and evolve our sustainability strategy.	
G4-22	In 2014, we corrected the hazard classification for our site in Hangzhou, China. As a result, our 2010 baseline for hazardous waste increased by approximately 2%.	Yes, page 88	
G4-23	No significant changes have been made from previous reporting periods in the Scope and Aspect Boundaries.	Yes, page 88	
STAKEHOLDER ENGAGEMENT			
G4-24	pg. 85, Materiality		
G4-25	pg. 85, Materiality	Yes, page 88	
	We worked with an external consultancy to identify additional stakeholders to engage to elicit feedback on our sustainability performance and to garner inputs for our materiality assessment. Identified stakeholders are informed and engaged in the sustainability space and knowledgeable of key trends facing our business. Priority customers with whom we engage are selected by our senior commercial management team based on their position in the marketplace, importance to IFF, and current sustainability program.	Yes, page 88	
G4-26	pg. 84-85, Materiality		
G4-27	pg. 85, Materiality	Yes, page 88	
		Yes, page 88	
REPORT PROFILE			
G4-28	Calendar year 2014, unless otherwise noted.		
G4-29	June 2014 - www.iff.com/Company/Past-Sustainability-Reports		
G4-30	Annual		
G4-31	pg. 86, About This Report. Comments or questions about IFF's sustainability initiatives can be directed to sustainability@iff.com .		
G4-32	pg. 86, About This Report. This is the GRI Index.	Yes, page 88	
G4-33	pg. 86, About This Report		

GOVERNANCE

G4-34

See the Governance section of www.iff.com at phx.corporate-ir.net/phoenix.zhtml?c=65743&p=irool-govhighlights; pg. 47-48, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm
 Corporate Governance Guidelines:phx.corporate-ir.net/phoenix.zhtml?c=65743&p=irolgovGuidelines
 The IFF Board of Directors has three committees: Audit, Compensation, and Nominating and Governance. In addition to overseeing and reviewing the financial reporting process and the integrity of the Corporation's financial statements and related financial information, the Audit Committee oversees and reviews the procedures for monitoring compliance with worldwide laws and regulations and with our Code of Business Conduct and Ethics. We also have an internal audit function that assists in evaluating and improving the effectiveness of our risk management, internal control, financial reporting, and governance processes.

ETHICS AND INTEGRITY

G4-5

See the Code of Business Conduct and Ethics, and related documents at phx.corporate-ir.net/phoenix.zhtml?c=65743&p=irool-govConduct

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators	Disclosure or Location of Disclosure or Link	Identified Omission(s) and Reason(s) for Omission(s)	External Assurance
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CATEGORY: ECONOMIC

ASPECT: PROCUREMENT PRACTICES

G4-DMA

Our materiality assessment identified Responsible Sourcing as a material issue, and responsible sourcing is one of the four pillars of our broader sustainability strategy. This aspect contains indicators that link directly to potential impacts of responsible sourcing in our supply chains. Our head of procurement is the Pillar Owner and is accountable for responsible sourcing goals and the Pillar Lead is responsible for implementing programs and projects. A key component of the Responsible Sourcing pillar is the Supplier Ethical Data Exchange (Sedex) used to assess suppliers on social and environmental risk. Environmental Social: Labor Practices and Decent Work

G4-EC9

Omitted. The information is currently unavailable. We are working to develop a method for capturing the data and will disclose it in our next GRI report.

CATEGORY: ENVIRONMENTAL

ASPECT: ENERGY

G4-DMA	<p>Our materiality assessment identified energy as a material issue, and energy is a key component of the Impact Pillar of our broader sustainable strategy. This aspect contains indicators that link directly to energy use. Our Impact Pillar owner is accountable for our eco-efficiency goals, and the Pillar Lead is responsible for implementing the reductions necessary to meet the goals. Each site has responsibility to drive reductions while benefiting from the tools, resources and learnings of all our other sites. We used centralized environmental management system to track environmental performance metrics at each site. Performance is reviewed on a quarterly basis by the Impact Pillar leadership team.</p>		
G4-EN3	<p>pg. 55-57, Manufacturing Excellence Annual energy data is based on actual figures drawn from utility bills dating back to 2010.</p>		Yes, page 88
G4-EN5	<p>pg. 55-57, Manufacturing Excellence The ratio used is total energy in GJ per metric ton of finished good produced. The ratio only includes energy consumed within the organization. Annual energy data is based on actual figures drawn from utility bills dating back to 2010.</p>		Yes, page 88
G4-EN6	<p>pg. 55-57, Manufacturing Excellence Annual energy data is based on actual figures drawn from utility bills dating back to 2010.</p>		Yes, page 88
G4-EN7	<p>pg. 55-57, Manufacturing Excellence Annual energy data is based on actual figures drawn from utility bills dating back to 2010. Initiatives to reduce indirect energy consumption are pursued on the site level.</p>		Yes, page 88

