

# TRANSFORMING OUR WORLD



**iff**

Where science  
& creativity meet



2021 ESG+ REPORT



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## YEAR IN REVIEW

# 2021



Completed the merger with **DuPont's Nutrition & Biosciences** division, creating a global ingredients and solutions leader serving consumer-oriented Food & Beverage, Home & Personal Care and Health & Wellness end markets



Announced the **'Do More Good Plan,'** our Environmental, Social, and Governance – *plus* Sustainable Solutions – (or ESG+) roadmap and strategy for the combined company, which includes ambitious targets aligned with IFF's purpose of applying science and creativity for a better world

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

Named for the second consecutive year to the **Dow Jones Sustainability Indices (DJSI)** for both the 2021 World and North America, placing IFF among the top 10% of the largest 2,500 companies in the S&P Global Brand Market Index<sup>1</sup>



Named for the first time as a **2021 CDP triple A list company** (one of only 14 companies out of nearly 12,000 that were scored) for corporate transparency and action on climate change, water stewardship and deforestation, and named a **2021 CDP Supplier Engagement Leader** for the second consecutive year



Named to **Barron's 100 Most Sustainable Companies in America** list for the fifth consecutive year



Named to the **FTSE4Good Index Series** and **Euronext Vigeo World 120 Index** for ESG performance



LMR Naturals by IFF recognized in the **2021 Sustainable Beauty Awards** by Ecovia Intelligence as the winner in the Sustainable Ingredient category for Sandalwood Oil New Caledonia For Life, and as a runner up in the Sustainable Pioneer category

## Newsweek

Ranked 18 out of 399 companies – and first out of 42 companies in the Materials Industry – on **America's Most Responsible Companies 2021** list by *Newsweek*



Honored by the Human Rights Campaign as a **Best Place to Work for LGBTQ Equality** for the third consecutive year after receiving perfect scores of 100 on the 2021 Corporate Equality Index



Named among the **2021 Best Places to Work for Disability Inclusion** by Disability:IN for the second consecutive year after scoring 100% on the Disability Equality Index



Awarded the **2022 EcoVadis Platinum** sustainability rating for the second time, placing IFF among the top 1% of companies assessed<sup>2</sup>



Included for the first time in the **2022 Bloomberg Gender Equality Index**, for our commitment to transparency and setting a new standard in gender-related data reporting<sup>3</sup>

1. As assessed from among the 2,500 largest companies in the S&P Global Brand Market Index

2. Based on 2021 information

3. Based on 2020 (legacy IFF) performance data



**Frank Clyburn**  
Chief Executive Officer

## A MESSAGE FROM OUR CEO

When I joined IFF in February 2022 as the new CEO, the Company had recently celebrated the one-year anniversary of our historic merger with DuPont's Nutrition & Biosciences (N&B) division and launched the Do More Good™ Plan, our environmental, social and governance plus sustainable solutions (ESG+) roadmap to 2030. Our Do More Good Plan boldly elevates the sustainability strategy we first established in 2010 and fuels our efforts with ambitious new targets, underscored by our purpose of applying science and creativity for a better world.

The world is in a different place than it was in 2010. With the effects of a global pandemic still being felt, along with the ramifications of a war that's affecting citizens worldwide, we are in uncharted territory. Combined with the ever-growing crises of the climate emergency, nature loss and mounting inequality, it is up to all of us to make dedicated and aggressive efforts to positively impact our future.



But what does that look like? What does that mean? One of IFF's three commitments is to question everything. That has never been a stronger calling card than it is today.

We titled this report "Transforming Our World," because the Company spent 2021 focusing on transformation in three very real ways. This report, the first to share our collective performance and outcomes post-merger, charts that growth.

First, we combined the legacy talents and experiences of IFF and N&B so that our new company leverages a stronger competitive advantage, putting us in a better position to win in the marketplace and to serve all of our stakeholders. Second, it reflects how we transform raw materials into leading ingredient solutions that, as preferred partners, we supply to our customers every day. And lastly, but just as importantly, it speaks to the sustainable development transformation that is needed to ensure we all live within planetary boundaries for the long-term. Even though this might be the first time IFF is reporting under the "ESG" banner, we have long led in this space, having championed the 10 principles of the U.N. Global Compact since 2015 and aligned with the U.N. Sustainable Development Goals where we believe can make the most significant contribution.

The four strategic pillars laid out in our Do More Good Plan – sustainable solutions, climate & planetary health, equity & wellbeing and transparency & accountability – provide a framework for the ways we are contributing to sustainable development and illustrate how we are managing our impact on the economy, environment and people.

## SUSTAINABLE SOLUTIONS

The "+" in our ESG<sup>+</sup> is all about our commitment to deliver solutions to our customers so they can succeed, specifically by providing them with the technology and innovation that supports them in reaching their own ESG goals. We see this as a clear path forward, and by 2030 we intend for all innovations within our pipeline to have a value proposition that supports sustainable development, holistically.

We're already well on our way to making that a reality. In 2021, we saw IFF texturants and flavorings enable and accelerate a wider adoption of plant-based proteins. Our grain enzymes enable higher biofuel yields in customer production processes and our home care enzymes have enabled the everyday consumer to save energy (and money) by washing dishes and clothes using colder temperatures. Through the launch of the Science of Wellness™ program, we are delivering scent solutions to customers that support science-based consumer wellbeing, including cognitive, emotional and physical health. Additionally, we are one of the world's largest



buyers of seaweed with our sourcing of hydrocolloids, an essential ingredient for many consumer products. Our SeaGel® capsule is a plant-based technology that enables a higher-production rate and better capsule yield, producing less waste than traditional gelatin alternatives.

## ENVIRONMENTAL: CLIMATE & PLANETARY HEALTH

A key component of our Do More Good Plan is our commitment to safeguard the climate and strengthen planetary health. We were pleased to be named for the first time in 2021 to CDP's Triple A List for corporate transparency and action on climate change, water stewardship and deforestation, and to again be named a CDP Supplier Engagement Leader. But we know there is more work to do. Our GHG emissions baseline increased by a factor of eight times following the merger with N&B, so we are addressing this challenge by doubling down on dedicated energy and water efficiency programs, as well as expanding our use of renewable energy to lighten the footprint of our manufacturing sites.

To track our progress in these areas, we announced our plans to reduce absolute GHG emissions by 50% below 2021 levels by 2030 and to achieve net zero GHG emissions by 2040. We can only accomplish these goals with the help of our employees, so we have expanded our Green Teams, employee-led groups passionate about sustainability, to all IFF operations facilities and launched a Green Team onboarding and training program to support those heritage N&B sites that are new to the program.

You can't have good planetary health without responsible sourcing and for that, we are committed to supporting biodiversity and promoting regenerative ecosystems across our supply chain. By 2030, our target is to achieve zero deforestation for our strategic raw material supply chains, beginning with palm, soy and wood.

## SOCIAL: EQUITY & WELLBEING

Even with IFF's established reputation in the industry, it was the passion of the people that truly attracted me to this great company as CEO. Now, being inside these walls, it's clear that the equity and wellbeing of employees is core to the corporate fabric. Creating a better world is intrinsically connected to how employees and our supply chain partners can thrive under the IFF umbrella.

With COVID still present globally we've worked to institute the digital workplace for our employee base so non-essential IFFers have the ability to work from home safely, aligned with our Future of Work program while maintaining productivity, as well as our connections with each other.



Even with our demonstrated track record of creating safe environments where our people can be their authentic selves, whether in-person or virtually, we aim to do more. Our new, ambitious goals for diversity, equity & inclusion call for us to achieve 50% women at all organizational levels and 40% people of color in management roles in the U.S. by 2030. Tied to executive compensation, these and other ESG metrics are designed to meet the expectations of employees and our other stakeholders.

We cannot overemphasize that the safety of our people is crucial. Following significant integration milestones that harmonized our Environment, Health & Safety (EHS) program in 2021, we achieved improved trends in our safety metrics for the year. This is a step forward that positively positions us to continuously work toward an incident-free workplace and to achieve our goal of world-class safety performance.

Our commitment to people has always extended to the communities where we operate as well. Through the engagement and outreach initiatives of our responsible sourcing program, we are promoting human rights and supporting farmers' livelihoods to ensure prosperous and equitable value chains. In Madagascar, 2021 saw us continuing to work with our vanilla farmers' association on trainings for sustainable agricultural practices that help improve cultivation and preserve ecosystems, while supporting sustainable incomes for vanilla farmers for the long term.

### **GOVERNANCE: TRANSPARENCY & ACCOUNTABILITY**

Over these past few years, from the pandemic to natural disasters, we've seen unprecedented socio-political, health and macro-economic challenges that affect the lives of our people, our communities and our operations. However, with transparency and accountability, we've been able to persevere in the face of the unexpected.

We are strengthening our annual disclosures and data metrics every year in line with stakeholder expectations, and we are taking steps to hold ourselves accountable to continuous performance improvement by expanding oversight for ESG governance at the Board of Directors level. We're not perfect but we are grounded in our commitment to corporate governance and to being the partner for essential solutions our customers expect by supplying safe, high-quality and responsible products and solutions.



From our first sustainability report in 2010 to this 2021 report that embraces IFF's refreshed ESG+ strategy, our growth is clear. But so is the fact that we have more to do as we continually strive to lead in this space. As a new CEO taking the helm of this new IFF, I am excited to chart the next iteration of this company, one that's not just bigger, but better. We are glad to have you with us, our committed stakeholders, as we work on transforming our world for people and planet.

*Frank T. Clyburn*

Frank Clyburn  
Chief Executive Officer







# WHERE SCIENCE & CREATIVITY MEET

Not just bigger, but better.

In February 2021, IFF began a transformative journey to become a center of innovation for our customers. We launched a bold new direction designed to propel this transformation and reinforce our leadership role in the global value chain for consumer goods and commercial products.

Our brand identity – ***where science and creativity meet*** – captures the dynamic interplay between artistry and science to deliver differentiated, integrated solutions to our customers.

Our purpose – ***applying science and creativity for a better world*** – inspires us to push past traditional industry boundaries and prompt sustainability-driven change.

Our vision – ***be the partner for essential solutions*** – reflects our commitment to taking a deeply customer-centric approach to everything we do.

These hallmarks of our business are underpinned by three commitments: to *Question Everything*, *Champion Creators* and *Do More Good*.

Together, we are an extraordinary combination, and with both science and creativity, we are ready to Do More Good for people and planet.

EXPLORE IFF



# ABOUT IFF

Established more than 130 years ago, we are a leading creator and manufacturer of food, beverage, health & biosciences, scent and pharma solutions and complementary adjacent products, including cosmetic active and natural health ingredients, which are used in a wide variety of consumer products.

Our products are sold principally to manufacturers of dairy, meat, beverages, snacks, savory, sweet, baked goods and other foods, personal care products, soaps and detergents, cleaning products, perfumes and cosmetics, dietary supplements, food protection, infant and elderly nutrition, functional food, pharmaceutical and oral care products. As a result, we hold global leadership positions in the Food & Beverage, Home & Personal Care and Health & Wellness markets, and across key Tastes, Textures, Scents, Nutrition, Enzymes, Cultures, Soy Proteins, Pharmaceutical Excipients, and Probiotics categories.



IFF is headquartered at 521 West 57th Street, New York, New York, U.S.A. Detailed information about the scale of our organization, operational structure, markets served, and geographical footprint is available in our 2021 Annual Report and U.S. Securities and Exchange Commission Form 10K (collectively, “2021 Annual Report”).



# ONE SHARED GOAL: OUR WORLD, FOR THE BETTER

## OUR PURPOSE

### APPLYING SCIENCE AND CREATIVITY FOR A BETTER WORLD

- We push past traditional boundaries
- We are a force for a better and more sustainable future
- We imagine new possibilities to expand our customers' opportunities

## OUR VISION

### BE THE PARTNER FOR ESSENTIAL SOLUTIONS

- We play a vital role in the global food, beverage, beauty, household and personal care, and pharmaceutical supply chains
- We co-create sensorial experiences that delight and go beyond the expectations of consumers everywhere
- We combine unmatched innovation, agility and leading-edge insight to meet customer needs

## OUR VALUES

### EMPOWERMENT

- We make informed decisions, take action, and have the courage to hold ourselves accountable for the outcomes

### EXPERTISE

- We collaborate, applying our collective skills and diverse backgrounds to solve problems and achieve higher levels of performance

### INTEGRITY

- We are inclusive, treat each other with respect and work in a fair, honest, and ethical way

### INNOVATION

- We harness our creativity to deliver essential solutions for our partners and the communities we serve

### RESPONSIBILITY

- We protect the health and safety of our people and preserve the communities where we work



# IFF AT A GLANCE

Our impact is anchored in our purpose: applying science and creativity for a better world.

The combination of IFF and DuPont's Nutrition & Biosciences (N&B) division in 2021 created a new global industry leader in high-value ingredients and sustainable solutions serving the consumer-oriented Food & Beverage, Home & Personal Care and Health & Wellness markets. Our expanded talent and competencies position IFF for strong innovation potential moving forward.

## Our Enhanced Capabilities



## OUR INNOVATION      OUR PEOPLE      OUR OPERATIONS

- 12,000+ patents granted and patent applications filed
- 30+ human clinical trials in flight
- 40+ strategic university partnerships

Visit [Innovation](#) to learn more.

- 24,000 employees globally with women comprising 35% of upper management
- 3,000+ scientists, engineers, and technologists
- 600+ scent design managers, chefs, flavorists, and perfumers

Visit [Careers](#) to learn more.

- 45 countries of operation
- 210 manufacturing facilities, creative centers, and application laboratories
- 28,500+ different raw materials purchased from an extensive network of suppliers

Visit [Where We Operate](#) to learn more.



## Introducing Our Four Divisions

IFF is comprised of four divisions, each with a clear strategy that is anchored in our purpose of applying science and creativity for a better world.

[Read more about our divisions on pages 35-48](#)

### NOURISH

As a leading supplier of specialty ingredients, Nourish is creating the future of innovative food and beverage experiences and helping people live better, more fulfilled lives. To 'Nourish' is to feed with purpose; designing better products for people and planet.

Nourish is a new division, born out of the combination of our legacy Taste segment combined with N&B's Food & Beverage division, with a diversified portfolio consisting of three business units: Ingredients, Flavors, and Food Designs.

**\$6.3**

billion in sales

**\$1.17**

billion adjusted operating EBITDA

### HEALTH & BIOSCIENCES (H&B) SCENT

Inspired by nature and distinguished by its world-class bioscience and microbiome capabilities, H&B develops products that deliver safe, healthy, and sustainable solutions for customers around the world.

H&B – a new division created from N&B Health & Biosciences (except the food protection business, which is part of Nourish) and legacy IFF's Natural Product Solutions business – is comprised of six business units: Health, Cultures & Food Enzymes, Home & Personal Care, Animal Nutrition & Health, Grain Processing and Microbial Control<sup>4</sup>.

**\$2.3**

billion in sales

**\$625**

million adjusted operating EBITDA

A global leader in creating and supplying superior fragrance experiences and cosmetic actives for fine fragrances, consumer product goods, and beauty brands, Scent awakens the senses and leads the sustainability transformation for positive environmental and social impact.

Scent combines our legacy Scent division and our Flavor Ingredients business (formerly part of our legacy Taste business) and is comprised of four business units: fine fragrances, consumer fragrances, fragrance ingredients, and cosmetic actives.

**\$2.3**

billion in sales

**\$463**

million adjusted operating EBITDA

### PHARMA SOLUTIONS

With a vast portfolio including cellulose and seaweed-based excipients, Pharma Solutions creates unique ingredients to improve the functionality and delivery of global applications in prescription and over-the-counter pharmaceuticals, dietary supplements, and industrial industries, including coatings, inks, electronics, agriculture, and consumer products.

Pharma Solutions is a new division comprised of N&B's Pharma Solutions business.

**\$809**

million in sales

**\$165**

million adjusted operating EBITDA

4. During the third quarter of 2021, IFF entered into an agreement to divest the Microbial Control business. We expect that the transaction will close in the second quarter of 2022, subject to customary closing conditions.



# 2021 FINANCIAL HIGHLIGHTS



## \$11.7 Billion

in Sales

2020: \$5.1 billion, 2019: \$5.1 billion



## \$2.4 Billion

in Adjusted Operating EBITDA<sup>5</sup>

2020: \$1.1 billion, 2019: \$1.1 billion



## \$270 Million

in Net Income

2020: \$363 million, 2019: \$456 million



## \$1.10

in Earnings Per Share (EPS)

2020: \$3.21, 2019: \$4.00



## \$1.4 Billion

in Cash Flow from Operations

2020: \$714 million, 2019: \$699 million

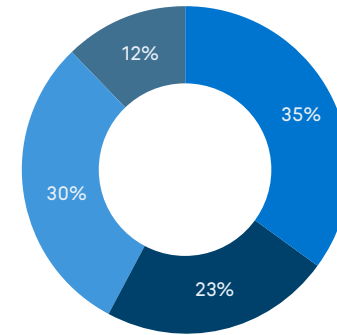


## 5.4% of Sales

Spent on R&D

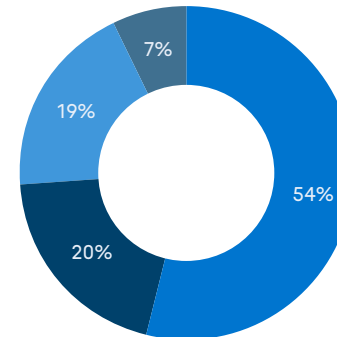
2020: 7.0%, 2019: 6.7%

## PERCENTAGE OF 2021 SALES BY REGION



- Europe, Africa, Middle East
- North America
- Greater Asia
- Latin America

## PERCENTAGE OF 2021 SALES BY BUSINESS SEGMENT



- Nourish
- Health & Biosciences
- Scent
- Pharma Solutions

Visit [IFF Investors](#) for more information.

5. Adjusted Operating EBITDA is a Non-GAAP metric.



# OUR ESG+ COMMITMENT

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# MATERIALITY

In 2021, IFF conducted a full strategic materiality assessment to account for our changing business following the merger with N&B. The scope of the materiality assessment covered all IFF businesses, including legacy IFF business segments as well as new segments post-merger. Prior to this, the last full materiality assessment we had conducted was in 2014, with a refresh in 2019 following our acquisition of Frutarom.

By following an evidence-based, objective process in collaboration with an independent third party, we identified priority focus areas, revealed risks and opportunities, and prioritized the ESG topics that matter most to our company and our stakeholders. The assessment began with a detailed process of research and benchmarking to understand the universe of potentially material topics from a wide array of internal and external sources.

This included creating a high-level value chain map summarizing our business inputs and outputs and facilitating a workshop with a representative set of cross-functional senior managers and subject matter experts to discuss IFF's potential ESG impacts, risks, and opportunities across our value chain.

Next, our internal stakeholder engagement process included an employee survey and interviews with our [Executive Committee](#) (including our CEO), as well as representatives from our [Board of Directors](#). External engagement channels included interviews with a robust and representative set of suppliers, investors, NGOs, and customers from all four of our divisions. To bring an added layer of data-driven and real-time insights to this assessment, we also utilized an artificial intelligence platform that scanned millions of data points from public sources, including SEC

filings, sustainability reports, annual financial reports, ESG-related regulatory initiatives, news articles, and social media posts. The third phase of the materiality assessment, topic prioritization, included a detailed synthesis of all research and inputs, as well as a final workshop with IFF senior managers and leaders to confirm and validate the results. Following the final workshop, the results were presented to, and approved by, the Executive Committee and the Board of Directors, the highest level of responsibility for validating the final topics.

In the context of ESG management, **materiality**<sup>6</sup> is an evidence-based, objective prioritization process to identify and validate the most important issues, risks, and opportunities for a company and its internal and external stakeholders, serving as the foundation for the long-term success of the company's ESG<sup>+</sup> strategy.

6. The terms "material" and "materiality" as used here are not intended to mean and should not be taken to mean "materiality" as defined under U.S. securities laws and does not represent any determination by the Company that any of the content contained in this presentation is "material" for purposes of U.S. securities law disclosure requirements.





## Results

The results of our 2021 materiality exercise are visually presented on [page 18](#) in a matrix that reflects the priorities of IFF's internal (x axis) and external (y axis) stakeholders. A total of 19 topics – representing a snapshot in time – were identified from across four focus areas (Product, Environmental, Social, and Governance), which, in turn, align with the four pillars of our Do More Good Plan™ (Sustainable Solutions, Climate & Planetary Health, Equity & Wellbeing, and Transparency & Accountability, respectively).

We aim to address all 19 material topics throughout this report in accordance with the guidelines of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). While each can impact our business, three bands of priority level were identified as part of the analysis, with “Tier 1” reflecting the nine topics we most closely manage, set goals against, and provide robust discussion about in our ESG disclosures. (While these tiers help guide our management approaches and resource allocations, they do not necessarily equate to the extent of strategy or action within IFF to address an issue.)

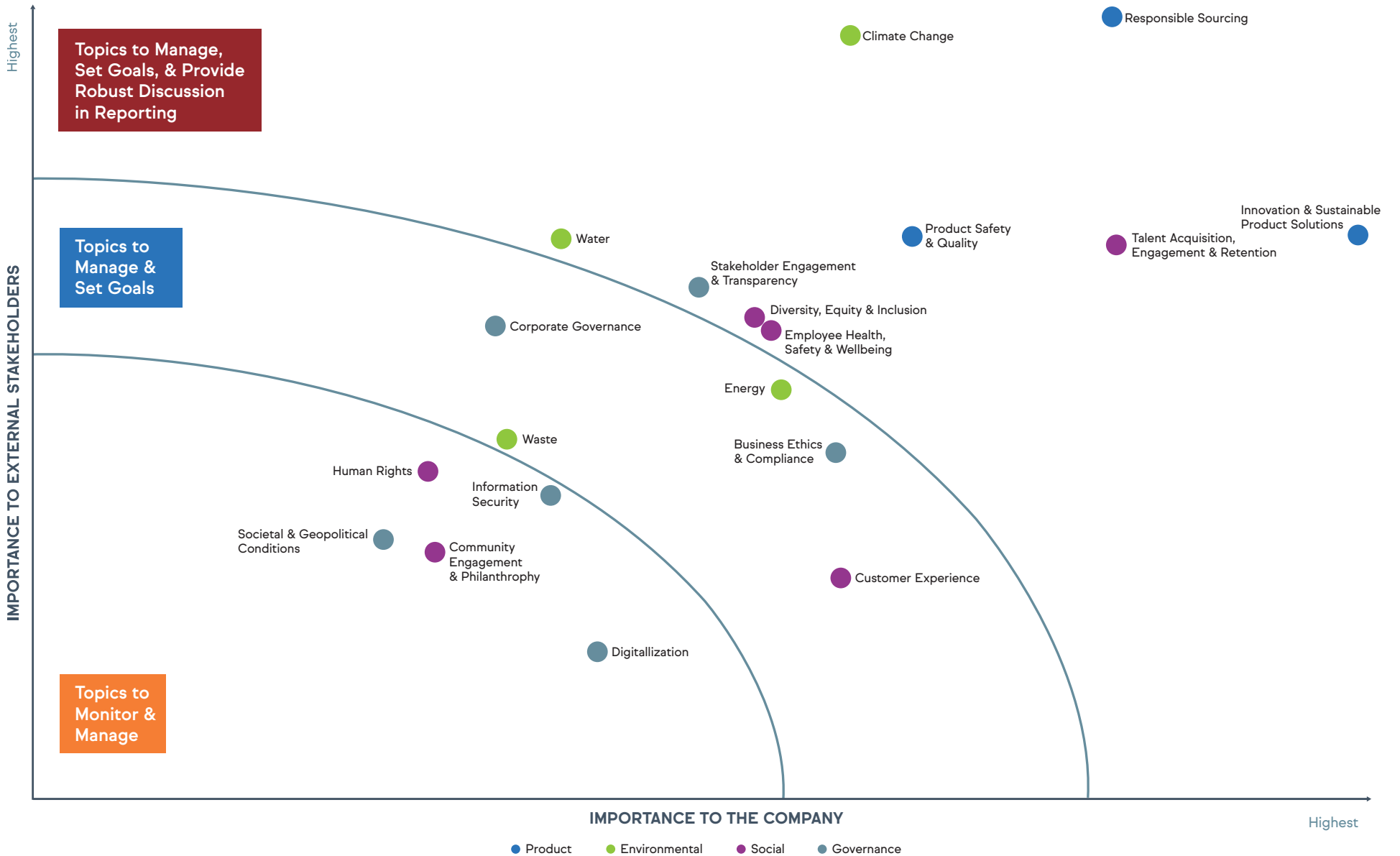
## Key Insights

- Responsible sourcing rose in importance (as compared to our most recent materiality refresh) to become IFF's most material issue, with both climate change and sustainable product solutions being key drivers of this shift.
  - Potential changes to our supply chain following the N&B merger were noted as warranting additional focus on our responsible sourcing practices, including the importance of traceability and transparency.
- Stakeholders prioritized product-related topics, underscoring the importance of ESG imperatives related to IFF's R&D pipeline and innovation capabilities.
  - Innovation & Sustainable Product Solutions was added to focus on the processes, practices, and products that eliminate negative environmental or social impacts while realizing positive benefits for IFF and our stakeholders.
  - While stakeholders noted IFF's increased capabilities because of the N&B merger, they also noted the increased challenges that the merger may present to topics such as Responsible Sourcing, Climate Change, Water, and Energy.
- Other topics, including Community Engagement & Philanthropy, Human Rights and Information Security remained foundational to IFF's business, but were not considered to be high-risk, based on IFF's current performance.

For more information and examples of key topics and concerns raised by our stakeholders this year, please see [Stakeholder Engagement, page 143](#).



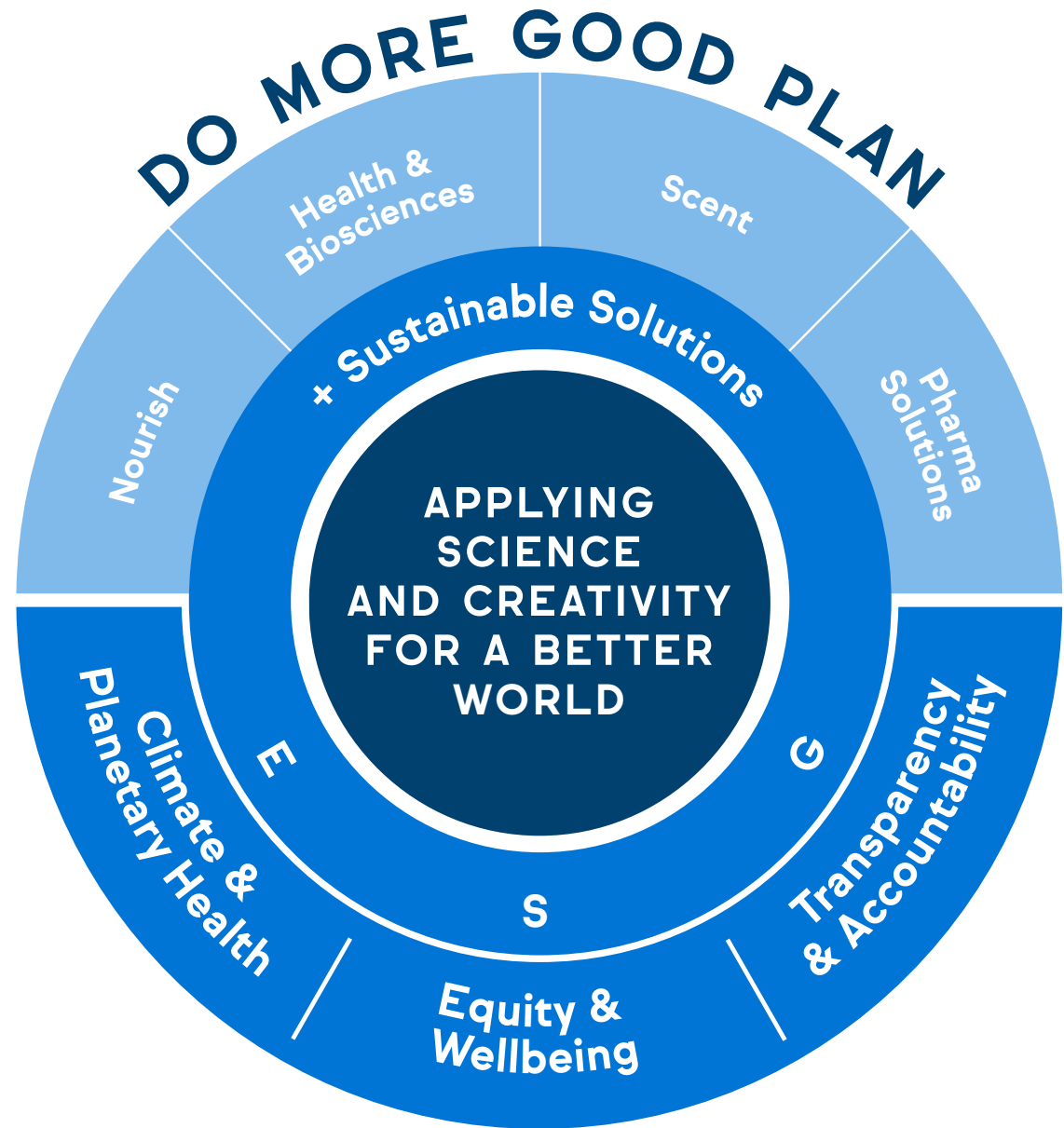
# MATERIALITY MATRIX





# THE DO MORE GOOD™ PLAN: IFF'S ESG+ STRATEGY

In 2021, informed by our materiality assessment, IFF announced the Do More Good Plan, our environmental, social, and governance – plus Sustainable Solutions – (or ESG+) roadmap that activates our purpose of applying science and creativity for a better world. Supported by a set of ambitious 2030 targets that aim to influence industry-wide change toward sustainable development, our strategy comprises of four pillars where we can have the greatest positive impact.





## SUSTAINABLE SOLUTIONS

Beginning with science and creativity, our divisions – Nourish, Health & Biosciences, Scent, and Pharma Solutions – are creating the solutions that are transforming industries. We are dedicated to driving environmentally and socially conscious innovation and partnering with customers to achieve their ESG goals. To deliver on these commitments, our goal, among others, is for all new IFF innovations to have a sustainability value proposition by 2030.

## CLIMATE & PLANETARY HEALTH

We are also motivated by our vision of a better world. Our commitment to Climate & Planetary Health is driven by the urgent need to protect the planet for future generations. Our goals include zero waste to landfill, championing water stewardship, and achieving a 50% reduction in absolute greenhouse gas (GHG) emissions below 2021 levels by 2030, with the overarching ambition to achieve net positive emissions by 2050<sup>7</sup>. We are also raising the bar on responsible sourcing by promoting regenerative ecosystems and biodiversity while working to achieve zero deforestation for strategic raw material supply chains.

## EQUITY & WELLBEING

Our focus on Equity & Wellbeing means creating a better world at IFF where all our employees, as well as those working across our supply chain, are physically and psychologically safe, healthy, and can bring their authentic selves to work. We are committed to unleashing the potential of our people, strengthening local communities, and ensuring health and safety for all. By 2030, we aim to have 40% people of color in management roles in the U.S. and 50% women in management roles companywide; achieve world-class safety performance; and continue to promote human rights while supporting farmers' livelihoods and ensuring prosperous and equitable value chains.

## TRANSPARENCY & ACCOUNTABILITY

All our commitments toward a better world are underpinned by an ethos of Transparency & Accountability. We will never stop adhering to the highest ethical standards, committing to transparency, and holding our leaders accountable. Our goal is to increase the transparency of our annual ESG disclosures; to link annual ESG key performance indicators to executive compensation; and expand ESG governance at the Board of Directors level.

[Learn More: The 'Do More Good Plan' Video](#)

7. Pending finalization and approval by the Science Based Targets Initiative



The Do More Good Plan is our strategy for strengthening our business while making a positive impact. By harnessing our creative passion and deep scientific expertise, we are inspiring our colleagues, divisions, and customers to change the world for the better.

## The Do More Good Plan: IFF's ESG+ Strategy

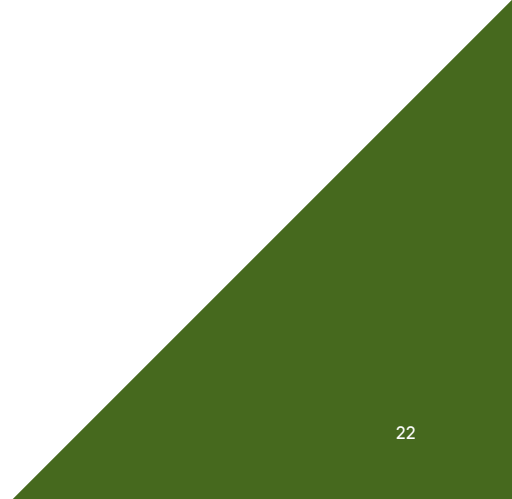
| OUR PURPOSE   |        | Applying Science and Creativity for a Better World  |   |  |   |  |
|---|--------|---|---|--|---|--|
| OUR PILLARS   |        | + Sustainable Solutions   | Environmental: Climate & Planetary Health   | Social: Equity & Wellbeing   | Governance: Transparency & Accountability   |  |
| OUR FOCUS AREAS   |        | <ul style="list-style-type: none"> <li>Accelerating environmentally and socially conscious innovation</li> <li>Driving life cycle assessment and circular design principles</li> <li>Unlocking long-term value creation through science and creativity</li> </ul>   | <ul style="list-style-type: none"> <li>Leading on urgent climate action</li> <li>Reducing our operational footprint</li> <li>Raising the bar on responsible sourcing</li> </ul>   | <ul style="list-style-type: none"> <li>Unleashing the uniqueness and potential of our people</li> <li>Ensuring the health and safety of our workforce</li> <li>Strengthening local communities</li> </ul>  | <ul style="list-style-type: none"> <li>Adhering to the highest ethical standards</li> <li>Committing to transparency</li> <li>Holding our leaders accountable</li> </ul>  |  |
| <b>OUR PRIORITY MATERIAL TOPICS</b><br><ul style="list-style-type: none"> <li>Product</li> <li>Environmental</li> <li>Social</li> <li>Governance</li> </ul> | Tier 1 | <ul style="list-style-type: none"> <li>Innovation &amp; Sustainable Product Solutions</li> </ul>  | <ul style="list-style-type: none"> <li>Climate Change</li> <li>Water</li> <li>Responsible Sourcing</li> </ul>   | <ul style="list-style-type: none"> <li>Talent Acquisition, Engagement &amp; Retention</li> <li>Diversity, Equity &amp; Inclusion</li> <li>Employee Health, Safety &amp; Wellbeing</li> <li>Responsible Sourcing</li> </ul>   | <ul style="list-style-type: none"> <li>Product Safety &amp; Quality</li> <li>Stakeholder Engagement &amp; Transparency</li> </ul>   |  |
|   | Tier 2 |   | <ul style="list-style-type: none"> <li>Energy</li> <li>Waste</li> </ul>   | <ul style="list-style-type: none"> <li>Customer Experience</li> </ul>  | <ul style="list-style-type: none"> <li>Business Ethics &amp; Compliance</li> <li>Corporate Governance</li> </ul>  |  |
|   | Tier 3 |   |   | <ul style="list-style-type: none"> <li>Human Rights</li> <li>Community Engagement &amp; Philanthropy</li> </ul>  | <ul style="list-style-type: none"> <li>Information Security</li> <li>Digitalization</li> <li>Societal &amp; Geopolitical Conditions</li> </ul>  |  |
| OUR 2030 GOALS  |        | <ul style="list-style-type: none"> <li>All new innovations to have a sustainability value proposition that supports people and planet</li> <li>Enable customers to save 50 times more CO<sub>2</sub>e than generated at IFF's own manufacturing sites</li> <li>Partner with customers to achieve their ESG goals</li> </ul> | <ul style="list-style-type: none"> <li>50% reduction in absolute Scopes 1 and 2 GHG emissions below 2021 levels by 2030; Net Zero (Scopes 1 and 2) by 2040; Net Positive (Scopes 1, 2, and 3) by 2050<sup>7</sup></li> <li>Verify zero waste to landfill for all major manufacturing facilities</li> <li>Promote regenerative ecosystems and achieve zero deforestation for strategic raw material supply chains, beginning with palm, soy, and wood</li> </ul> | <ul style="list-style-type: none"> <li>40% people of color in management roles in the U.S. and 50% women in management roles, companywide</li> <li>Incident-free workplace and world-class safety performance</li> <li>Support animal welfare and launch a human rights program for business-critical suppliers</li> <li>10 field initiatives to support farmers' livelihoods</li> </ul> | <ul style="list-style-type: none"> <li>Increase transparency of annual disclosures in line with stakeholder expectations</li> <li>Launch ESG metrics tied to executive compensation</li> <li>Expand oversight for ESG governance at the Board of Directors level</li> </ul> |  |
|   |        |   |   |  |   |  |



# U.N. SUSTAINABLE DEVELOPMENT GOALS

IFF's Do More Good Plan is in alignment with the 17 United Nations (U.N.) Sustainable Development Goals (SDGs), which represent a common framework through which the public and private sectors can work together to identify transformational opportunities to achieve the 2030 Agenda for Sustainable Development. The SDGs create a pathway for moving beyond incremental progress toward meaningful transformative change that has the potential to create value, drive resilience, and support sustainable long-term growth.

In 2021, IFF participated in the [SDG Ambition Accelerator](#), a six-month initiative during the first half of 2021 led by the U.N. Global Compact (UNGC) and Network USA in partnership with SAP, Accenture, and 3M. The objective of the program was to support participating member companies in setting ambitious corporate targets to accelerate the integration of the 17 SDGs into core business management practices. During the program, we assessed our current performance, identified risk areas, discovered new opportunities across our business divisions, and used insights from the analysis and collaboration with participating peer companies to inform both our materiality assessment and ultimately, our Do More Good Plan. On the following pages are the SDGs where we believe we can make the most significant contributions.





### TO CONTRIBUTE TO SDG 5, WE ARE:

- Affirming our commitment to gender parity through a renewed partnership with Economic Dividends for Gender Equality (EDGE) and exceeding the EDGE minimum threshold for gender representation, with women making up 36% of IFF's global workforce and 35% of upper management (see [Diversity, Equity & Inclusion, page 100](#))
- Continuing to align with initiatives for the promotion of gender equality and the empowerment of women by signing the U.N. Women's Empowerment Principles (see [Diversity, Equity & Inclusion, page 100](#))

### TO CONTRIBUTE TO SDG 12, WE ARE:

- Tackling food waste and food loss by developing upcycled ingredients that utilize waste side streams from manufacturing processes (see [Sustainable Solutions, page 29](#))
- Promoting sustainable lifestyles by enabling our customers to offer products with a reduced environmental impact (IFF's "handprint") (see [Sustainable Solutions, page 29](#))
- Supporting the responsible management of chemicals through a strong governance framework for product responsibility (see [Transparency & Accountability, page 118](#))
- Reducing our own waste generation at major manufacturing facilities (see [Climate & Planetary Health, page 49](#))
- Encouraging our suppliers to integrate sustainability information into their reporting cycle as part of our science-based target for emissions reductions (see [Climate & Planetary Health, page 49](#))
- Building awareness of sustainable development and helping to facilitate sustainable patterns of consumption and production through our community programs (see [Responsible Sourcing, page 65](#))





**TO CONTRIBUTE TO SDG 13, WE ARE:**

- Integrating climate change measures into our strategies and planning, such as increasing our use of renewable energy at our facilities (see [Climate & Planetary Health, page 49](#))
- Reducing our GHG emissions in line with a science-informed strategy (see [Climate & Planetary Health, page 49](#))
- Innovating our products to shrink our environmental footprint by embedding a circular mindset throughout our company (see [Sustainable Solutions, page 29](#))

**TO CONTRIBUTE TO SDG 15, WE ARE:**

- Promoting sustainable terrestrial ecosystems and combating land degradation through our commitment to sustainable palm oil, and ensuring our palm oil supply chain does not contribute to deforestation, biodiversity destruction or human rights abuses (see [Responsible Sourcing, page 65](#))
- Mobilizing resources to support biodiversity through community engagement, as shown by our programs in Haiti, Indonesia, and Madagascar, which are focused on reforestation, establishing seedling nurseries, and providing guidance on forest resources management (see [Responsible Sourcing, page 65](#))
- Increasing the capacity of local communities to pursue sustainable livelihood opportunities through our community programs, e.g., our For Life certification programs for smallholder farmers that support strong environmental and social practices (see [Responsible Sourcing, page 65](#))







## TO CONTRIBUTE TO SDG 16, WE ARE:

- Reducing corruption and bribery in business through robust ethics and transparency programs that are grounded in our [Code of Conduct](#) and tracked by our IFF SpeakUp hotline  
(see [Transparency & Accountability, page 118](#))
- Developing effective, accountable, and transparent institutions, as well as supporting inclusive decision-making, through our commitments to corporate governance and our 2030 Do More Good Plan goal to launch ESG metrics tied to executive compensation and expand oversight for ESG at the Board of Directors level  
(see [Transparency & Accountability, page 118](#))





# OUR APPROACH TO REPORTING

The content of this report is based on our Do More Good Plan, including our 2030 ESG+ goals and our 2021 materiality assessment. This report was developed through an in-depth consultation process with relevant subject matter experts across the IFF organization. The report was then reviewed by representatives from each business function with feedback incorporated. Our senior management, Executive Committee members and CEO review the final report prior to publication.