ASPECT: WATER

G4-DMA	Our materiality assessment identified water as a material issue, and water is a key component of the Impact Pillar of our broader sustainable strategy. This aspect contains indicators that link directly to water use. Our Impact Pillar owner is accountable for our eco-efficiency goals, and the Pillar Lead is responsible for implementing the reductions necessary to meet the goals. Each site has responsibility to drive reductions while benefiting from the tools, resources and learnings of all our other sites. We used centralized environmental management system to track environmental performance metrics at each site. Performance is reviewed on a quarterly basis by the Impact Pillar leadership team.		
G4-EN8	pg. 59, Manufacturing Excellence For 2014, each site submitted total water withdrawn from each source and the values were converted to cubic meters and summed at the global level.		Yes, page 88
G4-EN10		Omitted. Information not available. IFF is in the process of accounting and verifying water recycled and reused by the organization.	

ASPECT: EMISSIONS

G4-DNA	Our materiality assessment identified climate change as a material issue, and GHG emissions are a key component of the Impact Pillar of our broader sustainable strategy. This aspect contains indicators that link directly to GHG emissions. Our Impact Pillar owner is accountable for our eco-efficiency goals, and the Pillar Lead is responsible for implementing the reductions necessary to meet the goals. Each site has responsibility to drive reductions while benefiting from the tools, resources and learnings of all our other sites. We used centralized environmental management system to track environmental performance metrics at each site. Performance is reviewed on a quarterly basis by the Impact Pillar leadership team.		
G4-EN15	pg. 55-57, Manufacturing Excellence; pg. 86, About This Report		Yes, page 88
G4-EN16	pg. 55-57, Manufacturing Excellence; pg. 86, About This Report		Yes, page 88

ASPECT: EMISSIONS		
G4-EN17	In 2014, IFF generated 38,604 t CO2e scope 3 emissions. We are only accounting for category 3: fuel and energy-related activities. CO2, CH4, and N2O are included in the emissions calculations but no biogenic emissions are included. pg.86, About This Report	Yes, page 88
G4-EN18	pg. 55-57, Manufacturing Excellence; pg. 86, About This Report The ratio used is total scope 1 and scope 2 emissions in metric tons of CO2e per metric tons of finished good produced. The ratio only includes emissions generated within the organization.	Yes, page 88
G4-EN19	pg. 55-57, Manufacturing Excellence; pg. 86, About This Report	Yes, page 88
G4-EN20		Omitted. IFF does not currently track ODS but are in the process of developing a method for accounting for it across all of its sites.
G4-EN21		Omitted. IFF does not currently track NOX and SOX but are in the process of developing a method for accounting for it across all of its sites.
ASPECT: EFFLUENTS AND WASTE		
G4-DMA	Our materiality assessment identified waste as a material issue, and hazardous waste is a key component of the Impact Pillar of our broader sustainable strategy. This aspect contains indicators that link directly to waste. Our Impact Pillar owner is accountable for our eco-efficiency goals, and the Pillar Lead is responsible for implementing the reductions necessary to meet the goals. Each site has responsibility to drive reductions while benefiting from the tools, resources and learnings of all our other sites. We used centralized environmental management system to track environmental performance metrics at each site. Performance is reviewed on a quarterly basis by the Impact Pillar leadership team.	Yes, page 88
G4-EN23	pg. 61, Manufacturing Excellence	Omitted. We currently do not track waste by disposal method, but we are planning to do so in the future.