This report should be read in conjunction with our [2021 Annual Report](#) and [2022 Proxy Statement](#) available at [ir.iff.com](http://ir.iff.com). Previous years' sustainability reports and data are available in our Report Library at [iff.com/responsibilities](http://iff.com/responsibilities).





## Reporting Scope

The scope of this 2021 ESG+ Report covers January 1, 2021, to December 31, 2021, and includes facilities owned and operated by IFF, as well as all entities included in IFF's 2021 consolidated financial statements.

In recent years, we have acquired or merged with several companies. Most recently, on February 1, 2021, pursuant to an Agreement and Plan of Merger with DuPont de Nemours, Inc. ("DuPont"), a wholly owned subsidiary of IFF merged with and into Nutrition & Biosciences, Inc. ("N&B"), a subsidiary of DuPont holding its Nutrition and Biosciences division.

Consistent with best practices and applicable framework guidelines for ESG reporting, we have historically included the performance data of merged or acquired entities in our reporting boundary for the first full year of operation following the merger or acquisition<sup>8</sup>. However, the scope of this 2021 ESG+ Report **includes N&B unless stated otherwise** and the analysis of our combined company footprint has informed the development of our new 2021 baseline as the basis for our future performance reporting. (Note, in 2018, we announced EcoEffective+, a set of 2025 environmental goals against a 2015 baseline. Due to the significance of the 2021 merger with N&B on the legacy IFF footprint, the EcoEffective+ goals will be retired following the publication of this report in lieu of the introduction of the Do More Good Plan and related 2030 ESG+ goals.)

Any references to "legacy IFF" in this report (e.g., as it relates to performance data) describe the Company prior to February 1, 2021 (and therefore do not include DuPont N&B but do include all acquisitions prior to the N&B merger). For additional detail, please see table to the right, which confirms the inclusion of data from our recent mergers and acquisitions.

| ACQUISITION / MERGER              | YEAR ACQUIRED | DATA INCLUSION IN 2021 ESG REPORT |
|-----------------------------------|---------------|-----------------------------------|
| Ottens Flavors (Tastepoint South) | 2014          | Yes                               |
| Lucas Meyer Cosmetics             | 2015          | Yes                               |
| David Michael (Tastepoint North)  | 2016          | Yes                               |
| Fragrance Resources               | 2017          | Yes                               |
| PowderPure                        | 2017          | Yes                               |
| Frutarom                          | 2018          | Yes                               |
| DuPont N&B                        | 2021          | Yes, unless stated otherwise      |

8. With respect to financial reporting, we include the results of the acquired entity from the day we acquire the company.



## Disclosure Frameworks

To assist stakeholders in understanding and benchmarking our performance, we annually prepare our ESG+ report in accordance with three credible and widely recognized disclosure frameworks.

- **GRI:** The Global Reporting Initiative is an independent standards organization that helps businesses understand and communicate their economic, environmental, and social impacts related to business performance. Our 2021 ESG+ Report was prepared in accordance with the revised [Universal Standards](#), launched in October 2021, which aim to set a new global benchmark for sustainability reporting. We have aligned with the GRI to guide our ESG disclosures annually since our first sustainability report was released in 2010.
- **SASB:** The Sustainability Accounting Standards Board is an independent, nonprofit organization with a mission to develop and disseminate sustainability accounting standards that help public corporations disclose material, decision-useful information to investors. For the third consecutive year, we have included in this report a disclosure for the Chemicals industry, specifically the Resource Transformation sector.

- **TCFD:** The Financial Stability Board’s Task Force on Climate-related Financial Disclosures is a set of recommendations developed to inform investment, credit, and insurance underwriting decisions, as well as enable stakeholders to better understand the financial system’s exposures to climate-related financial risks. For the second consecutive year, we have prepared a disclosure in alignment with the guidance and recommendations of TCFD.

Additionally, since 2015, IFF has been a formal signatory of the UNGC, a strategic policy initiative for companies committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. Our 2021 ESG+ Report serves as our annually required Communication on Progress and provides an overview of our commitments to sustainable and socially responsible policies in these areas. For more on IFF’s UNGC membership, please visit <https://www.unglobalcompact.org>.

### EXTERNAL ASSURANCE

We retained **ERM CVS** to conduct a third-party assurance of our 2021 ESG+ Report. Specifically, they assessed whether the report

presents a complete and balanced presentation of IFF’s sustainability activities and performance in accordance with the GRI Standards, and whether the 2021 information and data for specified indicators are fairly presented in accordance with the reporting criteria. ERM CVS does not verify general market-related claims that are not linked to IFF’s ESG performance. IFF’s VP, Global Sustainability & EHS oversees the Company’s external assurance process for this report.

Due to the COVID-19 pandemic and related travel restrictions, eight virtual facility visits and one virtual headquarters visit (for interviews and a review of data systems) were conducted. Additional documentation to support corporate claims and operational data was provided as needed to inform the process.

For more information on the assurance standards used, the level of assurance obtained, and the assurance process, please see the [ERM CVS Assurance Statement](#) at the end of this report, which details the scope, activities, and conclusions of their engagement.



# SUSTAINABLE SOLUTIONS

IFF's **Do More Good Plan** activates our ambition to drive progress for people and the planet, beginning with our focus on science and creativity. Across the four divisions of our business, we are transforming the markets we serve by driving environmentally and socially conscious innovation, growing our robust research & development (R&D) pipeline, and developing an expanded suite of sustainable solutions to meet and exceed the expectations of our customers, consumers, and the broader market.

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WE QUESTION, EXPLORE AND CREATE.

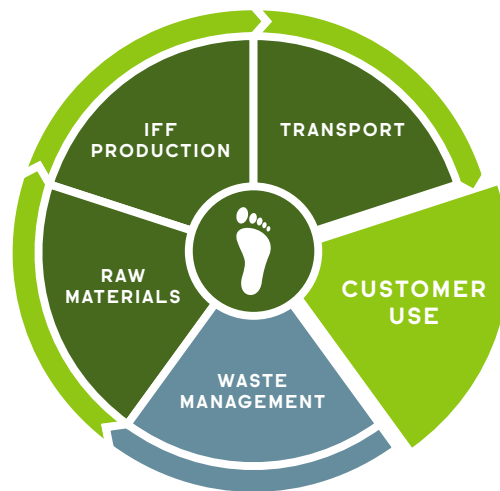
OUR BUSINESS DIVISIONS DEVELOP ESSENTIAL SOLUTIONS THAT ENABLE OUR CUSTOMERS TO DO MORE GOOD.

# STRATEGY & APPROACH

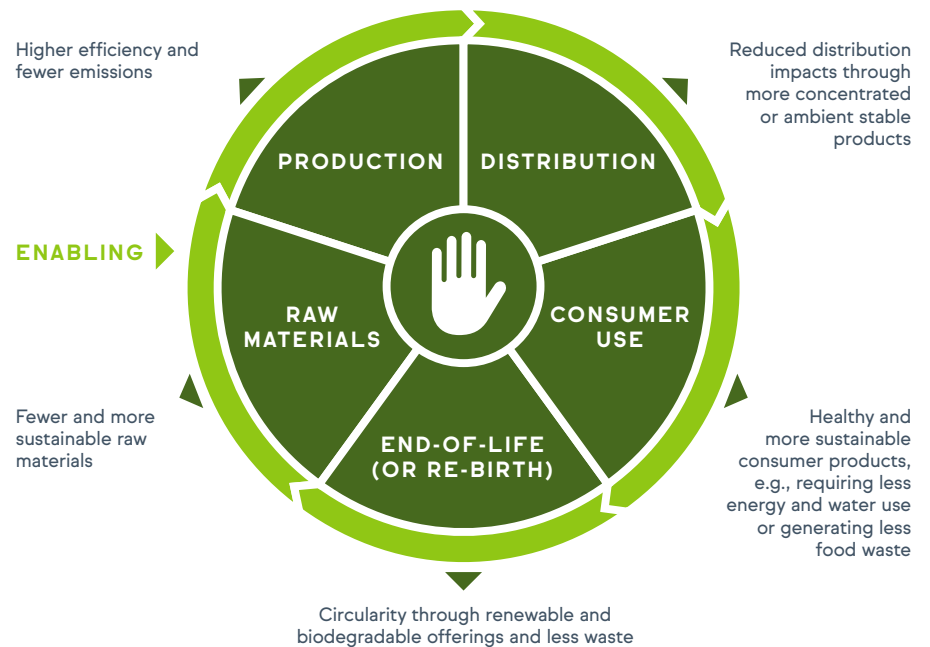
More than ever, we need science and creativity to create a better world and we seek to inspire our customers to join us in this effort. That reality is reflected in our corporate purpose and unites IFF employees throughout the world. Our R&D strategy is designed to accelerate innovation, drive integrated solutions, and create next-generation, sustainable technologies that meet and exceed the expectations of our stakeholders. We have taken a centralized approach to innovation that is market-driven and customer-centric. This facilitates rapid technology and talent deployment to solve our customers' and the world's most pressing challenges. We bring to bear unmatched scale, renowned scientific talent, compelling portfolio strength, and unrivaled R&D capabilities, including industry-defining biotechnology.

## Life Cycle Impacts of IFF's Products & Services

### IFF SUPPLY CHAIN



### CUSTOMER VALUE CHAIN



The "footprint" of IFF's supply chain (left) has a proportionally small impact as compared to the avoided burdens and positive benefits in our customers' value chains that are enabled by our sustainable solutions (or IFF's "handprint," right).



Where we believe our products can make one of the biggest differences from a sustainability perspective is through their positive life cycle impacts during the use phase. The scale of benefits we can enable for our customers (IFF's "handprint") far outweighs IFF's manufacturing and operational "footprint" (see figure). In this way, we are not only contributing to the U.N. SDGs at a global scale, but we are also helping our customers reach their goals as they relate to the environment, circular economy, and health and wellness.

Our extensive sustainable innovation portfolio provides benefits across a large spectrum of applications and addresses global food, nutrition, and agriculture objectives. For example, the Food and Agriculture Organization of the United Nations (FAO) estimates that livestock globally contribute 14.5% of all human induced GHG emissions. Through our texturants and flavorings, we can enable and accelerate the wider adoption of plant-based alternatives with a lower environmental footprint. At the same time, our feed enzymes and probiotic solutions help allow for more sustainable livestock production that not only addresses climate concerns but also animal welfare through the reduced need for antibiotics. Our phytase enzyme solutions increase yields, reduce or eliminate the need for inorganic phosphorus, and improve

phosphorus efficiency in poultry and swine diets, thereby reducing phosphorus and GHG emissions.

Other examples of sustainable solutions include grain enzymes that enable higher yields of biofuels in our customers' production processes, and laundry enzymes that enable consumers to save energy by washing their clothes at lower temperatures without sacrificing performance. Consumer health and wellness priorities can be enabled through dietary supplements; probiotics that support the microbiome; modulation ingredients that allow for reductions of salt, sugar, and fat; and enzymes that allow for increased levels of fiber (e.g., in bread and dairy products). Our Science of Wellness™ program delivers scent solutions that support cognitive, emotional, and physical health.

The potential scale of these solutions is huge, and reflective of the types of transformational sustainable development changes that will be needed to ensure that 9+ billion people can live well, within planetary resource boundaries by 2050. The Paris Agreement's climate mitigation targets, as well as national and regional climate priorities, also inform innovations from our business segments. Among the most important tools we use to drive innovative sustainable solutions are

circular design and life cycle assessment.

Our increased and more diverse portfolio of solutions also presents various new challenges, such as effectively managing resources; prioritizing the many innovation pathways we can pursue across our R&D portfolio; and selectively applying our Sustainability, Regulatory, and Public Affairs resources to the projects with the clearest potential value proposition. Our expanded capabilities also bring with them heightened customer expectations and requirements for understanding the ESG performance and attributes of our products. To respond most effectively, we must ensure we have access to the right data for the combined company, the consolidation of which has been a significant undertaking during our 2021 integration process. Finally, we must not only consider regulatory restrictions or opportunities that may impact our innovation pipeline, but also anticipate changes to these boundary conditions, while helping regulators and other stakeholders keep up with the pace of innovation. For example, we engage in opportunities to educate stakeholders on both the benefits and the safety of our products, including shaping approval pathways for novel products made with new technologies, such as modern biotechnology. (For more information, see [page 131](#).)



## Circular Design

IFF has a longstanding commitment to driving circular design principles to promote sustainable innovation. Unlike traditional linear design models, circular design supports a restorative, regenerative economy and moves away from the unsustainable “take-make-dispose” approach. Concretely, we promote circularity by replacing fossil fuel derived materials with renewable and biodegradable versions in our production. In manufacturing, we champion circular design through biotechnology and green chemistry. This includes ensuring energy and resource efficiency, expanding our use of renewable energy, and focusing on zero waste, where possible. We also address the challenge of waste through upcycling – a circular design principle of creating scalable, sustainable, and value-added solutions by reusing products from typically discarded side streams.







## Life Cycle Assessment (LCA)

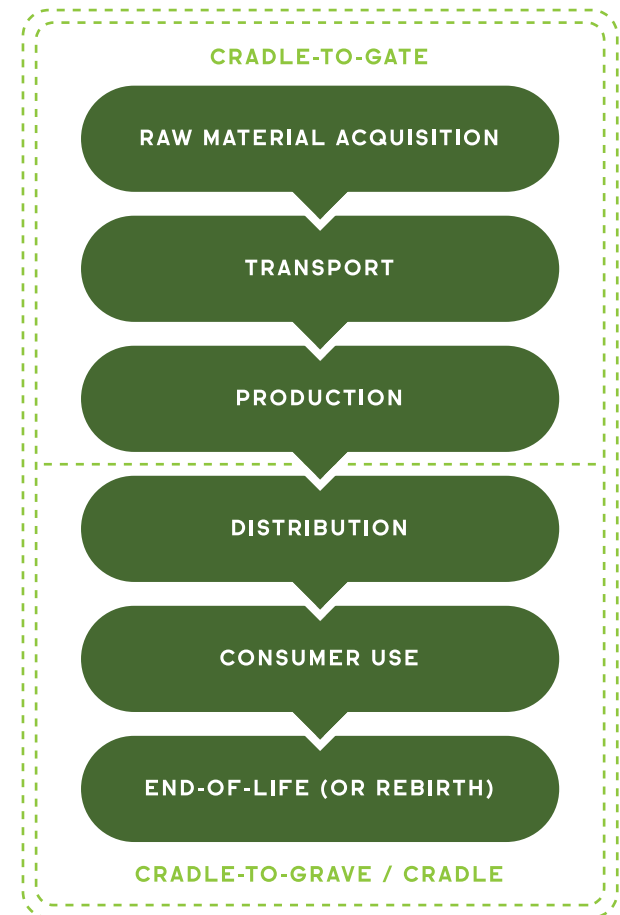
LCA is a quantitative assessment of environmental impacts across the life cycle of a product or service. The scope typically involves all stages of the life cycle, from raw material acquisition until the product leaves the production factory (cradle-to-gate) and ideally also includes distribution, use, and end-of-life scenarios (cradle-to-grave/cradle). Knowing the full scope is important to document the potential burdens that can be avoided in the customer value chain. Results may indicate a range of other environmental impacts, such as contributions to climate change, land and energy use considerations, or level of water consumption.

At IFF, we use LCA to:

- **understand** the environmental impacts of our products and processes
- **analyze** sustainability performance at a product level, using it as a compass for transparent decision-making and communication
- **identify** supply chain hot spots and opportunities for product improvements
- **evaluate** new technologies and guide sustainable innovation through a data-driven, scientific approach that continuously drives more sustainable solutions

LCAs range from screening level analyses to externally peer-reviewed studies on products and prove insightful for both guidance of pre-commercial products and for reporting on and marketing of commercial products. We have conducted LCAs for a wide range of our products, including soy and pea protein solutions, emulsifiers, hydrocolloids, frozen and freeze-dried cultures, enzyme production and applications, and scent ingredients, among others. LCAs of our products create significant value for our customers as they try to better understand and continuously reduce their upstream (Scope 3) impacts in line with their science-based GHG emissions reduction goals. For these and other reasons, we have built an in-house LCA team with the expertise to continue to strengthen our capabilities over time. Looking ahead, our plans for utilizing LCA are ambitious, including quantifying carbon, land, and water footprints for our portfolio of scent ingredients.

### TWO TYPICAL SCOPES OF LCA STUDIES



*LCA assesses potential environmental impacts from cradle-to-gate (i.e., from raw material acquisition to production) or cradle-to-grave/cradle (i.e., the entire life cycle including distribution, use, and end-of-life scenarios.)*



# DO MORE GOOD PLAN: SUSTAINABLE SOLUTIONS GOALS

IFF was pleased to announce the Do More Good Plan in 2021, following extensive benchmarking exercises, the completion of a materiality assessment, and significant collaboration among many cross-functional teams across the organization. To underscore our commitment to driving sustainable solutions for our customers and the world, the Do More Good Plan includes the following high-level 2030 goals:

## **IFF intends for all new innovations to have a sustainability value proposition that supports people and planet**

- IFF's sustainable innovation is facilitated through our internal evaluation of all R&D projects based on sustainability criteria that address all life cycle stages and a wide range of environmental and social impacts.
- To define and measure a 'sustainability value proposition,' in 2021, we developed a scoring tool that addresses all life cycle stages and a wide suite of environmental and social impacts. Innovation projects are evaluated for sustainability benefits, potential risks, and to pass a sustainability threshold, such as capacity to reduce food waste, improve efficiencies or promote health. We will track the sustainability performance of our innovation portfolio using this tool going forward from a baseline year of 2022.

## **Enable customers to save 50 times more CO<sub>2</sub>e than generated at IFF's own manufacturing sites**

- As documented in LCA studies, our products represent the most impactful way IFF can contribute to reducing GHG emissions and other environmental impacts. These benefits greatly outweigh the direct and indirect GHG emission impacts of IFF and will be tracked relative to IFF's emissions going forward.
- Major contributions to this goal come from the environmental benefits associated with plant proteins, enzymes, and protective cultures for food protection.

## **Partner with customers to achieve their ESG goals**

- As consumer demands and customer expectations evolve, we are working closely with our commercial teams to set up the right systems to track market trends and respond to the needs of our customers in alignment with their own ESG strategies.
- The sustainable development challenges we all face cannot be tackled alone, so IFF is focused on partnering with our customers and other stakeholders along the value chain to support the radical shifts that will be needed to make a positive impact.



## Bringing the Do More Good Plan to Life Through Our Divisions

Each of IFF's four divisions have formulated their own unique ESG strategies and ambitions in alignment with IFF's Do More Good Plan. In each case, their focus areas are customized according to divisional strengths, capabilities, and customer expectations.

# NOURISH

To 'Nourish' is to feed with purpose; designing better products for people and planet. IFF's Nourish division is a leading supplier of specialty flavors and ingredients, creating the future of innovative food and beverage experiences and helping people live better, more fulfilled lives. In today's market, food and beverages must not only satisfy hunger and thirst, but must also deliver exceptional taste, be sustainable, and deliver on the "better for me" promise. Through an iterative, human-centered design approach, we bring full, end-to-end product design to life, enabling an agile go-to-market strategy for our customers.

As part of IFF's Do More Good Plan, the Nourish division's sustainability-focused development process serves unmet needs in the food and beverage market while contributing to positive environmental and social designs. IFF has six bold areas of innovation with our Re-Imagine programs, of which four are focused on making a positive ESG impact: RE-IMAGINE CLEAN™, RE-IMAGINE WASTE™, RE-IMAGINE PROTEIN® and RE-IMAGINE WELLNESS™. Each uses current and future IFF tools, technologies, and ingredient expertise to drive market-relevant innovation that facilitates full

product design in alignment with changing consumer expectations. In 2021, under the RE-IMAGINE programs, we launched multiple new technologies to support our customers, of which three are directly connected to achieving internal sustainability goals and ambitions.



## RE-IMAGINE CLEAN™

Based on our internal research, today's consumers rank natural ingredients and environmental impact ahead of brand recognition and product descriptions. Clean label is the new norm – often defined as simple ingredients and products with ingredient purity and traceability. In response to the consumer desire for trust, transparency, and a healthier world across food and beverage categories, our RE-IMAGINE CLEAN™ program is delivering next generation solutions that are label-friendly, healthy, and responsible.

For example, SEAFLOUR™ is a newly launched stabilizing ingredient sourced from traceable seaweed which replaces traditional hydrocolloids in plant-based beverages. This innovative, minimally processed ingredient preserves the seaweed's natural content of fiber, proteins, and minerals which helps producers to meet consumer demand for cleaner, natural, and sustainable products without compromising functionality and taste.

Other recently launched clean label flavor technologies include our collection of smoke and grill ingredients (further supporting the market for meat alternatives) and our coffee technology portfolio for flavors.

## RE-IMAGINE PROTEIN®

As the world struggles to mitigate escalating climate change, consumers are looking for better options in support of the planet and human health without compromising on taste and texture, prompting a full transition towards a new food system and an urgent need to redesign food product portfolios. Supporting the industry in maintaining indulgence and pleasure while reducing GHG emissions is a top priority for IFF, which we are achieving by offering a wide portfolio in flavors, colors, stabilizers, enzymes, starter cultures and plant proteins. In addition, IFF is looking to new innovative technologies through internal expertise as well as external collaboration to be at the forefront of this transition by continuing to offer new, sustainable options to the industry and consumers around the world. For example:

- HOLDBAC® YM VEGE is an effective and label friendly solution designed for plant-based applications, to secure quality over shelf-life and reduce food waste. Crafted from a selection of beneficial microorganisms, our natural solution supports our customers to keep their product fresh for longer, further enabling their sustainability ambitions and positively increasing the consumer experience towards plant-based foods.

- PLANT PROTEIN with SUPRO® range: We continuously develop new plant proteins to support the replacement of animal-based product around the world, providing the most advanced technology that offers the same texture and taste as animal protein. Associated today with maskers and flavor, it allows the industry to develop unique plant-based food to offer a broader range of products to the consumer which encourages a plant-based diet as the center of the plate. Multiple LCAs confirm that burgers using plant-based proteins save more than 25 tons of CO<sub>2</sub>e per ton of beef replaced.



## RE-IMAGINE WASTE™



The Food and Agriculture Organization of the United Nations (FAO) estimates that approximately one third of all food intended for human consumption is lost or wasted from farm to plate. This

inefficiency results in significant economic, social, and environmental impacts, and hinders the world’s ability to adequately feed those who are hungry and undernourished. IFF’s RE-IMAGINE WASTE program is driving environmental consciousness around this issue by pioneering the future of food and beverage experiences through sustainable and regenerative design. With a focus on upcycling, shelf-life extension, and food safety, we are maximizing resources and reducing waste while expanding sustainable innovation across our food and beverage categories.

### UPCYCLING

Upcycled foods use ingredients that otherwise would not have gone to human consumption, are procured and produced using verifiable supply chains, and have a positive impact on the environment. We create upcycled flavor extracts, such as coffee, botanicals, or smoke, from a variety of sustainable sources such as wood byproducts or spent biomass.

In support of this growing trend, IFF has been an Associate Member of the [Upcycled Food Association](#) (UFA) since 2019. In 2021, the UFA introduced the Upcycled Certified™ Program – the world’s first third-party certification for upcycled food ingredients and products. The certification mark serves to further legitimize food waste as a reputable and reliable ingredient source manufactured to the highest standards and provides consumers with clear guidance about the presence of upcycled food ingredients in food, beverages, cosmetics, pet food, personal care products, household cleaners, and dietary supplements. For example, through our partnership with Dutch start-up, [PeelPioneers](#), we are utilizing fresh orange peels that are naturally rich in essential oils (and that would otherwise be discarded from retail settings) to create UPCYCLED ORANGE – [one of 10 IFF products](#) certified by the UFA in 2021 from across our Scent, Health & Biosciences and Nourish divisions.

### FOOD PROTECTION FOR PROCESSED MEAT

According to the World Health Organization, ready-to-eat processed meats are in the high-risk category for contamination with *Listeria monocytogenes*, which causes listeriosis in consumers. NOVAGARD® NR 100-G is a

synergistic blend of two natural ingredients: nisin A, a naturally occurring antimicrobial that has demonstrated its efficacy for more than 60 years; and rosemary extract, an approved flavor complex believed to have antioxidant and antimicrobial properties on top flavoring attributes. Together, they are an effective combination against gram-positive bacteria and spores. In poultry applications, for example, the blend has been seen to protect product quality for up to twice as long. Manufacturers can also secure the sensory quality of their products during shelf life. These solutions address not only health and safety, but also have the potential to reduce food waste.



## RE-IMAGINE WELLNESS™

Health and wellness are top of mind as never before, including nutrition, digestion, and mental and cognitive health. With a strong focus on modulation, functional health ingredients, and emotional design, our RE-IMAGINE WELLNESS™ program harnesses the power of science and nature to drive physical and mental wellbeing within the food and beverage industry. For example:

- With the rise of lifestyle-related ailments and other chronic symptoms, metabolic health solutions and personalized nutrition are strong market needs. We are continuously innovating to address fat, sugar, and salt reduction, including developing new natural masking molecules for off notes and non-steviol sweet modulators that improve mouthfeel and body. In 2021, we launched Jus Fruit Fibre+ Taura Products, fruit inclusions that allow for sugar reduction of approximately 30% in chocolate and cookies.
- A growing understanding of the microbiome among consumers has equally led to a strong focus on the benefits of pre- and probiotics for digestive and immune health as well as mental wellbeing. In collaboration with IFF's Health & Biosciences division, these are areas we are addressing through strong research enabled by our clinically proven HOWARU® premium probiotics, enzymes, and fibers.
- Another innovation focus area for the program is muscle health and sports nutrition, which we are exploring through new solutions in plant proteins, betaine, and probiotics.

### Looking Ahead

In support of IFF's Do More Good Plan, we will continue to develop and implement our own sustainability strategy through our RE-IMAGINE portfolio, with a strategic focus on ensuring that all new innovations have a sustainability value proposition. During 2022, we will focus on establishing the tools, metrics, and related measurable goals to track our progress on delivering the solutions for our customers that support health and wellbeing and enable downstream GHG emissions reductions through plant proteins, protective cultures, and food enzymes.



# HEALTH & BIOSCIENCES

At IFF Health & Biosciences (H&B), we are captivated by bioscience and fascinated by its potential and vitality. Inspired by nature and distinguished by our world-class bioscience and microbiome capabilities, we channel our passion for bioscience into sustainable life-enhancing technologies to provide innovative and high-performing products and solutions for our customers across a broad range of markets. Our business consists of a biotechnology-driven portfolio of enzymes, cultures, probiotics, natural extracts and specialty ingredients for food & beverage, home & personal care, health and wellness, and agriculture and industrial markets and applications.

IFF's Health & Biosciences division is well positioned as an innovation leader for the markets we serve. Supported by a globally distributed innovation, manufacturing, and sales footprint, and as part of the larger IFF family, we work to constantly improve our engagements with customers. The merger of IFF with N&B provides our division with the ability to expand our offering into new markets and customers and with new applications. Additionally, in our Health business, by combining N&B's probiotic business with the Natural Product Solutions business of legacy IFF, we are strengthening our health and

wellbeing offerings to our customers through combination products which bring synergistic benefits to consumers.

IFF's Do More Good philosophy is fundamental to the Health & Biosciences business and portfolio. Through our technology leadership, we are proud to exemplify the many ways that science and creativity can facilitate positive change. In the face of large-scale global challenges such as climate change and resource scarcity, H&B's unparalleled bioscience innovations equip our customers with cutting-edge sustainable solutions to help them achieve their own ESG goals, which, in turn, improve the environmental footprint and health and wellbeing of millions of global consumers.

IFF innovates to meet the growing demand for sustainable manufacturing and consumer products. Aligned with macro trends in clean label, natural, antibiotic-free, renewable energy, sustainability, and circularity, IFF's solutions have the potential to enable greater sustainability from production to consumers' end use. H&B will continue to focus on creating solutions that contribute to reduced GHG emissions, save water and energy during manufacturing, and reduce consumer food waste. We meet the diverse needs of our

markets with our ability to leverage traditional methods and cutting-edge innovations from our modern biotechnology and microbiome capabilities.

IFF Health & Biosciences includes the following business units: Health; Cultures & Food Enzymes; Home & Personal Care; Animal Nutrition & Health; and Grain Processing.



## Health

IFF's Health business develops, manufactures, and sells probiotics, fibers, and natural extracts used in dietary supplements, as well as specialty ingredients for infant and elderly nutrition. Supporting the Company's health and wellbeing objectives, the Health business delivers sustainable innovation that brings health benefits to consumers and ultimately to society. For example, a 2019 study published in the National Library of Medicine, "[Probiotics Reduce Health Care Costs and Societal Impact of Flu-Like Respiratory Tract infections in the USA: An Economic Modeling Study](#)," found that taking a probiotic can reduce the number of sick days by more than 54 million days per year. IFF probiotic strains or strain-combinations provide benefits including digestive, cognitive, and immune health. The Health portfolio also includes natural health and nutrition ingredients derived from plants and herbs.

## Cultures & Food Enzymes

IFF's Cultures & Food Enzymes business promotes sustainability in food and beverage production. For our Cultures business, globally, IFF estimates that approximately one out of three yogurts and approximately half of all plant-based yogurts are made with our cultures. Our technologies allow our customers to reduce their environmental impact by conserving water and energy, reducing emissions, and enabling the use of locally grown raw materials. Our solutions aim to limit food waste and extend the shelf-life of food and beverage products while saving costs for our customers.

In our Food Enzymes business, IFF estimates that approximately 20% of the global beer volume is made with IFF enzymes. With an eye toward always improving sustainability, our brewing business has built a process simulator that allows H&B to map our customers' production processes and pinpoint where IFF's technologies can help conserve energy and increase production efficiency. By extending the analysis from a [recently published LCA](#) on brewing with exogenous enzymes and un-malted barley or sorghum to displace malted barley in beer production, benefits for additional regions were evaluated. In Brazil, for example, our new enzymatic solutions used in conjunction with un-malted barley were shown

to significantly reduce environmental impacts compared to brewing with malted barley – resulting in reductions of CO<sub>2</sub> emissions by 36%; of non-renewable energy consumption by 47%; of water consumption by 41%; and of the area needed for the cultivation of raw materials by 4%.





## Home & Personal Care

IFF's Home & Personal Care business supplies sustainable alternatives to industries in the cleaning and personal care sector, where performance is paramount. We bring our passion for the planet and bioscience know-how to partner with customers who are serious about finding more sustainable solutions without sacrificing the effectiveness of their products.

As the business that developed the enzyme technology for cold water washing, our products can be found in a large percentage of the world's cold water wash product. Inherently natural and biodegradable, our cleaning enzymes are both efficient and effective; excelling in short cycle, low temperature washes to ensure detergents deliver sustainable cleaning with no compromises. If just one load of laundry per week in each household was washed in cold water for one year, the U.S. could realize significant reductions in energy from natural gas, and, in turn, lower related GHG emissions.

## Animal Nutrition & Health

IFF's Animal Nutrition & Health business works every day to improve the overall sustainability of the animal protein value chain by reducing its impact on the environment, improving animal welfare, and reducing costs for producers. This includes meeting nutritional health needs at the heart of antibiotic-free and sustainable livestock production.

Applying our suite of phytase solutions to swine and poultry feed enables animals to break down phytate in the feed to access the previously unavailable phosphorus and reduce or eliminate the need for adding inorganic phosphate to their diets. The phytase also improves overall digestibility, providing the same animal performance and weight gain using 3-5% lower feed rates. Based on our internal assessments, each year, a poultry farm could save a significant amount of feed and inorganic phosphate by using IFF phytase, translating to cost savings for the farmer and lower overall GHG emissions.



## Grain Processing

A majority of IFF's Grain Processing business uses enzymes to produce ethanol from corn – a sustainable value proposition that creates renewable fuel from nature. IFF yeasts, glucoamylase, and alpha-amylase enzyme solutions enable the production of fuel ethanol, which displaces gasoline in passenger vehicles. Based on cradle-to-tailpipe emissions per the [GREET® Model](#) from Argonne National Labs and our internal assessments, the ethanol produced from a typical U.S. facility using IFF enzymes and yeast has the potential to provide significantly less CO<sub>2</sub> emissions.

Additionally, our scientists are constantly improving technologies that not only increase ethanol yield and efficiency in the production process, but also lead to lower water and energy usage. This business also serves carbohydrate processing customers who produce food and feed ingredients such as high fructose corn syrup. The Grain Processing business provides customers in this market with enzymes that enhance those processes by reducing the water and energy necessary to process corn and wheat. A product called OPTIMASH® WHEAT XL enables wheat processors to improve their efficiency without changing their plants.

## Looking Ahead

The Health & Biosciences division will continue to develop and launch innovative products that will allow our customers to achieve their ESG goals and create more sustainable products for consumers. We will commercialize a new-to-the-world process for making renewable and biodegradable materials that we call Engineered Polysaccharides, which aim to provide new high-performance sustainable materials for many of the markets we serve – starting with our Home & Personal Care business, specifically detergent. Additionally, we plan to continue driving towards responsible operational goals in our manufacturing sites and establishing clear metrics and goals to track our progress.



# SCENT

IFF's Scent division is a global leader in creating and supplying superior fragrance experiences and cosmetic ingredients for the world's finest perfumes, beauty brands, and best-known household and personal care consumer products. Our Scent division's purpose is to "awaken the extraordinary senses for a better world," which we are doing thanks to our sustainable, custom-created fragrance compounds, cosmetic ingredients, and integrated solutions that meet and exceed the evolving expectations of our customers and consumers.

Following the merger with N&B, we have access to a combined portfolio to transform Scent ingredients and delivery systems, and our expanded bioscience leadership capabilities are a key differentiator in the fragrance industry, representing an important enabler that positions us to fully realize our sustainability ambitions. In partnership with IFF's Health & Biosciences division, the Scent division is developing new materials

from biotechnology; expanding enzymatic chemistries and polymers for natural and naturally derived materials; utilizing microbial control and biological catalysts for new innovations in the personal care industry; and harnessing the power of nature and the skin microbiome to deliver clinically demonstrated health and wellness solutions.

The Scent division's sustainability strategy is to "Awaken Bioevolution" and lead scent sustainability transformation for positive environmental and social impact. This strategy aims to drive a balanced approach between circular design and environmental impact while fostering holistic wellbeing. To succeed in Doing More Good, Awaken Bioevolution is an equilibrium of four innovation priorities: fostering positive impact; leading the regenerative agenda; creating social impact; and promoting holistic wellbeing.



## Foster Positive Impact

Sustainable design tools are a key priority for reducing operational impacts and driving our environmentally conscious agenda. To foster this progress, our innovation focus has been twofold:

**1. LCA:** To objectively assess the Scent division's environmental impact data and reduce the portfolio footprint, IFF is developing an LCA-powered tool based on the following guiding principles:

- Developing ingredient-level data to enable perfumers to mindfully create fragrances that meet our customers' sustainability requirements
- Communicating fragrance-related environmental impacts and collaborating with customers to help them meet their sustainability goals
- Highlighting opportunities to reduce the impacts of environmental hotspots in the ingredient supply chain and during IFF processing, while identifying strategic portfolio shifts to more sustainable production routes without burden shifting

**2. Do More Good Scent Database:** We made significant progress in 2021 to identify and incorporate robust internal sustainability KPIs into the corporate systems used by our perfumery, product development, and commercial teams, helping them drive sustainable decision-making. Insights such as percentage of renewable carbon, biodegradability, and Globally Harmonized System of Classification and Labeling of Chemicals (GHS) hazard types, are readily available to perfumers when creating new fragrances and any fragrance formula can now be checked against multiple KPI metrics by creative development teams. Maintained in a central database in collaboration with IFF Global Regulatory Affairs, we continually validate new information and new vendors on existing materials based on manufacturing updates or regulatory requirements. IFF has also invested additional resources to gather and validate sustainability-related information from both our ingredient and raw-material vendors, as well as our internal manufacturing plants, including data on renewability, natural origin, use of green chemistry processes, and upcycling.



## Lead the Regenerative Agenda

To promote our regenerative agenda ambition, the Scent division focuses on:

### 1. Ingredient Palette Transformation:

Sustainably transforming the IFF Scent ingredient catalogue is one of our top priorities, and is based on the following principles: we believe that biodegradability is an imperative and we are developing all new molecules to be biodegradable; we believe in a balanced approach between circularity and environmental impact, providing renewable or upcycled versions of existing petroleum-based feedstocks while discovering new renewable and upcycled ingredient feedstocks.

**2. Circular Design** Beginning with the sourcing of sustainable turpentine several decades ago, IFF has long been a pioneer in the commercialization of the industry's largest portfolio of renewable or upcycled ingredients. LMR Naturals by IFF (LMR), our natural ingredients platform, embeds circular design and green chemistry in both the manufacturing and new discovery of sustainable ingredients. Similarly, Lucas Meyer Cosmetics by IFF (LMC), our cosmetic ingredients portfolio, includes COSMOS and ISO 16128 certified renewable materials, as well as functionals and delivery systems based on lecithin, a byproduct of the feed and food supply chain. ([Learn](#)

[more on page 81.](#)) LMC eco-design also encompasses upcycled solutions inspired from the food industry, such as IBR-CalmDeAge® ([certified by the UFA](#)), and the WASTAR™ range, derived from the valorization of LMR's byproducts of natural fragrance ingredients.

**3. Sustainable Delivery Systems:** In 2020, we announced the launch of a responsibly designed fragrance encapsulation, made with more biodegradable and renewable materials than traditional encapsulation approaches. This new solution accelerates our transition to a cleaner future, bridging sustainability and performance in ways that support our customers to achieve their sustainability goals.

**4. Agricultural Practices and Positive Biodiversity Impact:** We support biodiversity and contribute to the regeneration of ecosystems across our sourcing platforms around the world. With strategic sourcing platforms certified For Life and Fair for Life by ECOCERT (a global specialist in the auditing and certification of sustainable practices), LMR ensures the best environmental practices and biodiversity protective actions. For example:

- In Madagascar, we are supporting income diversification for pepper and patchouli farmers through agroforestry programs.

- In Australia, our sourcing partner planted 13,900 hectares of degraded land formerly dedicated to wheat with Sandalwood spicatum and Acacia endemic species, providing mitigation of salinity and shelter for local species and restoring soil fertility.
- In Haiti, we have introduced specific machinery to move vetiver cultivations from hills greatly affected by erosion to more stable plains, helping hills to regenerate. ([Learn more on page 83.](#))
- In Indonesia, our biodiversity protection program is supporting patchouli farmers through the planting of 85,000 trees as of 2021. ([Learn more on page 84.](#))



## Create Social Impact

We are driving social impact through local partnerships and our responsible sourcing initiatives. For example:

- **Community Programs:** Our responsible sourcing initiatives include 13 LMR platforms and involve more than 12,000 direct beneficiaries worldwide. Through supportive, long-term agreements we have with local partners, our programs provide economic stability, investment opportunities, and accessibility to a wide range of innovative tools, including the deployment of social, agricultural, and environmental best practices. Our ECOCERT For Life and Fair for Life certifications – for which we hold the largest number across the industry – recognize our adherence to sustainability criteria on human rights, fair and safe working conditions, and social positive impact, among others. In 2021, with the objective of continuously increasing IFF's positive impact, three new For Life certified sourcing platforms were launched: in Serbia for the cultivation of immortelle, lavender, hyssop, melissa, and rose; in Tunisia for bigaradier; and in New Caledonia for sandalwood. ([Learn more on page 81.](#))

- **Local partnership:** Initiatives involving local agriculture and short supply chains help to strengthen rural-urban linkages and contribute to sustainable development. LMC has developed two ranges of products – manufactured by IBR and Southern Cross Botanicals (SCB) in Israel and Australia, respectively – that valorize plant biomass grown locally. Local growers are long term partners with strong expertise in local agricultural techniques and harvesting conditions.
- **Blockchain:** Since 2019, IFF and its natural ingredients experts at LMR have been pioneering the development and use of blockchain technology as the ultimate tool for ensuring reliable ingredient traceability and transparency in select supply chains. In addition to utilizing blockchain for blackcurrant bud sourcing in France since 2019, and expanding to vanilla from Madagascar in 2020, we will expand this capability across our portfolio and have identified as many as 33 new Scent ingredients within the LMR supply chain that we believe are strong candidates for future blockchain implementation. ([Learn more on page 84.](#))

## Promote Holistic Wellbeing

Through our extensive fragrance portfolio, technologies, and research, combined with our exceptional creative talent, we are uniquely positioned to address the global consumer desire for products with wellness attributes. For example, we have developed scent solutions with scientifically validated benefits to support healthier lives through improved sleep. Building on IFF's more than forty years of research in fragrance and related impacts on emotion and wellness, in 2021 the Scent division expanded its Science of Wellness™ program to guide the creation of scents that support science-based consumer wellbeing with sensorial, psychological, and physical benefits ranging from enhanced relaxation or energy to memory, self-esteem, or sleep and skin improvement – all leveraging the full power of scent for targeted wellbeing.