ASPECT: EFFLUENTS AND WASTE (continued)

<p>G4-EN24</p>	<p>pg. 19-21, 2014 10-K: www.sec.gov/Archives/edgar/data/51253/000005125315000004/internationalflavors10k2014.htm</p> <p>We have paid and may have to pay in the future for clean-up costs and damages. We believe the amounts we have paid and anticipate paying in the future for clean-up costs and damages at all sites are not material and will not have a material adverse effect on our financial condition, results of operations or liquidity. We follow SEC guidance for disclosure of material issues.</p>		
<p>G4-EN25</p>	<p>pg. 61, Manufacturing Excellence</p> <p>IFF does not import hazardous waste from outside locations nor do we transport it from one IFF site to another. All of our hazardous waste is handled in accordance with country regulations.</p>		
<p>G4-EN26</p>		<p>Omitted. Information not available. IFF utilizes WRI's Aqeduct tool to assess water risk assessment based on the region but do not assess water bodies affected by water discharge.</p>	

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ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT

<p>G4-DMA</p>	<p>Our materiality assessment identified Responsible Sourcing as a material issue, and responsible sourcing is one of the four pillars of our broader sustainability strategy. This aspect contains indicators that link directly to potential impacts of responsible sourcing in our supply chains. Our head of procurement is the Pillar Owner and is accountable for responsible sourcing goals and the Pillar Lead is responsible for implementing programs and projects. A key component of the Responsible Sourcing pillar is the Supplier Ethical Data Exchange (Sedex) used to assess suppliers on social and environmental risk.</p>		
<p>G4-EN32</p>	<p>pg. 43, 45, Sourcing Mindfully</p>		<p>Yes, page 88</p>

CATEGORY: SOCIAL

SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK

ASPECT: EMPLOYMENT**G4-DMA**

Our materiality assessment identified Employee Engagement as a material issue, and one of our four pillars of our broader sustainability strategy is dedicated to Our People. Leaders from our Human Resources divisions are responsible for objectives in our People pillar, and manage employees, employee training and performance evaluations.

G4-LA1

Companywide total turnover rate: 9.1%
Companywide voluntary turnover rate: 5.45%
Total turnover rate by age group, region, gender:
North America: 12.3% permanent headcount
- <30 Male: 19.2%, Female: 10.0%
- 30-50 Male: 12.8%, Female: 10.0%
- >50 Male: 12.6%, Female: 13.0%
Latin America: 9.4% permanent headcount
- <30 Male: 10.9%, Female: 14.0%
- 30-50 Male: 9.3%, Female: 9.0%
- >50 Male: 3.9%, Female: 12.5%
Greater Asia: 10.6% permanent headcount
- <30 Male: 24.1%, Female: 16.0%
- 30-50 Male: 7.1%, Female: 8.7%
- >50 Male: 8.8%, Female: 4.1%
Europe Africa Middle East: 5.7% permanent headcount
- <30 Male: 7.7%, Female: 8.6%
- 30-50 Male: 4.6%, Female: 7.3%
- >50 Male: 4.3%, Female: 4.5%
Company wide new hires: 782 (12.5% of global, permanent headcount)
Total new hires by age group, region, gender:
North America: 144, 10.4%
- <30 Male: 20.1%, Female: 20.1%
- 30-50 Male: 20.8%, Female: 28.5%
- >50 Male: 6.25%, Female: 4.17%
Latin America: 136, 16.0%
- <30 Male: 22.1%, Female: 19.6%
- 30-50 Male: 22.8%, Female: 31.6%
- >50 Male: 2.9%, Female: 0.7%
Greater Asia: 284, 15.5%
- <30 Male: 43.3%, Female: 16.6%
- 30-50 Male: 27.5%, Female: 12.0%
- >50 Male: 0.7%, Female: 0.0%
Europe Africa Middle East: 218, 10.3%
- <30 Male: 29.8%, Female: 13.8%
- 30-50 Male: 38.1%, Female: 16.5%
- >50 Male: 1.4%, Female: 0.5%

ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-DMA	Our materiality assessment identified workplace health and safety as a material issue. This aspect contains indicators that link directly to workplace health and safety. Health and safety is managed by our EHS Department, which is responsible for setting all policies regarding safety. Training is managed at the site level. The EHS department conducts periodic internal audits to ensure compliance		
G4-LA6	pg. 62-63, Manufacturing Excellence		

ASPECT: TRAINING AND EDUCATION

G4-DMA	Our materiality assessment identified Employee Engagement as a material issue, and one of our four pillars of our broader sustainability strategy is dedicated to Our People. Leaders from our Human Resources divisions are responsible for objectives in our People pillar, and manage employees, employee training and performance evaluations.		
G4-LA11	pg. 76-77, Growing Experience		Yes, page 88

ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES

G4-DMA	Our materiality assessment identified Responsible Sourcing as a material issue, and responsible sourcing is one of the four pillars of our broader sustainability strategy. This aspect contains indicators that link directly to potential impacts of responsible sourcing in our supply chains. Our head of procurement is the Pillar Owner and is accountable for responsible sourcing goals and the Pillar Lead is responsible for implementing programs and projects. Our Global Procurement division oversees our supplier relationships, which cover issues of human rights, and our Vendor Code of Conduct sets forth our expectations for supplier performance. A key component of the Responsible Sourcing pillar is the Supplier Ethical Data Exchange (Sedex) used to assess suppliers on social and environmental risk		
G4-LA14	pg. 43, Sourcing Mindfully		Yes, page 88

SUB-CATEGORY: HUMAN RIGHTS

ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

G4-DMA	Our materiality assessment identified Human Rights as a material issue. Issues related to human rights are managed by our legal department, which oversees corporate governance, ethics and compliance, crisis planning and training securities law filings and working with the Board of Directors.		
G4-HR4	No IFF operations have been identified as at risk for prohibiting freedom of association or collective bargaining. Further, IFF requires that all of our vendors comply with our Vendor Code of Conduct which requires that vendors respect the right of their employees to form and join trade unions and to bargain collectively. Our Vendor Code of Conduct is updated periodically and distributed regularly.		Yes, page 88

ASPECT: CHILD LABOR

G4-DMA	Our materiality assessment identified Human Rights as a material issue. Issues related to human rights are managed by our legal department, which oversees corporate governance, ethics and compliance, crisis planning and training securities law filings and working with the Board of Directors.		
G4-HR5	No IFF operations have been identified as having a risk for incidents of child labor. Further, IFF requires that all of our vendors comply with our Vendor Code of Conduct which requires compliance with appropriate regulations and guidelines regarding minimum legal age of employees. Our Vendor Code of Conduct is updated periodically and distributed regularly.		

ASPECT: FORCED OR COMPULSORY LABOR

G4-DMA	Our materiality assessment identified Human Rights as a material issue. Issues related to human rights are managed by our legal department, which oversees corporate governance, ethics and compliance, crisis planning and training securities law filings and working with the Board of Directors.		
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ASPECT: FORCED OR COMPULSORY LABOR (continued)

G4-HR6 No IFF operations have been identified as having a risk for incidents of forced or compulsory labor. Further, IFF requires that all of our vendors comply with our Vendor Code of Conduct which prohibits the use of involuntary labor of any kind, including prison labor, debt bondage, indentured servitude or forced labor. Our Vendor Code of Conduct is updated periodically and distributed regularly.

ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT

G4-DMA Our materiality assessment identified Responsible Sourcing as a material issue, and responsible sourcing is one of the four pillars of our broader sustainability strategy. This aspect contains indicators that link directly to potential impacts of responsible sourcing in our supply chains. Our head of procurement is the Pillar Owner and is accountable for responsible sourcing goals and the Pillar Lead is responsible for implementing programs and projects. Our Global Procurement division oversees our supplier relationships, which cover issues of human rights, and our Vendor Code of Conduct sets forth our expectations for supplier performance. A key component of the Responsible Sourcing pillar is the Supplier Ethical Data Exchange (Sedex) used to assess suppliers on social and environmental risk, including human rights.

G4-HR10 pg. 43, 45, Sourcing Mindfully

Yes, page 88

ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS

G4-DMA Our materiality assessment identified Human Rights as a material issue. Issues related to human rights are managed by our legal department, which oversees corporate governance, ethics and compliance, crisis planning and training securities law filings and working with the Board of Directors.

ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS (continued)

G4-HR12 Our Code of Business Conduct and Ethics requests our employees and others to report concerns and complaints without risk of retaliation. Complaints or concerns can be submitted through the IFF Compliance Hotline which permits anonymous calls and e-mails in any language and is open 24 hours a day, 365 days a year. All grievances about human rights are addressed and escalated through appropriate mechanisms. At this time, grievances filed through the hotline are not tracked by the category of "human rights."