### Looking Ahead

As we progress on our Awaken Bioevolution journey and help our customers achieve their ESG goals, we will accelerate our ingredient palette transformation to include new biodegradable molecules while using new renewable or upcycled feedstocks. Guided by life cycle assessments and other tools, we will reduce the environmental footprint of our portfolio and expand our investments in our responsible sourcing platform.



# PHARMA SOLUTIONS

IFF's Pharma Solutions division is focused on developing the most essential pharmaceutical, dietary supplement, and industrial polymer solutions. Our leading excipient brands are found in one out of every three tablets in the world; we have a broad plant-based ingredient portfolio for a variety of dietary supplement applications; and our versatile polymers also provide unique functionality in industries from agriculture to energy storage.

With a passion for science and creativity, we seek to deliver the answers our customers need so they can produce life-saving drugs, everyday wellness solutions, and vital consumer products. Deep polymer and applications expertise means we dig deeper to ensure performance and process benefits for customer formulations. And with our commitment to quality, reliability, and sustainability, we can deliver solutions that help benefit our world.

Pharma Solutions aims to Do More Good through responsible sourcing, efficient operations, and the delivery of the sustainable solutions that help people while also enabling customers to achieve their own sustainability goals.

## Sustainable Seaweed

As a leader in cellulose and seaweed-based technologies, we harness the power of renewable resources to deliver plant-based options across health and wellness categories. As just one example, our SeaGel® capsule technology is a plant-based alternative to gelatin in the production of softgel capsules. Naturally derived from non-animal sources, SeaGel® appeals to vegan and vegetarian consumers and its structural integrity under high temperatures ensures capsules don't stick together during transport or on the shelf, leading to a more appealing end product. For capsule manufacturers, SeaGel® enables an approximately 1.5 higher production rate than other vegetarian technologies, up to 25% better capsule yield, and better leakage performance, leading to less waste.

We're proud of the work we're doing to support IFF's Responsible Seaweed Program ([learn more on page 75](#)) and we will continue to develop and expand our cellulose sourcing platform moving forward.



## Pioneering Technologies

Our excipients are pioneering technologies in the pharmaceutical industry. For example, METHOCEL™ and other strong brands can tailor the release of active ingredients in formulations, making sure patients get the treatment they need in the proper dosing time.

On the industrial side of our division, we are contributing to the improvement of energy storage solutions which are critical for the continuous growth of electromobility and, in turn, the reduction of GHG emissions from traditional combustion engines. Our plant in Bomlitz, Germany plays an increasingly important role in the supply of high-purity cellulosic polymers that enable lithium batteries. Specifically, we create some of the highest purity grades of Carboxymethylcellulose (CMC), a water-soluble polymer based on the renewable raw material cellulose. In lithium-ion batteries, CMC acts as a thickener and binder of graphite particles for anode coating. Our newly developed CMC, TEXTURECEL™ BA, meets some of the most stringent technical requirements for lithium-ion batteries.

## Looking Ahead

We support our customers in all of these endeavors because we're passionate not only to Do More Good, but also to make sure our customers have the products, expertise, and peace of mind they need to do what they do best.

Going forward, we will seek to drive responsible operational goals across Pharma Solutions' 10 manufacturing sites and implement a responsible sourcing program for wood pulp that mirrors our seaweed program. We're also exploring how to use new and different plant-based ingredients to enable both the efficiencies customers need and attributes consumers desire, in ways that will help shape the future of our industry, and our world, for the better.





# CLIMATE & PLANETARY HEALTH

In 2021, following the merger with N&B, our business not only expanded its breadth of capabilities and expertise, but also our environmental footprint. In preparation for combined company operations, significant preplanning efforts were initiated in 2020 to gauge, measure, and understand the expected combined company footprint. This preplanning was done to help lay the groundwork to meet the continuous environmental performance improvement that IFF historically demonstrated. With a larger footprint and new baseline in 2021 for our 2030 goals, IFF is now expanding our environmental commitments as a combined company to fully align with IFF’s purpose: applying science and creativity for a better world. In alignment with this purpose, in 2021, we published and communicated our new [Global Environmental Sustainability Policy](#) for the combined company, which demonstrates our commitment to being a force for a better and more sustainable future.

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WE  
RETHINK,  
REDUCE  
AND  
REIMAGINE.

WE BELIEVE  
IN TAKING  
BOLD ACTIONS  
TO PROTECT  
OUR PLANET  
FOR FUTURE  
GENERATIONS.

# STRATEGY & APPROACH

With the N&B merger came the opportunity to combine strengths, and we manage our environmental footprint through the combined company's new Energy & Carbon team, made up of representatives from Sustainability, Operations, and Global Procurement. In 2021, we expanded the reach and impact of our dedicated capital expenditure (capex) fund to catalyze progress on our corporate goals. After receiving submissions of more than 200 sustainability-related project proposals in line with key performance indicators, the Energy & Carbon team selected projects with the greatest potential to achieve significant reductions in energy, water, waste, and GHG emissions across targeted sites globally. This team also meets monthly with a steering group comprised of operations and functional leaders who work collaboratively in critical decision making to accelerate the execution of the environmental pillar of the Do More Good Plan.

The Energy & Carbon team reviews the status of key environmental performance indicators and provides updates to the EVP of Operations on a quarterly basis. Looking ahead, the Do More Good Plan will also help to facilitate expanded transparency and oversight for ESG at the Board of Directors level, and through the Innovation and Sustainability Committee.

We also understand the importance of validating the execution of our strategy, including with the support of external certification systems such as ISO14001, a globally recognized set of environmental standards that helps organizations measure and manage their operational impacts on the environment. Adhering to ISO 14001 improves resource efficiency, supports waste reduction strategies, manages costs, and underscores our commitment to continuous improvement. IFF's major manufacturing facilities<sup>9</sup> are ISO 14001 certified or in the process of becoming certified. For those facilities that fall below ISO's threshold classification of a "major manufacturing facility" due to their size, we strive to follow consistent procedures to leverage the benefits of the ISO certification process. For more information, please see [IFF Facility Certifications, page 212](#).

9. For ISO 14001 certification, a "major manufacturing facility" is defined by the site's production, the total of which represents greater than 85% of all IFF production volume. For waste management, a "major manufacturing facility" is defined as a site that generates more than 100 metric tons of hazardous and nonhazardous waste annually.



## Green Teams

Green Teams not only demonstrate a passion for sustainability but are also very tactical, representing multiple functional areas at the facility level. Green Teams at the sites work with the cross-functional corporate team and use a centralized environmental management system to track, measure, and report on their environmental performance metrics while driving improved environmental performance through eco-effectiveness projects at their respective locations (see [Metrics & Targets, page 54](#)). Globally, Green Teams connect through outreach, training opportunities, and a dedicated online platform to collaborate and communicate progress and share best practices across the organization. Through this structure, facility leadership and Green Teams are empowered to take responsibility for minimizing the footprint of their own facilities, while benefiting from the resources and knowledge of other sites. This autonomy allows each site to focus on the projects that will result in the most significant environmental improvements. As part of the merger with N&B, and due to the importance of the Green Teams in the execution of IFF’s long-term environmental goals, a critical priority for 2021 was establishing a Green Team at every operations facility by the end of the year. We are pleased to say we have achieved this goal and have Green Team coverage at all facilities.

### KEY HIGHLIGHTS

- Named to CDP’s A Lists for climate change and water security for the seventh and fourth consecutive year, respectively – and one of only 14 companies out of nearly 12,000 assessed that were named as a CDP triple A list company for corporate transparency and action on climate change, water stewardship and deforestation
- Established and reinvigorated Green Teams at every IFF operations facility, including heritage N&B sites, and launched a Green Team onboarding and training program
- Remained on track to achieve 2025 EcoEffective+ goals for legacy IFF, including reducing legacy IFF absolute Scope 1 and market-based Scope 2 GHG emissions by 4.8% from the prior year and by 23.5% below 2015 levels
- Completed significant integration activities, including:
  - Creating a cross-functional Sustainability and Energy team
  - Establishing a new 2021 performance baseline based on combined company footprint data
  - Integrating the ISO14001 Corporate Certification from heritage N&B, and expanding the ZWL program globally
  - Completing the global rollout of our new environmental management system to all locations globally





# DO MORE GOOD PLAN: CLIMATE & PLANETARY HEALTH GOALS

The announcement of our Do More Good Plan in 2021 includes a strong focus on environmental management and maximizing efficiency in our operations. To underscore our commitment to supporting the health of the planet and leading in science-based climate action, we have identified the following high-level environmental goals:

- **Reduce absolute direct and indirect (Scope 1 and 2 under our operational control) GHG emissions by 50% below 2021 levels by 2030**
- **Achieve net zero (Scope 1 and 2) GHG emissions by 2040; and be net positive across our entire value chain (cradle-to-gate) by 2050<sup>10</sup>**
- **Verify zero waste to landfill for all major manufacturing facilities while minimizing single-use plastics and championing water stewardship by 2030**

As we progress on our integration activities and understand our new 2021 combined company baseline, we are expanding on these goals and adding critical internal key performance indicators. With support from our energized project teams across the organization – which represent the best of both heritage organizations – we are focused on working together, and we know the best is yet to come as we execute the Plan.

10. Pending finalization and approval by the [Science Based Targets Initiative](#).



## Retiring Our 2025 Legacy IFF EcoEffective+ Goals

In 2018, legacy IFF launched industry leading 2025 EcoEffective+ goals, focused on science-based GHG emissions reductions, renewable energy, water stewardship, and zero waste to landfill. We are pleased to report that as of 2021, we were well on track to achieve these goals against a 2015 baseline. However, this will be the final year of reporting progress against these legacy IFF 2025 goals as we introduce the 2030 goals for the combined company with a new 2021 baseline, as outlined in the Do More Good Plan.

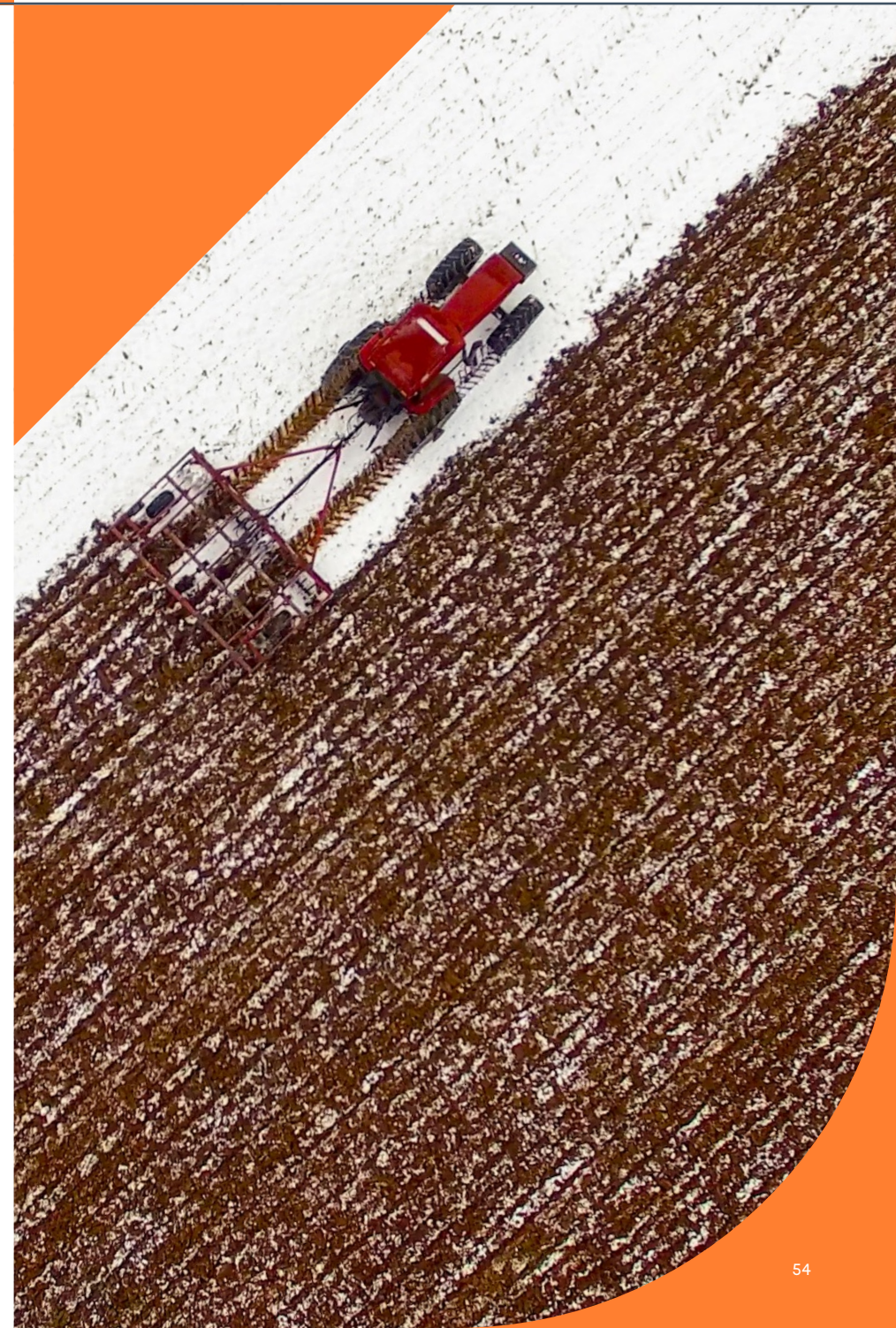
| ECOEFECTIVE+ 2025 GOALS (2015 BASELINE) |  | 2021 PROGRESS   |
|---|--|---|
| <b>EMISSIONS</b>                        | Science Based Target (SBT): Reduce absolute Scope 1 and Scope 2 GHG emissions by 30%   | <ul style="list-style-type: none"> <li>- 23.5% (78.3% of our legacy IFF 2025 goal)</li> </ul>   |
|   | Engage suppliers representing 70% of our supply chain emissions to set their own SBTs and report annual emissions  | <ul style="list-style-type: none"> <li>Engaged suppliers representing 61.4% of supply chain emissions<sup>15</sup> through the CDP Supply Chain platform</li> <li>Of this, suppliers representing 45.7% of supply chain emissions<sup>15</sup> have approved, committed to or plan to set an SBT</li> </ul> |
| <b>ENERGY</b>                           | Procure 75% of our legacy IFF electricity portfolio from renewable sources   | <ul style="list-style-type: none"> <li>198,066 megawatt hours (MWh) of renewable electricity procured, representing 58.7% of our legacy IFF electricity portfolio (and 78% of our legacy IFF goal was achieved)</li> </ul>  |
| <b>WATER</b>                            | Use recycled water for more than 50% of non-product operations and drive collective action for water stewardship in targeted communities where we source and operate <sup>11</sup> | <ul style="list-style-type: none"> <li>Completed more than 15 projects focused on reducing water withdrawal, with an expected savings of more than 120,000 cubic meters per year, contributing to a 5.5% year-over-year absolute water reduction for legacy IFF.</li> </ul>                                 |
| <b>WASTE</b>                            | Achieve zero waste to landfill (ZWL) verified status at all major manufacturing facilities <sup>9</sup>  | <ul style="list-style-type: none"> <li>22 of 53 qualifying legacy IFF facilities have achieved ZWL verification (41.5% of our legacy IFF goal)</li> </ul>   |

11. Facility communities are identified based on risk profiles using the World Resources Institute's Aqueduct tool and Ecolab's Water Risk Monetizer.



# METRICS & TARGETS<sup>12</sup>

You cannot manage what you do not measure, and we track key metrics and targets to assess climate impacts and monitor performance against the goals outlined in our Do More Good Plan. In 2020, we started down a path to evaluate and upgrade our environmental management software to a state-of-the-art system that will be capable of collecting the vast amount of data we have while delivering actionable information to keep us informed on the progress toward our goals. In 2021, we are proud to say that we not only integrated historic data from legacy IFF, but we were also able to incorporate historic data from N&B, creating our combined company environmental footprint baseline – a significant accomplishment in a short amount of time following the conclusion of the merger. The system has now launched globally and is being utilized by all levels of the organization to monitor progress and identify areas of opportunity.



12. Due to rounding, individual numbers in text, charts and tables in this section may not sum to the totals shown.



## Standards and Basis of Calculations for Environmental Data

IFF's GHG emissions are calculated according to the [Greenhouse Gas Protocol](#), a rigorous process that has now been expanded to include the combined company and inform our new 2021 baseline. This ESG Report includes all Scope 1 and Scope 2 emissions (for which we target less than 5% data estimation), and for Scope 3, we include six of the 15 Greenhouse Gas Protocol categories that are supported by actual spend data and activity data: Category 1 - Purchased goods and services; Category 2 - Capital goods; Category 3 - Fuel- and energy-related activities; Category 4 - Upstream transportation and distribution; Category 5 - Waste generated in operations; and Category 6 - Business travel (see [IFF Performance Data, page 197](#)).<sup>13</sup> IFF has determined that four additional Scope 3 categories out of the 15 are also relevant (Category 7 - Employee commuting; Category 9 - Downstream transportation and distribution; Category 10 - Processing of sold products; and Category 12 - End-of-life treatment of sold products). These additional four categories are based on estimates and not included in this ESG Report, but are reflected as estimates in our annual [CDP report](#).

The organizational boundaries for this report align with the Operational Control approach outlined in the GHG Protocol. Following Scope 1 Guidance for Direct Emissions, we use appropriate emission factors from the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines for National Greenhouse Gas Inventories and the U.S. Environmental Protection Agency (EPA) Fugitive Emissions Guidance. For electricity (Scope 2 emissions), we follow the EPA's 2022 eGrid Subregion emission factors and the latest International Energy Agency emission factors. Emission factors for purchased steam are specific for each site and are provided by the suppliers.

Emissions for process-derived fuels are specific to each site and are calculated by mass balance based on product mix. The emissions calculations include GHGs covered by the Kyoto Protocol - carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF<sub>6</sub>) - and are reported as CO<sub>2</sub> equivalents (CO<sub>2</sub>e).

We use the global warming potentials provided in the IPCC's Fifth Assessment Report. We report both market-based and location-based emissions data in this ESG<sup>+</sup> report, which follow the methodologies provided in the Scope 2 Guidance of the GHG Protocol. Market-based emissions use supplier-specific emission factors and include renewable energy credits.

13. Scope 3 Categories 1, 2, and 4 are calculated off actual spend by category; Categories 3 and 5 are calculated from source activity data; and Category 6 is calculated from data provided by travel agent data. For Scope 3 spend-based calculations, EPA EEIO factors that include related transportation and distribution margins are used.



# Climate Change & Emissions

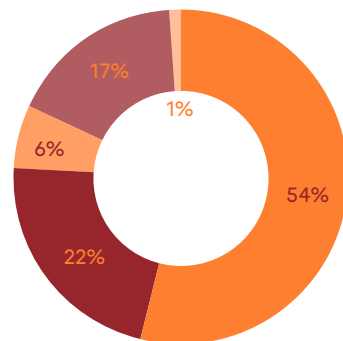
We believe that companies play a critical role in addressing the climate emergency, reducing GHGs and helping to safeguard life on our planet. At IFF, we do this by taking a leadership role in the mobilization of wider industry action and by setting an example through our strategy and performance. For example, we continue to support the U.N.'s Business Ambition for 1.5°C: Our Only Future pledge, a communications and advocacy campaign to limit global temperature rise to 1.5°C through more aggressive science-based targets for emissions reduction.

## SCOPE 1 & SCOPE 2 EMISSIONS

In alignment with the Science Based Targets initiative (SBTi), we are ensuring that IFF is doing its part to contribute to the transition to a low carbon economy, not only for our own direct operations, but for those of our customers as well. As of 2021, our approved science based target (SBT) for legacy IFF is to reduce our absolute Scope 1 emissions (those we directly control) and market-based Scope 2 emissions (those generated through purchased electricity and steam) by 30% below 2015 levels by 2025. We are proud to report that in 2021, we reduced legacy IFF Scope 1 and Scope 2 GHG emissions by 4.8% from the prior year and by 23.5% below 2015 levels.