SUB-CATEGORY: SOCIETY

ASPECT: ANTI-CORRUPTION

G4-DMA Our Code of Business Conduct and Ethics prohibits corruption, and our Board of Directors is responsible for ensuring the integrity and ethics of our business at the highest level. We participate in industry and customer trade associations that coordinate advocacy and communications on public policy issues related to our business.

G4-S03 No IFF operations have been identified as having a risk related to corruption. Further, IFF requires that all of our employees comply with our Code of Business Conduct and Ethics which requires compliance with appropriate regulations and guidelines regarding corruption and bribery. Our Code of Business Conduct and Ethics is updated periodically, distributed regularly and enforced through training.

ASPECT: PUBLIC POLICY

G4-DMA IFF does not lobby nor participate in public policy development independently. We work through both industry trade associations (IFRA, IOFI, etc.) or through our customers' trade associations. The core position of the industry is that our products are safe for their intended use. This assurance is determined through a science-based, safety risk assessment utilizing validated scientific methods and experts. There are no significant differences between our industry lobbying efforts and stated policies and IFF's goals or public positions. IFF does not make monetary contributions to political candidates or campaigns.

ASPECT: PUBLIC POLICY (continued)

G4-S06 IFF does not make monetary contributions to political candidates or campaigns.

ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY

G4-DMA Our materiality assessment identified Responsible Sourcing as a material issue, and responsible sourcing is one of the four pillars of our broader sustainability strategy. This aspect contains indicators that link directly to potential impacts of responsible sourcing in our supply chains. Our head of procurement is the Pillar Owner and is accountable for responsible sourcing goals and the Pillar Lead is responsible for implementing programs and projects. Our Global Procurement division oversees our supplier relationships and our Vendor Code of Conduct sets forth our expectations for supplier performance. A key component of the Responsible Sourcing pillar is the Supplier Ethical Data Exchange (Sedex) used to assess suppliers on social and environmental risk, including human rights.

G4-S09 pg. 43, Sourcing Mindfully

Yes, page 88

SUB-CATEGORY: PRODUCT RESPONSIBILITY

ASPECT: CUSTOMER HEALTH AND SAFETY

G4-DMA Our Global Regulatory Affairs department manages our product quality and safety approach and ensures that we are meeting all requirements of the many global regions where we operate. We monitor regulatory changes and work with our customers on issues that impact their products. Across our operations, more than 300 individuals directly support our product quality safety systems. However, we believe that product quality and safety are the responsibility of all of our employees. Continuous improvement of our processes is central to our culture, and the focus of every business activity, from creative design through procurement, manufacturing through customer service. Every IFF fragrance and flavor facility incorporates the necessary requirements of a number of internationally recognized quality systems, including:

ASPECT: CUSTOMER HEALTH AND SAFETY (continued)

G4-DMA	<ul style="list-style-type: none"> • ISO 9001(2000), the international standard for quality management • The Hazard Analysis Critical Control Point system, which provides a systematic approach to safety management • Good Manufacturing Practices • American Institute of Baking standards • All finished IFF products undergo final quality-control testing, which, depending on the product, might include sensory, analytical, and microbiological analysis.
G4-PR1	pg. 71-73, Creating Our Products

ASPECT: PRODUCT AND SERVICE LABELING

G4-DMA	All of our products are subject to labeling requirements that vary by region, country, and industry. We fully comply with all regulatory requirements. IFF is adopting and implementing the Globally Harmonized System of Classification and Labeling of Chemicals, which provides a consistent approach to the labeling of the products we send to our customers.
G4-PR3	All of our products are subject to labeling requirements that vary by region, country, and industry. We fully comply with all regulatory requirements.
G4-PR5	Our products are developed solely for the business-to business market. Therefore, we do not have a system in place to measure satisfaction of the end consumer. However, we do have a robust system for measuring on-time performance (OTP) for all IFF shipping locations. If IFF does not meet the customer's first requested ship date, it is a penalty against the plant. OTP is a standard metric that is monitored daily by all facilities. Our customers track our performance and this is utilized during periodic performance reviews. IFF's Consumer Insights programs are designed to understand consumer experiences, preference, and the emotional bond between fragrances, flavors, and consumers. These insights drive us to create fragrances and flavors that people love, both within and across critical global markets.

SUSTAINABILITY IS THE ESSENCE OF IFF

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SUSTAINABILITY STRATEGY

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