Due to the production-intensive nature of N&B operations, the GHG emissions baseline for the combined company has increased by a factor of eight times compared to the previously verified and reported 2020 data. As a combined company in 2021, our Scope 1 and Scope 2 emissions were 1,912,100 metric tons CO<sub>2</sub>e. Although having a much larger footprint is a challenge, we also see it as an opportunity to Do More Good in the world. We are leveraging our best practices and are confident that we can drive progress on the combined company as we have done with the legacy organizations.

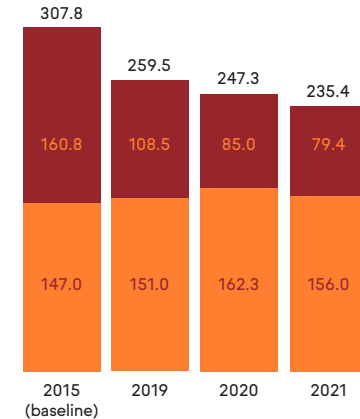
## ABSOLUTE GHG EMISSIONS BY BUSINESS UNIT (COMBINED COMPANY)



1,912.1 Thousand metric tons of CO<sub>2</sub>e

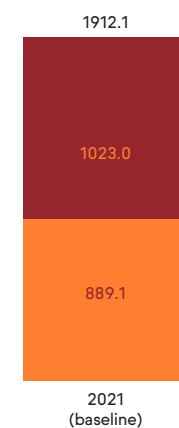
- Nourish
- Scent
- Health & Biosciences
- Pharma Solutions
- Non-Operations

## ABSOLUTE GHG EMISSIONS PERFORMANCE (LEGACY IFF)



Thousands of metric tons CO<sub>2</sub>e  
● Scope 1 ● Scope 2<sup>14</sup>

## ABSOLUTE GHG EMISSIONS PERFORMANCE (COMBINED COMPANY)



Thousands of metric tons CO<sub>2</sub>e  
● Scope 1 ● Scope 2<sup>14</sup>

14. Market-based Scope 2 emissions (those generated through purchased electricity and steam)





As we retire our 2025 EcoEffective+ goals, including our approved SBT for legacy IFF, we have verified our new baseline footprint for the combined company to serve as the basis for a revised SBT in line with the 1.5°C commitment, and an overall target to have net zero operational emissions by 2040 and net positive emissions across the entire value chain by 2050. Having identified our proposed SBTs for the combined company, we are now awaiting final approval from SBTi on our GHG goals as of the end of 2021 and will begin reporting combined company performance against our new SBT and 2021 baseline beginning in 2022.

### SCOPE 3 EMISSIONS

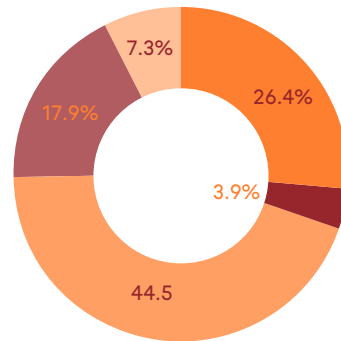
In 2021, legacy IFF generated 2,619,756 metric tons of CO<sub>2</sub>e Scope 3 emissions (i.e., indirect emissions in our value chain such as upstream fuel and energy-related activities and employee business air travel). These emissions were generated from six categories relevant to IFF from the GHG Protocol. Gases in our Scope 3 calculation include CO<sub>2</sub>, methane CH<sub>4</sub> and N<sub>2</sub>O. For more information, please see [IFF Performance Data, page 197](#).

As part of our approved SBT, legacy IFF has a related Scope 3 goal to engage suppliers representing 70% of our supply chain emissions<sup>15</sup> by 2025 to set their own SBTs and report annual emissions. To accomplish

this goal, we engage with suppliers through CDP Supply Chain to encourage them to track their emissions, respond to the CDP climate change questionnaire and set an SBT. As of 2021, we have engaged suppliers representing 61.4% of our legacy IFF supply chain emissions<sup>15</sup> through the CDP Supply Chain platform. Of this, suppliers representing 45.7% of our original legacy IFF supply chain emissions<sup>15</sup> have approved, committed to or plan to set an SBT.

As part of the Do More Good Plan, we will work to further align our combined company commitment to Scope 3 emissions reduction by continuing to promote CDP Supply Chain for the adoption of SBTs throughout our value chain. The 2021 combined company Scope 3 GHG emissions were 7,643,533 metric tonnes, of which more than 85% were attributed to purchased goods and services.

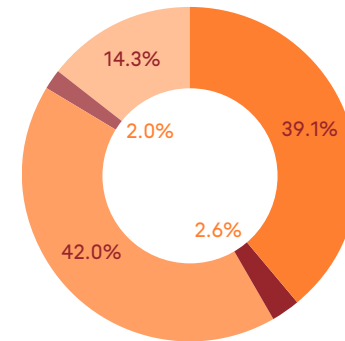
**2021 TOTAL SCOPE 1 AND SCOPE 2<sup>14</sup> EMISSIONS BY SOURCE (LEGACY IFF)**



235.4 Thousand metric tons of CO<sub>2</sub>e

- Electricity
- Fuel Oil, LPG (Propane), Mobile Vehicles, Biomass and Refrigerants
- Natural Gas and Liquid Natural Gas (LNG)
- Process-derived
- Purchased Steam

**2021 TOTAL SCOPE 1 AND SCOPE 2<sup>14</sup> EMISSIONS BY SOURCE (COMBINED COMPANY)**



1,912.1 Thousand metric tons of CO<sub>2</sub>e

- Electricity
- Fuel Oil, LPG (Propane), Mobile Vehicles, Biomass and Refrigerants
- Natural Gas and Liquid Natural Gas (LNG)
- Process-derived
- Purchased Steam

15. Legacy IFF (excluding Frutarom and N&B)



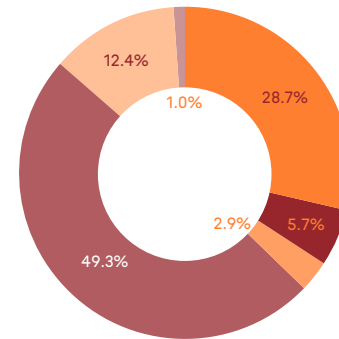
# Energy Management

To manage the GHG emissions and operating costs associated with the combustion of fossil fuels for energy, we employ an energy management strategy grounded in data and focused on efficiency measures and a commitment to using renewable energy. The Energy & Carbon team is focused on common goals of energy efficiency, carbon reduction, and delivering triple bottom line financial savings. The team has gained additional capabilities by leveraging sophisticated data monitoring and tracking with advanced forecast modeling, as well as energy auditing with long-term sustainability capital funding, all with the purpose of meeting long-term goals.

The increased GHG footprint of the new combined company is driven by energy intensive processes during product/ingredient manufacturing. These processes include distillation, granulation, drying, fermentation, solvent recovery, washing, and milling, which account for most of the energy usage and resulting GHG emissions. The Energy & Carbon team is focused on working with the local Engineering and Green Teams to implement incremental energy efficiency projects. The team partners with Manufacturing Technology and R&D leaders to identify game changing solutions that reduces energy intensity without compromising product quality and safety. In 2021, we have approved more than 130 projects that are expected to deliver significant energy and carbon emissions savings beginning in 2022.

In addition to energy efficiency projects, we also strategically target renewable energy opportunities. As a member of **RE100** – a corporate leadership initiative of businesses committed to 100% renewable electricity – we are committed to procuring 100% of our electricity needs from renewable sources in the shortest practical timescale possible and as financially feasible. In the meantime, legacy

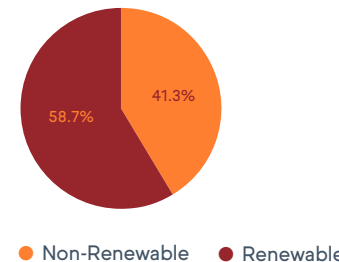
### 2021 TOTAL ENERGY CONSUMPTION<sup>16</sup> (LEGACY IFF)



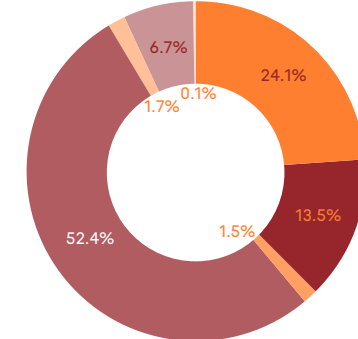
4,885 thousands of gigajoules (direct: 3,112 and indirect: 1,773)

- Electricity
- Steam
- Fuel Oil, LPG (Propane), Diesel, Gasoline
- Natural Gas, LNG
- Process-derived
- Biomass, Biogas
- District Heat

### 2021 ELECTRICITY CONSUMPTION BY SOURCE<sup>16</sup> (LEGACY IFF)



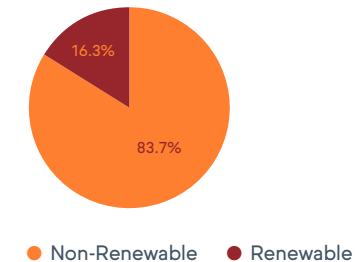
### 2021 TOTAL ENERGY CONSUMPTION<sup>16</sup> (COMBINED COMPANY)



30,302 thousands of gigajoules (direct: 18,878 and indirect: 11,424)

- Electricity
- Steam
- Fuel Oil, LPG (Propane), Diesel, Gasoline
- Natural Gas, LNG
- Process-derived
- Biomass, Biogas
- District Heat

### 2021 ELECTRICITY CONSUMPTION BY SOURCE<sup>16</sup> (COMBINED COMPANY)



16. Diesel and gasoline include stationary and mobile sources.



IFF has continued to make progress toward our interim EcoEffective+ goal of procuring 75% of electricity needs from renewable sources by 2025. As of the end of 2021, legacy IFF had procured or produced 198,066 MWh of renewable electricity for our operations, covering 58.7% of total electricity needs. As a combined company, in alignment with our RE100 ambition and the Do More Good Plan to reduce our GHG emissions, we are working toward achieving 100% renewable energy for global operations. This encourages growth in the renewable energy supply by supporting traditional and virtual power purchase agreements and green energy supply contracts and credits where necessary.

We continue our solar-based power purchase agreements at our Union Beach and Hazlet, New Jersey facilities and in Garín, Argentina, as well as our wind turbine agreement at our Tilburg, Netherlands, facility. We also continued purchasing green electricity for multiple facilities, including in Haverhill and Hilversum, U.K.; Carrollton, Texas; Benicarló, Spain; Jacksonville, Florida; Philadelphia, Pennsylvania; and Knockrow, New South Wales, Australia. Additionally, we increased green electricity purchasing by maintaining countrywide green electricity supply agreements for manufacturing facilities and creative centers in France. As part of the combined company, there will be opportunities to support global renewable energy markets and we are currently leveraging our past successes and evaluating large renewable opportunities in several markets, including a 40 MW opportunity in Denmark.





## Water Management & Stewardship

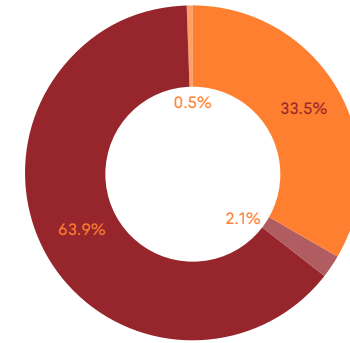
Water continues to be a critical input to all IFF’s business operations. In 2021, we completed more than 15 projects focused on reducing water withdrawal, with the most savings resulting from condensate recovery for reuse and optimizing clean-in-place (CIP) processes. These projects are expected to reduce water withdrawal by more than 120,000 cubic meters per year, contributing to a 5.5% year-over-year absolute water reduction for legacy IFF.

Our water footprint increased by more than 21 times in 2021 following the merger with N&B, with 4.4 million cubic meters of water withdrawn by legacy IFF sites versus 95.5 million cubic meters of water withdrawn as a combined company. Of this larger footprint, we know that the Ingredients business within our Nourish division, in combination with our Health & Biosciences division, accounts for approximately 80% of our combined company water withdrawal. Not only is water used for cooling, steam generation, feedstock processing, and cleaning, it is a significant input for production of core texturants, proteins, food ingredients, and enzymes. We also rely on water indirectly for all agricultural-related processes throughout our supply chain. We generate wastewater as an output of our manufacturing processes, and this water is

treated before disposal. With this new footprint comes new challenges and opportunities. As part of the Do More Good Plan, IFF has two internal water stewardship metrics for the combined company focused on increasing efficiency efforts and watershed management.

- First, we aim to increase water use efficiency across the portfolio, which includes process improvements and use of recycled water for non-product operations. We began to make significant progress in reducing our global water footprint for the combined company during 2021. We will continue to fund water saving projects and have identified more than 30 significant water recycling and efficiency opportunities for 2022.
- Second, we will focus on driving collective action for water stewardship in the communities where we source and operate.<sup>17</sup> As the risks of water scarcity and overconsumption increase around the world, particularly in locations with high baseline water stress, we strive to reduce our water use and consumption through increased efficiency and other water management strategies.

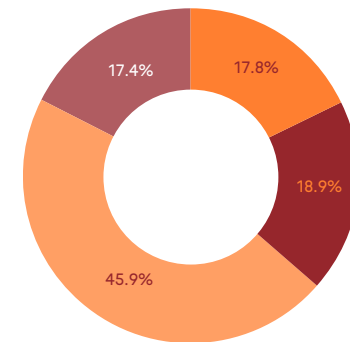
### 2021 WATER WITHDRAWAL BY SOURCE (LEGACY IFF)



4,420,490.8 cubic meters

- Groundwater
- Surface Water
- Municipal System
- Other (Process Water and Rainwater)

### 2021 WATER WITHDRAWAL BY SOURCE (COMBINED COMPANY)



95,474,570.5 cubic meters

- Groundwater
- Surface Water
- Municipal System
- Other (Process Water and Rainwater)

17. Facility communities are identified based on risk profiles using the World Resources Institute’s Aqueduct tool and Ecolab’s Water Risk Monetizer.



In order to map our water footprint and manage possible risks, we use several publicly available and globally recognized tools for informing water stewardship approaches. To identify water stress, flood occurrence and drought severity risks for our manufacturing facilities, for example, we use the World Resources Institute's (WRI) Water Risk Atlas tool, [Aqueduct](#). On a project basis, we use other tools, such as the World Business Council for Sustainable Development's Global Water Tool and the U.S. EPA's Surf Your Watershed tool. We also use Ecolab's Water Risk Monetizer to help understand water-related risks and to quantify them in financial terms.

We analyze risk on an annual basis to identify areas of our operations with potentially high baseline water stress as classified by the WRI Aqueduct tool and other tools. Results from the initial screening indicate that 2.3% of our total water withdrawal in 2021 came from regions with high or extremely high baseline water stress. We use these results to further focus our water stewardship efforts. We have identified three facilities with potentially elevated risk, and we have completed initial calls with the facilities to indicate that water risk and usage is managed well. However, we have identified one facility with a significant opportunity to improve, and we are working to identify projects to increase efficiencies and protect the local watershed. As a follow up in 2022, we will be working with the facility to outline a detailed water action plan.



# Waste Management

As part of our comprehensive approach to managing waste, we are continually tracking and monitoring trends that affect our production while monitoring key performance metrics against waste categories. We track two types of waste, nonhazardous and hazardous waste, the latter of which can be generated by unavoidable chemical manufacturing processes.

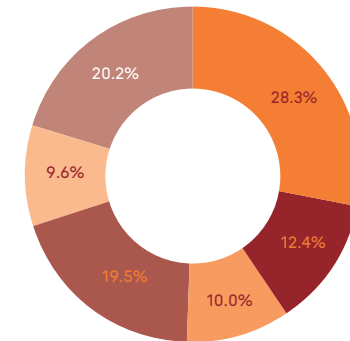
In 2021, legacy IFF nonhazardous waste was 56,720 metric tons. This has increased compared to 2020 due in part to an increase in production volumes and more rigorous data assessments. Due to better categorization, we are seeing an increase in more beneficial disposal methods such as recovery, reuse, recycling, and composting. As part of the integration, we have expanded the collection of nonhazardous waste data for the combined company which resulted in a 2021 baseline of 557,310 metric tons.

For hazardous waste, in 2021 legacy IFF generated 26,989 metric tons. This is an increase compared to 2020 due in part to

growth and new facility production volumes. In addition, due to increased categorization of data, we are seeing an increase in beneficial recovery, reuse, and recycling. As part of the integration we have expanded the collection of hazardous waste data, which has resulted in a new 2021 baseline for the combined company of 45,355 metric tons.

In 2021, we executed projects to eliminate hazardous waste, such as upgrading boilers, improving cleaning processes, and optimizing the use of volatile organic compounds.

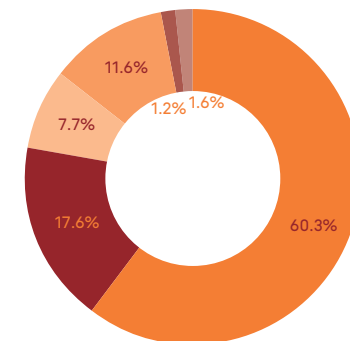
## 2021 NONHAZARDOUS WASTE BY DISPOSAL METHOD (LEGACY IFF)



56,720.1 metric tons

- Recycling
- Landfill
- Incineration
- Energy Recovery
- Composting
- Other

## 2021 NONHAZARDOUS WASTE BY DISPOSAL METHOD (COMBINED COMPANY)



557,313.8 metric tons

- Recycling
- Landfill
- Incineration
- Energy Recovery
- Composting
- Other



### ZERO WASTE TO LANDFILL

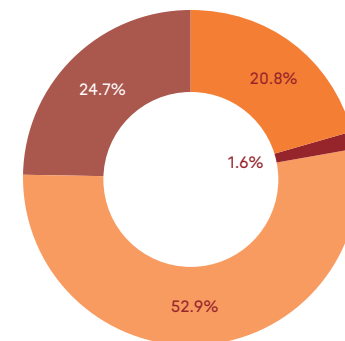
We are also particularly focused on eliminating the concept of nonhazardous and hazardous waste in our operations by promoting our ZWL program, which encourages our Green Teams and employees to implement and verify innovative solutions to reduce waste intended for landfill by reusing and recycling materials. During 2021, we also leveraged our knowledge, philosophy, and best practices regarding our ZWL across the entire combined company, making significant progress by internally verifying 13 new facilities as ZWL, including two from heritage N&B.

To achieve ZWL verified status, more than 98% of all trash, recyclables, and other waste streams from the manufacturing process must be diverted away from landfill by being re-used, recycled, or incinerated. Following this internal framework, as of 2021, we have verified a total of 24 out of 103 facilities as ZWL (or 22.3%) for the combined company, and we are accelerating our progress to meet our goal outlined in our Do More Good Plan.

### ZERO WASTE TO LANDFILL SITES (COMBINED COMPANY) (24 OUT OF 103 MAJOR MANUFACTURING FACILITIES<sup>9</sup>)

|             |                                      |   |                                 |
|-------------|--------------------------------------|---|---------------------------------|
| <b>2017</b> | • South Brunswick, New Jersey        |   |                                 |
| <b>2019</b> | • Tilburg, the Netherlands           | • Jammu in the Indian union territory of Jammu and Kashmir (closed) |                                 |
|             | • Jurong, Singapore                  | • Karawang, Indonesia   |                                 |
| <b>2020</b> | • Hazlet, New Jersey                 | • Union Beach, New Jersey   | • Giv'at Oz, Israel             |
|             | • Gotemba, Japan                     | • Huangpu, Guangzhou, China   | • Rio de Janeiro, Brazil        |
| <b>2021</b> | • Acco (A), Israel                   | • Givat Oz (Aromor), Israel   | • Murcia (Nutrafur), Spain      |
|             | • Amco - Radzymin, Poland            | • Haugesund, Norway   | • Skofja Vas (Etol), Slovenia   |
|             | • Arroio do Meio, Brazil             | • Markovci (Vitiva), Slovenia                                       | • Teeside & Hartlepool, England |
|             | • Cartagena Murcia (Ingrenat), Spain | • Migdal H'aemew - Enzymotec, Israel                                | • Zhangjiagang, China           |
|             | • Cork, Ireland                      |   |                                 |

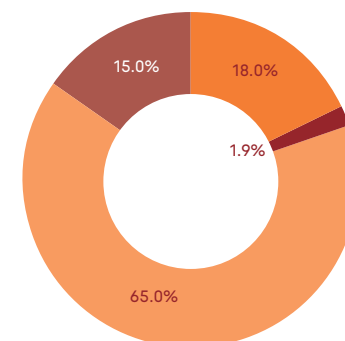
### 2021 HAZARDOUS WASTE BY DISPOSAL METHOD (LEGACY IFF)



26,989.3 metric tons

- Recovery, Reuse, Recycling
- Incineration
- Landfill
- Other

### 2021 HAZARDOUS WASTE BY DISPOSAL METHOD (COMBINED COMPANY)



45,354.7 metric tons

- Recovery, Reuse, Recycling
- Incineration
- Landfill
- Other



## PLASTICS MINIMIZATION

In 2021, IFF initiated a single-use plastic pilot program to study plastic usage in our Creative & Design (C&D) centers. The intent of the pilot was to gather base data of all the categories of single use plastic in the C&D laboratories and identify potential replacement items that minimize or eliminate the use of single use plastic. This was a grassroots effort championed by passionate employees in the C&D department, with a core team comprising members from the business unit C&D teams, as well as Sustainability and Global Procurement.

As part of our commitment to Do More Good, the team was empowered to identify needs and then drive forward with solutions. Initial findings indicated that at least 70% of all plastic items fall into four categories of bags, bottles and caps, cups and containers, and pipets. Minimizing the use of single use plastic is a key element of the Do More Good Plan, and moving forward into 2022, the learnings from this pilot program will be expanded to other parts of the business that also currently rely on plastic.

## Strategy into Action: Doing More Good through IT

Our employees are on the front lines of identifying ways to operate more sustainably, save resources and reduce costs while meeting the environmental performance expectations of our customers and other stakeholders. Without our employees, the improvements we seek to reach our goals would not be possible.

For example, with an eye toward the digital future, our Information Technology (IT) department continued to take steps in 2021 to increase the flexibility, reliability, security, and efficiency of our global IT infrastructure, while reducing waste and energy consumption. These efforts included the following:

- **Responsibly disposing of electronic waste:** In support of IFF's ZWL goal, we have partnerships in place with specialized disposal companies in select global locations to recycle and responsibly dispose of e-waste (i.e., discarded electrical or electronic devices). In 2021, since expanding our e-waste partner globally, we have recorded 19.3715 U.S. tons of e-waste. We also moved from a largely site-by-site management approach to implementing a global solution that now provides end-to-end visibility of the process and will improve tracking of e-waste disposal for IFF sites moving forward.
- **Migrating to the cloud:** From email to expense reports to business analytics, IFF is increasingly leveraging cloud-delivered software that drives sustainable resource efficiencies. We continued to accelerate this transition to achieve optimal automation, consistency and availability while reducing the fixed costs and potential capacity expansion delays associated with server maintenance. Going forward, we will also build all bespoke applications cloud-first to utilize on-demand cloud capacity.
- **Refreshing equipment:** As part of our responsible e-waste disposal strategy, we continued to progress on our workstation refresh program, which runs in five-year cycles to replace older IT equipment with eco-friendly, energy efficient alternatives. This global program included upgrading monitors that automatically go into sleep mode after periods of inactivity, as well as replacing traditional hard drives with more energy efficient solid-state hard drives.





# RESPONSIBLE SOURCING

At IFF, the foundation of the sustainable solutions and high-quality products we deliver to our customers begins with our commitment to ethical practices in our supply chain – both in terms of reducing our own environmental impact and regenerating ecosystems, as well as our social responsibility toward supporting workers, grower communities, and supplier diversity. Through innovation, collaboration, and industry leadership, we work to strengthen the transparency, traceability, and diversity of our supply chain while helping our customers achieve their own ESG goals.

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**WE ADVANCE  
SUPPLY CHAIN  
SUSTAINABILITY.**

**BY STRENGTHENING  
ETHICAL PRACTICES,  
WE ARE RAISING THE  
BAR ON RESPONSIBLE  
SOURCING.**

# STRATEGY & APPROACH

Responsible sourcing at IFF is grounded in the policies, practices, and procedures we employ to sustainably procure the goods or services that serve as inputs to our products. We seek to do this in ways that reduce our impact to the environment, including biodiversity impacts and land-use considerations. We recognize that our footprint extends beyond our own operational control and that we must influence our entire value chain to make a positive impact. We are also committed to supporting the health, wellbeing, and financial security of the workers and grower communities in our supply chain through our global shared value programs. Toward this end, we engage closely with our suppliers by monitoring and supporting their continuous improvement in ESG performance; aligning their practices with our own values and strategy; and promoting supplier diversity.

Our supply chain is broad and complex, and our portfolio has only expanded further following our merger with N&B. As of 2021, we purchased approximately 28,500 different raw materials sourced from an extensive global network of suppliers. In 2021, we again worked to maintain our critical role in the global consumer goods supply chain, despite the lingering and compounding effects of a global pandemic stretching into its second year.



## KEY HIGHLIGHTS

- Awarded an A on CDP Forests for the first time and named a CDP Supplier Engagement Leader for the second consecutive year
- Refreshed IFF's Responsible Sourcing Policy to reflect the operations and expectations of the combined company, and released two new policies and related goals on soy and palm, two strategic raw materials
- Awarded the EcoVadis Platinum sustainability rating for the second time, placing IFF among the top 1% of companies assessed

## Integration Focus

Throughout 2021, we accelerated key integration activities to harmonize the Responsible Sourcing programs of both legacy IFF and heritage N&B – bringing the best of each together in complementary ways. This included, for example, integrating our supplier base and launching targeted training sessions with Global Procurement buyers from both legacy entities to promote awareness of combined corporate responsible sourcing programs.

These and other integration exercises helped us identify existing synergies and new opportunities and challenges. For example, following the merger, we had to adjust strategic priorities in response to heightened expectations from our expanded customer base on topics such as deforestation, regenerative agriculture, human rights for supply chains at risk, living incomes, community projects, audits, and certifications. Also, with the expanded post-merger IFF divisions in 2021, we ensured that our Responsible Sourcing program addressed all four business unit priorities while being fully agile in managing new frontiers, such as integrating increased volumes of data from multiple sources and updating supplier relationship ownership. Following a successful

pilot program in 2021, to harmonize data from legacy systems, we are continuing to integrate responsible sourcing data for full IFF spend.

During this integration and transition year, we also paused the normal proceedings of our Responsible Sourcing Committee, co-led by our Vice President, Chief Procurement Officer, as well as our Vice President, Global Sustainability & Environmental, Health and Safety. In lieu of quarterly meetings, the Responsible Sourcing team worked closely with the Committee's two co-sponsors on a regular basis to reorganize and establish a new combined company approach for the Committee to include new stakeholders from all business divisions, thereby ensuring a successful governance structure beginning in 2022.



# DO MORE GOOD PLAN: RESPONSIBLE SOURCING GOALS

Within IFF's Do More Good Plan, our commitment to responsible sourcing is reflected as a cross-cutting priority across both our environmental and social pillars, Climate & Planetary Health and Equity & Wellbeing, respectively. Ranked as IFF's most material topic for our business and our stakeholders during our 2021 materiality assessment exercise (see [page 16](#)), responsible sourcing also represents an important enabler and input to our Sustainable Solutions pillar and the ESG strategies of each of our four business divisions.

As part of the environmental and social commitments of IFF's Do More Good Plan, by 2030 we will:

- **Promote regenerative ecosystems and achieve zero deforestation for strategic raw material supply chains, beginning with palm, soy, and wood**
- **Support animal welfare and launch a human rights program for business-critical<sup>18</sup> suppliers**
- **Ensure prosperous and equitable value chains and implement 10 field initiatives linked to supporting farmers' livelihoods**

18. "Business-critical suppliers" contribute to the top 90% of IFF's 2021 direct global spend.



# POLICIES & COMMITMENTS

As part of our integration activities in 2021, we refreshed and relaunched several policies to ensure alignment of corporate priorities reflective of the combined company; be more responsive to evolving customer expectations; and expand our position on important topics such as biodiversity, deforestation, and sustainable agriculture. Our approach to human rights, responsible sourcing, and sustainable natural resource management – including our expectations of all stakeholders – are outlined in the following policies and commitments:

- **Vendor Code of Conduct:** Updated in January 2021 and available in six languages, the Vendor Code sets forth the basic requirements a vendor must meet to maintain a business relationship with IFF. We expect our suppliers, and their suppliers, to conduct their business ethically and honestly and in compliance with all applicable laws, rules, regulations, and industry standards, including those concerning workplace safety and human rights. Through our vendor onboarding process, led by Global Procurement, new vendors are provided with the Vendor Code and must acknowledge in our procurement system that they have received and read it. Existing suppliers must acknowledge our Vendor Code with each contract renewal.

- **Global Human Rights Policy:** Updated in 2021, this Policy outlines IFF's explicit support for all internationally recognized human rights standards. Discrimination, child labor and forced or compulsory labor are prohibited, and we expect our vendors to recognize and respect their employees' rights to freely associate and engage in collective bargaining.
- **Slavery and Human Trafficking Statement:** Updated annually, our most recent 2021 Statement outlines our commitment to conducting business in a sustainable and lawful manner that respects the human rights of workers and provides information on our global human rights due diligence processes.
- **Responsible Sourcing Policy:** Relaunched in November 2021, this Policy outlines IFF's expectations with respect to the responsible sourcing of raw materials. It aligns with IFF's global procurement commitments and global sustainability goals while promoting engagement and standardized communication with our suppliers. Updates to the refreshed Policy include a new section on our Supplier Diversity Program; more detailed descriptions of our third-party certification programs; expanded environmental conservation and biodiversity enhancement sections on

deforestation, conversion and degradation, and aquatic ecosystems (e.g., seaweed); and more coverage of our human rights due diligence programs.

- **Sustainable Palm Oil Policy:** To be reflective of the combined company, we launched an updated commitment on palm oil in December 2021 that outlines the implementation steps we are taking to drive improvement through our palm oil supply chain and contribute to the transformation of the wider palm oil sector. This includes a new goal to source exclusively from the Roundtable on Sustainable Palm Oil (RSPO) members that offer 100% physical<sup>19</sup> certified RSPO palm oil, palm kernel oil and their derivatives by 2025 globally. For more information on our management approach for palm oil, please see [page 72](#).
- **Sustainable Soy Policy:** In December 2021, for the first time, we formalized our commitment to producing soy in a sustainable manner by conserving native vegetation and biodiversity and respecting human rights. The new Policy also includes a goal to source from deforestation and conversion-free soybeans and soy white flakes by 2025 in North America and Brazil.

19. RSPO physical models include RSPO Identity Preserved (IP), RSPO Segregated (SG) and RSPO Mass Balance (MB).



# RISK ASSESSMENT & PRIORITIZATION

IFF has rigorous quality and sustainability expectations for our suppliers. On the quality side, our Vendor Management program and internal auditors help to ensure that our suppliers meet these expectations. Selected new raw material suppliers undergo initial audits of their operations to confirm that they meet IFF's quality requirements and standards, while existing suppliers are audited on an ongoing, periodic basis. These auditing efforts are complemented by our Vendor Quality Risk Management program, which tracks vendor performance to help determine audit frequency. Our vendor risk scorecards, which are managed by our Global Quality function, allow us to focus our resources where the needs are greatest.

Similarly, our Responsible Sourcing program assesses vendors for environmental, social and governance risks based on the vendor's country of operation. We also track the corporate social responsibility performance of vendors. For material-specific risks, we categorize natural raw materials and renewables based on country of harvest. In summary, both our Vendor Management and our Responsible Sourcing

programs allow us to share best practices and technical advice with our suppliers to support them in making continuous improvements.

With respect to evaluating specific natural and renewable ingredients for environmental and social risks and performance, we use a similar approach to that of our vendor risk management process: identify and prioritize risks so they can be appropriately mitigated.



## Risk Assessment Methodology

Our risk assessment methodology helps to identify inherent sourcing risks for suppliers and ingredients based on their countries of operation. The methodology was validated in 2017 by the [Rainforest Alliance](#) – an international nongovernmental organization working to build strong forests, healthy agricultural landscapes and thriving communities. In 2019, we expanded our risk assessment tool to incorporate global ESG risk insights, and in 2021, we completed a risk methodology refresh with the Rainforest Alliance since new data was available for most indices the tool relies on. Specifically the tool covers:

- Environmental risks related to water, climate change, biodiversity, agriculture, and deforestation, using input sources such as the World Resources Institute and academic studies.
- Social risks related to human rights and labor rights, using sources such as the Global Slavery Index, the World Bank, and the U.N. Development Programme.
- Governance risks related to government effectiveness and corruption, using sources such as the Global Slavery Index, Worldwide Governance Indicators and Transparency International.

We also conduct hot-spot screenings on raw materials that have been flagged by credible sources and other risk tools, such as the [U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor](#) and the [NEPCon Sourcing Hub](#), among others.

Our risk assessment methodology guides our policies, programs, and strategies. For example, we have identified deforestation as an area of potential risk. As outlined in our Responsible Sourcing Policy, we expect suppliers to ensure that natural raw materials and naturally derived ingredients are not linked to deforestation. Similarly, the design of many of our shared value community programs incorporates opportunities to support biodiversity and reforestation (see [page 83](#)).

In 2021, IFF conducted a risk assessment for our legacy IFF suppliers and approximately 75% of renewables and natural ingredients. The results of the assessment inform our supplier engagement activities, assessment and audit requirements, and procurement decisions. As a next step, a risk assessment for heritage N&B suppliers and materials is also planned for roll out.



# STRATEGIC RAW MATERIALS

Our risk assessment methodology drives our policies, programs, and commitments for specific supply chains. Three of our most important strategic materials include soy, palm, and seaweed.

## Soy

The production of soy has rapidly expanded in the last few years in tropical regions due to rising market demand (mainly as animal feed), but this growth has also been associated with environmental and human rights risks, including threats to biodiversity-rich biomes. IFF is not involved in the production of soybeans, but our purchase of soy-based raw materials includes soybeans and soybean flakes. We operate primarily in the Business-to-Business market and our first-tier suppliers are manufacturers, traders, refiners, cooperatives, and producers that use soybeans grown predominantly in the United States.

As a global business, we know we have an impact on, and can influence, the markets we serve; therefore, we partner with our suppliers to source sustainable products. Transparency about soybeans origin needs to be ensured, and we believe soy should be produced in a sustainable manner by conserving native vegetation and biodiversity and respecting human rights. As part of our commitment to improve our supply chain and support sector-wide transformational change, we formalized a [Sustainable Soy Policy](#) in 2021 for the combined company that outlines our commitment to source from deforestation and conversion free soybeans and soy white flakes by 2025 in North America and Brazil.

## Palm

Palm oil production is often linked to deforestation, biodiversity destruction and human rights abuses. At IFF, we use approximately 0.16% of the palm oil and palm kernel oil produced worldwide, but we recognize we have an important role to play in ensuring that the palm oil in our supply chain – no matter how limited – comes from sustainable sources.

As an ordinary member of the [Roundtable on Sustainable Palm Oil](#) (RSPO) – a global, multi-stakeholder initiative to develop and implement global standards for sustainable palm oil – we seek to ensure that our palm oil supply chain does not contribute to deforestation, peat clearance or human rights abuses. Since 2020, IFF has also been a member of the [North American Sustainable Palm Oil Network](#) (NASPON), an independent group of associations, civil society organizations and others committed to increasing the use of certified sustainable palm oil in North America.

In 2021, we refreshed our [Sustainable Palm Oil Policy](#) with a commitment to source from deforestation- and conversion-free palm oil supply chains by 2025 and continue to support RSPO as a mechanism to mainstream sustainable palm oil. We will source exclusively from RSPO members and source 100% physical certified RSPO palm oil, palm kernel oil and their derivatives by 2025 globally. We will also increase RSPO Supply Chain certification for our manufacturing facilities, enabling us to supply RSPO certified ingredients to our customers.





This year we also refreshed the palm traceability study we first conducted in 2019. Using 2020 pre-merger data, we completed an upstream investigation for 22 suppliers, representing approximately 32% of palm volumes for the legacy IFF business. The study included a supply chain mapping exercise that identified more than 1,600 mills in our palm supply chain. Of those, the traceability results revealed that 22% of the mills are RSPO certified. These and other insights from this study not only help raise awareness of the limited availability of certified supply globally, but also help us identify our next steps for expanding responsible supplier engagement and purchasing practices. In this way, we aim to further increase transparency and encourage RSPO certification. Looking ahead, we will again conduct a palm traceability study using 2021 data for the combined company.

To meet customer demand for certified palm oil products, we intend to purchase palm oil products from suppliers that have made public commitments to protect human rights and avoid deforestation and development on peat lands or high-conservation-value areas. We currently have 29 plants that meet the standards of RSPO Supply Chain Certification. Looking ahead, we will continue our close partnership with the RSPO and NASPON to further contribute to the sustainability of palm oil globally.

See IFF's Annual Communication of Progress (ACOP) for the RSPO [here](#).

## Leading the Way

In 2021, N&B was recognized on WWF's [Palm Oil Buyers Scorecard](#) as "Leading the Way" toward the transformative actions that will be required to halt the unsustainable production of palm oil. Scoring 19.7 out of 24 points — well above the average score of 13.2 — N&B was ranked among the top 10% of the 227 manufacturers, retailers and hospitality companies who responded to the 2021 scorecard (submitting 2020 pre-merger data). Moving forward, we will finalize the integration of the sustainable palm oil programs from both legacy organizations, building on the strengths of both sides.



## FRIENDS OF SUSTAINABLE PALM OIL FROM LATIN AMERICA

To support the implementation of sustainable palm oil practices in Latin America, we participate in the [MARIPOSA](#) crowdfunding initiative, led by IFF’s supplier, Olenex, one of the largest buyers of palm oil in the region. This program offers the opportunity for donors (or ‘Friends of sustainable palm oil from Latin America’) to support the development of smallholder farmers into sustainable entrepreneurs while strengthening the reputation of palm oil from Latin America by meeting stringent sustainability criteria. With an emphasis on training local oil palm growers and processors (mills), MARIPOSA raises funds to finance sustainability programmes in Latin America and allow the fast-growing palm oil industry to transform into a sustainable agri-business.



The first three-year project under MARIPOSA called WISSE (Wilmar Supports Sustainable Entrepreneurs) reached the end of its second year in 2021. Despite pandemic-related challenges, the four mills in the program and their independent smallholders fulfilled all planned activities, with 306 smallholders now certified under WISSE, representing 47% of the project’s goal. A second palm oil

sustainability collaboration program funded by the MARIPOSA initiative called WISSMA (Wilmar Supports Sustainable Management) was launched in 2021, spanning eight Latin American countries, involving six industry associations, and 54 suppliers. The program aims to build new partnerships, strengthen mill management, and facilitate a dialogue between suppliers and customers.

## CONSERVING LANDSCAPES AND LIVELIHOODS IN INDONESIA

In Sungai Linau, Indonesia, a village of approximately 14,000 hectares, two thirds of the land is peat swamp forest, and the remaining third is agricultural land, mostly used for palm production. To help protect this community, the Sungai Linau Landscape Conservation and Livelihoods Programme (SLP) established a collaboration between the public and private sector to be coordinated by [Proforest](#) and [Daemeter](#). IFF is proud to be among a coalition of other companies, along with grant funding from the UK government, to support the SLP in developing community-based land use, strengthening village members’ livelihoods, protecting high conservation value and high carbon stock forest, and reducing GHG emissions through forest and peat protection.

After successfully completing a “Phase 1” social and environmental assessment and land use plan, the SLP progressed on Phase 2 activities during 2021, including a reforestation and agroforestry trial, as well as a human rights and economic impact assessment and monitoring program. The initiative supports the livelihoods of up to 1,000 people, including 260 smallholder farmers. Looking ahead, we aim to further scale the program to also support neighbouring villages and expand GHG emissions reduction through forest protection, peat rewetting, water management, and fire patrols.



## Seaweed

Following the merger with N&B, we expanded our global leadership position in high-value ingredients derived from seaweed and we are now one of the world's largest buyers of seaweed for hydrocolloids (such as alginates and carrageenan that are essential ingredients for many foods, pharmaceuticals, fertilizers, and cosmetics). Through our Responsible Seaweed Program (RSP), we carefully source red and brown seaweed from cold and warm water locations around the world. This includes processing both wet and dry seaweed to produce best-in-class alginate and carrageenan products for customers in both our Nourish and Pharma Solutions divisions.

At the core of the RSP's continuous improvement process is a comprehensive set of "Environmental & Social Good Practices for Seaweed Harvesting" ("the Practices") that include a variety of key environmental and social criteria, from habitat impacts and farm materials and waste, to worker health and safety. The Practices were developed as part of our partnership with the [Anderson Cabot Center for Ocean Life at the New England Aquarium \(ACCOL\)](#) – a cutting-edge marine research institution in Boston, Massachusetts, U.S. – and approved by an independent

advisory group of subject matter experts. Going a step beyond IFF's own first-party self-assessment processes to enhance the level of rigor and impartiality, ACCOL currently evaluates the performance of seaweed harvest areas as a second-party verification against the Practices. Several harvest areas representing most of our coldwater seaweed supply chain volumes were assessed according to this collaborative, two-step assurance model for the first time in 2020 and 2021. As part of the evaluation, ACCOL also provides support to the sites by identifying opportunities for further improvement. The Practices will be periodically reviewed to reflect the latest science and incorporate lessons learned from the implementation of the RSP.

As part of our integration activities in 2021, we consolidated our RSP through evaluations, delivering new internal capacity building materials and more strategically positioning the program externally, such as by contributing to the [Practical Guidance for the UNGC Sustainable Ocean Principles: Seaweed](#), intended to promote ocean health and emphasize the shared responsibility of all businesses to secure a productive marine ecosystem. IFF also became a signatory of the

[Seaweed Manifesto](#), a visionary statement for the industry that describes how seaweed can contribute to achieving the U.N. Sustainable Development Goals through food security, climate change mitigation, poverty alleviation and support for marine ecosystems.

Learn more about the RSP [here](#).



# MONITORING PERFORMANCE

An important part of our approach to responsible sourcing is ensuring that we self-monitor our own performance as a supplier to our customers, as well as align with like-minded organizations that support and reinforce our commitments.

## Union for Ethical BioTrade Memberships

Within IFF's Scent Division, both LMR and SCB, part of LMC, are members of the [Union for Ethical BioTrade](#) (UEBT), an internationally recognized non-profit association made up of member companies in the natural ingredient supply chains for the food, cosmetics, and natural pharmaceutical sectors who are committed to ensuring that their products are made with ingredients sourced with respect for people and biodiversity.

Motivated by our ambition to continually improve our sourcing practices and respond to our stakeholders' demand for ethically sourced, natural products, IBR, part of LMC, also became a UEBT member in 2021. Being a member of UEBT sets a guidepost for how we should harvest, collect, or grow ingredients from biodiversity in a way that is respectful of the local environment and the people who call it home. As such, LMR and SCB continue to maintain their annual action plans and progress in reporting to UEBT. As a Provisional Member, IBR successfully passed the UEBT membership assessment and complies with UEBT entry indicators and is in the process of acquiring full UEBT membership.

In 2021, we also participated in two events organized by UEBT. In October 2021, as part of the leadup to the U.N. 15th Conference of the Parties to the Convention on Biological Diversity (COP15), SCB's General Manager participated in a panel discussion on how to ensure corporate actions are working to 'bend the curve' of nature loss by

slowing down or halting biodiversity loss while restoring nature. Secondly, in December 2021, IFF's Responsible Sourcing leader, along with other leaders in major fragrance houses, participated in a UEBT Digital Dialogue to discuss the challenges and opportunities in the sector for having an influence and impact on the ethical sourcing of ingredients from biodiversity. [Watch the event recording here.](#)



## Supplier Diversity

As outlined in our [Vendor Code of Conduct](#), we promote diversity within our supply chain and expect our vendors to do the same. One key objective of IFF's inclusive supply chain principles is to identify, develop, and utilize certified diverse businesses that can enhance our competitive advantage and provide innovative and cost-effective products and services for us and our customers.

Following the merger with N&B, we extended our activities to achieve internal objectives and included inclusive supply chain principles that help identify, develop, and utilize certified diverse businesses that can enhance our competitive advantage and provide innovative and cost-effective products and services. Toward this end, we also extended diverse supplier organizational services to all Global Procurement to help in the reporting and identification of new and current diverse businesses. Diverse businesses – the definition for which vary by country – refer to businesses owned, controlled, and operated by diverse persons. For example, in the United States, a “diverse business” is a company that is certified to be at least 51%-owned, -operated and -controlled by one or more minority, woman, LGBTIQ+ person, person with a disability, veteran, service-disabled veteran, or aboriginal or indigenous person.

Looking ahead, we are extending our regional and global scope to include small companies and companies in underdeveloped/developing countries, in collaboration with other organizations, such as [WEConnect International](#).



# Supplier Engagement

In addition to monitoring our own performance, programs, and commitments, we also monitor the performance of the suppliers we do business with. As part of the material approval process, we query suppliers on responsible sourcing practices, traceability, and other relevant topics. We leverage different tools to monitor and assess our supply chain's responsible sourcing status. For example, our internal vendor questionnaire covers questions regarding suppliers' own corporate social responsibility management and sustainability programs, including responsible sourcing topics and traceability. We also partner with like-minded organizations and others in our value chain to monitor and assess our suppliers' sustainability commitments and responsible sourcing practices.

## CDP SUPPLY CHAIN

According to CDP, a company's average upstream emissions are around 11.4 times greater than their own direct operations, which is why supplier engagement is an important part of our climate action strategy. As a member of the CDP Supply Chain program, we invite suppliers



to complete the CDP questionnaire about their GHG emissions, the results from which are used to improve our Scope 3 (value chain) emission estimates and better prioritize future mitigation measures. As part of this effort, we work with industry partners and the CDP Supply Chain platform to reach out to suppliers and offer encouragement, support, training and guidance (such as through webinars and discussions) about how to participate in the CDP climate change reporting initiative.

In 2021, for the second consecutive year, we proudly joined more than 400 companies in earning a place as a leading company on CDP's [Supplier Engagement Leaderboard](#) for taking action to measure and reduce climate risk across our value chain by working with our suppliers to reduce their GHG emissions and raise their level of climate ambition. This recognition places IFF among the top 8% of companies who disclosed to CDP's full climate questionnaire in 2021. In 2022, we aim to increase our supplier engagement on climate reporting to 200 suppliers.

## ECOVADIS & SEDEX

We focus our supplier engagement efforts on key suppliers that are critical to our business, reviewing the list annually as our supply chain evolves. We require that these suppliers be assessed through EcoVadis or Sedex (Supplier Ethical Data Exchange), two supply chain information platforms that focus on the areas of environment, labor and human rights, ethics, and sustainable procurement. We use Sedex to run reports on our suppliers' ethical data, manage information on our own facilities and share information with our customers.



In 2021, we achieved our legacy IFF internal target for supplier engagement by confirming that approximately 90% of legacy IFF business-critical suppliers<sup>18</sup> suppliers have been screened via valid CSR assessments using environmental and social criteria (EcoVadis or Sedex), and 75% key strategic suppliers are considered responsible (that is, suppliers with assessment results in good standing with no significant noncompliances noted or corrective action plans in place). For heritage N&B, following an integration exercise to determine



the status and availability of corporate vendor assessments, we found that approximately 32% of total unique heritage N&B suppliers were assessed through EcoVadis or Sedex. Moving forward in 2022, this insight will serve as our baseline to help reduce that gap among heritage N&B suppliers.

As part of our integration activities this year, we also hosted sustainable procurement trainings to ensure the understanding among IFF buyers of various social and environmental issues and how to integrate them into their procurement functions. For example, in 2021 we partnered with EcoVadis to host a three-part online training series for more than 100 IFF buyers about the EcoVadis platform, including guidance about supplier engagement and assessments.

We also use EcoVadis to assess ourselves as a supplier to our customers. For the second time, we were awarded the 2022 EcoVadis Platinum medal (based on 2021 information), a selective designation indicating our placement among the top 1% of companies assessed by EcoVadis.

## TOGETHER FOR SUSTAINABILITY

IFF is one of 33 members of [Together for Sustainability](#) (TfS), a global procurement-driven initiative that assesses and improves

the sustainability performance of chemical companies and their suppliers. Based on the [Ten Principles of the U.N. Global Compact](#) and the International Council of Chemical Association's [Responsible Care](#)<sup>®</sup> principles, the TfS framework evaluates member performance through a shared infrastructure of robust, standardized assessments and audits, the results of which are made available to all members through an online platform. Sharing our supplier sustainability assessments and audits with all members lessens administrative burdens, leverages synergies, and avoids duplicate efforts for our suppliers. TfS assessments are carried out by EcoVadis and performance is assessed in the areas of management, environment, health and safety, labor and human rights, and corporate governance – in alignment with IFF's Vendor Code. We combine the outcomes of these supplier-specific assessments with other criteria (such as country of manufacture) to conduct follow-up monitoring and determine supplier audit schedules.

Since the TfS initiative began in 2011, more than 17,500 supplier sustainability evaluations have been conducted and shared under the TfS program, including 16,083 shared supplier assessments and 1,773 shared supplier audits. During 2021, 2,512 TfS suppliers documented sustainability improvements. IFF contributed to these TfS member targets by achieving



a total of approximately 500 valid supplier assessments, 280 new or re-assessments, and 66% improved scorecards of suppliers through EcoVadis. We also continued to work with suppliers on their corrective action plans identified through TfS audits.

TfS enables member companies to work together by facilitating constructive dialogue regarding supply chain complexity, challenges, and opportunities. Specific initiatives are led and executed by TfS members through targeted work streams. Following the 2020 launch of Grow & Deliver (a 2025 strategy and roadmap focusing on the measurement of tangible impact through higher standards and collaboration), TfS launched two new programs in 2021 to increase impact. The Scope 3 GHG Emissions Product Carbon Footprint (PCF) program will provide a PCF guideline and sharing solution for the reduction of GHG emissions among TfS member companies, and the new Global Capacity Building platform – TfS Academy – provides learning opportunities for the shared supplier base and buyer communities of member companies.

TfS also organized a series of interactive webinars in 2021 clarifying the EcoVadis process for assessments and the post-assessment trainings. Webinars were designed for sustainability managers and experts both on the supplier and buyer sides that

have a responsibility to coordinate EcoVadis assessments and drive post-assessment corrective actions. IFF buyers participated in these webinars, and we invited our suppliers to participate as well. IFF also actively participates in the monthly TfS North America committee meetings and the annual TfS membership meetings. Our Chief Procurement Officer (CPO) is one of the TfS think tank members and continues to participate in the TfS CPO discussions to share best practices on strategic sustainability initiatives in procurement.





# CERTIFICATIONS & CONTINUOUS IMPROVEMENT

IFF strives to source materials that have been certified by credible, internationally recognized, third-party environmental and social responsibility certification programs. We partner with our suppliers and invest resources to achieve certifications for strategic supply chains. Underscoring our commitment to responsible sourcing, ingredient certifications support the conservation of natural resources and improvement in the livelihoods of farmers and workers involved in our supply chain. In recent years, we have expanded our offerings of certified ingredients.





## For Life

LMR certifies specific supply chains and facilities through ECOCERT's rigorous [For Life](#) program. ECOCERT, a global specialist in the auditing and certification of sustainable practices, conducts inspections in more than 130 countries. For Life certification recognizes an organization's adherence to sustainability criteria related to human rights and fair working conditions; ecosystems, biodiversity and sustainable agricultural practices; and betterment of local impact.

LMR currently has 33 botanical families and 58 natural ingredients that are certified through the For Life program. The supply chains from which these ingredients originate include: rose from Turkey, vetiver from Haiti, geranium oil from Egypt, patchouli and ylang-ylang from Madagascar, jasmine and tuberose from India, patchouli from Indonesia, citronella from Togo and orris root and blackcurrant bud from France. Achieving these certifications is challenging, as it often involves years of work with growers and communities to improve their practices to meet the necessary criteria. LMR's operational facilities in Grasse and Aumont-Aubrac, France, as well as Isparta, Turkey, are also For Life certified by ECOCERT.

## Organic & Vegan

As more of our customers seek certified organic ingredients to use in their products, we are proactively addressing this demand by obtaining these certifications for many ingredients. We have three operating locations with organic certification and 69 certified organic products within LMR (see [IFF Facility Certifications, page 212](#)).

We have 162 natural extracts in our portfolio that are certified by Expertise Vegan Europe, or [EVE VEGAN](#)<sup>®</sup>, an independent certification body dedicated to the conformity of vegan products and vegan farming. This voluntary label is recognized worldwide as guaranteeing products free of ingredients from animal origin (i.e., from breeding, slaughter, hunting or fishing) and not tested on live animals. The method, manufacturing conditions and packaging are also subject to controls prior to certification.

## COSMOS

The [COSMOS](#) signature is a consumer guarantee for organic and natural cosmetics that defines a set of criteria for companies to meet to ensure the highest feasible sustainability practices in their retail products. The certification ensures environmentally friendly production processes in respect of biodiversity and human health. We are proud to help our customers reach their sustainability goals and commitments to consumers by contributing key ingredients to official COSMOS-approved retail products. As of the end of 2021, we have achieved COSMOS approval for 131 essential oils, absolutes and other natural extracts in our portfolio and we are continuing to increase this number over time.



# STRENGTHENING BIODIVERSITY & COMMUNITIES

Our commitment to responsible sourcing around the world means we strive to improve the environment and quality of life in the farming communities where we source, helping to make them more biodiverse, stable, resilient, and prosperous. In 2021, we continued to adjust activities, trainings, or social engagement opportunities as needed to accommodate important safety considerations related to COVID-19. We annually re-evaluate where our efforts and investments will create the most value and how we can continue to reach more people.

Our work in Haiti, Indonesia, Madagascar, and India offers four examples.

## Moving Forward on Vetiver in Haiti

IFF has been working to support the communities of our vetiver supply chain in Haiti since 2016, when we launched the pilot program, Vetiver Together™. In 2021, in cooperation with international development organization, [Heifer International](#), and a development finance partner, we built on the success of that pilot by continuing the next phase of the initiative: **Vetiver Forward**, which was launched in 2020. This new three-year partnership seeks to support more than 3,000 independent smallholder vetiver farmers across six cooperatives that are part of our supply chain, facilitating improved access to high-value markets, technical services, and business training.

Vetiver root requires a 12- to 18-month crop cycle for optimal oil content and the farmers that rely on it as a primary source of income are often under financial pressure to harvest the crop early, leading to low-quality oil and poor profits. The roots also play an important role in stabilizing the soil. Promoting improved harvesting practices can reduce erosion, protecting fertile land and water in the soil, while decreasing the risk of floods and landslides. To address these challenges, Vetiver Forward seeks

to increase farmers' access to agricultural inputs for alternative income streams, such as beans, corn, sorghum, and plantains, as well as livestock.

In 2021, 500 farmers received animals (goats or chickens) to increase their livelihoods. An agroforestry component of the program – which includes six new tree nurseries– supports climate, soil health, and biodiversity objectives, enabling farmers to sell fruits as an additional income source. Additionally, farmers had access to six seed banks in 2021 where they could borrow seeds (corn and beans) and repay them after harvest.

The earthquake in Haiti that took place on August 14, 2021, caused severe damage to the local community. The situation was made worse by aftershocks, tropical storm Grace, and frequent rainfall in the days and weeks following the earthquake. The Vetiver Forward project was paused from August to September 2021. During this time, IFF and our partners focused on emergency relief efforts by funding three-months of vouchers for IFF supplier's employees and their families to access food, water, first aid supplies, and building materials.



In addition to the natural disasters, political instability, security risks, the COVID-19 pandemic also continued to challenge Heifer International's ability to implement planned activities locally. Despite these challenges, Vetiver Forward planned for new farmer trainings in targeted areas and various training sessions have already been held on livestock management and agricultural diversification. Out of the 3,000 farmers we are targeting for participation in the program, 836 (28%) have been trained as of the end of 2021, 314 of whom are women.

## Supporting Patchouli Farming in Indonesia

Popular for centuries and commonly used in fine fragrances as well as consumer products, IFF predominantly sources patchouli oil from Indonesia, where the supply chain faces significant environmental, social, and economic challenges – from deforestation and plastic waste to the high number of intermediaries involved in the process that can hinder transparency.

In 2021, we continued our shared value program to support patchouli farming communities in Indonesia through For Life

certification in three main geographic areas (Bali, Sulawesi and Flores), where, to date, nearly 900 farmers have been For Life certified. In collaboration with a partner, we continued to drive producer engagement and empowerment through initiatives aligning income diversification with environmental restoration. In addition to addressing plastic waste management and sustainable firewood management, the program aims to enhance patchouli farming through the protection of local biodiversity. For example:

- 85,000 trees – comprising 19 distinct species have been planted by farmers since 2019, restoring approximately 2,000 hectares.
- Farmers in 39 participating villages were trained in 2021 on agroforestry practices.
- Agroforestry models shared with the more than 500 farmers during the training included:
  - planting trees around patchouli parcels to demarcate borders, stabilize soil and create natural barriers against wind and pests
  - planting trees within patchouli parcels to promote shade, soil fertility and biodiversity
  - densely reforesting unproductive or degraded lands to regenerate soil and enhance biodiversity

In 2021, we also kicked off a training for three groups of women in the community on home gardening – something that is already a part of many women's daily tasks. The training focused on three main topics: seedling preparation, planting and maintenance, and harvesting – concepts that can also be applied to patchouli farming production. The program was well received by participants, and we will look to further scale this up in the future to reach more women and families.

## Sustainably Sourcing Vanilla in Madagascar

Vanilla is primarily cultivated in Madagascar, where social, environmental, quality, and traceability challenges make the supply chain fragile. Though one of the largest vanilla exporting countries in the world, Madagascar is also one of the poorest. Vanilla cultivation, which requires pollination by hand, is a time consuming and labor-intensive process for independent smallholder farmers. Due to its location and isolation, it has tremendous biodiversity, but this is being threatened by slash and burn agriculture, primarily for rice cultivation. For these reasons, the objective of our vanilla program in Madagascar is to not only create a long-term and stable supply of sustainable and high-quality vanilla, but



to support the livelihoods of the sourcing communities we work with while addressing the challenges of deforestation and biodiversity loss.

In 2021, we strengthened our vanilla supply chain while improving the level of dignity for farmers and their communities and shifting behaviors to generate positive environmental impact.

- **Improving vanilla quality and productivity**

We continued to work closely with our farmers' association, made up of more than 3,000 farmers in three cooperatives, approximately 25% of whom are female. Through the association, we are providing a variety of benefits and support, including training on good agricultural practices that support sustainable improvements for vanilla cultivation. Through these tools, the program aims to increase producer yields and achieve high-quality product which can be maintained in the long term. These steps are also supporting vanilla producers to remain Fair for Life certified.

- **Improving livelihood**

To support sustainable incomes for vanilla farmers – particularly during the quiet months of the annual campaign between pollination and harvesting – we continue

to implement a variety of socioeconomic activities for community members. We have arranged access to free healthcare with local doctors and hospitals for more than 3,000 producers and their families in the community. We also participated in rebuilding schools and safely distributing nearly 1,000 kits (comprised of notebooks, pens, pencils, and other school supplies) for the 2021/2022 school year to children of farmers.

To support digitalization, financial inclusion, and better communication with farmers, phones were distributed and training on mobile banking was shared with 84% of farmers in the program. In addition to distributing bags of rice to the community, we also worked with approximately 150 women in a cooking initiative and distributed 420 improved cookstoves to households.

- **Preserving ecosystems**

To preserve biodiverse ecosystems in the region while expanding environmental awareness, we continued to expand our reforestation pilot program during 2021. Building on the two tree nurseries that we set up in 2019 (through which nine local managers oversaw the distribution of 2,000 seedlings to association members), this year we grew interest and participation and safely distributed more than 23,000 seedlings

to farmers to plant on their land. To date, 3,000 farmers from three cooperatives have planted more than 30,000 trees and received 76 days of training on agroforestry and ecosystems preservation.

- **Utilizing blockchain technology**

To enhance our vanilla supply chain in Madagascar through improved traceability and transparency, we continue to utilize blockchain to permanently create a timestamped and tamper-proof record (through the scanning of QR codes with mobile devices) of each vanilla bean's journey through the supply chain – from the initial sale at the farm level, to the local cooperative, to processing and ultimately to its destination. Following the 2020 launch of this pilot program with a key customer and other innovation partners, we continued to develop the program in 2021, including capturing and securing crop-related data into the blockchain system. Looking ahead to 2022, we will scale up the program further in preparation for full implementation of the blockchain technology in this supply chain.



## Enhancing Guar Farming Resiliency in India

Guar gum is a cost-effective, all-natural, consumer and label-friendly thickening agent used in a variety of dairy and plant-based foods and beverages to control viscosity and build texture. It is an all-natural hydrocolloid from the guar bean and is considered a dietary fiber in certain regions, including the U.S. In 2021, IFF continued a three-year sustainable guar sourcing project that N&B launched in 2020. In partnership with our strategic guar supplier in India, the objective of the project is to enhance small farmers' resiliency (particularly women), given the frequent challenge of insufficient and erratic rainfall in the region, as well as volatile guar market prices. This includes strengthening the availability of basic education for farmers and their families, while raising awareness about water, biodiversity, and gender equality.

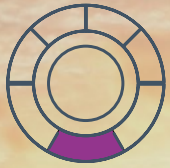
Key highlights from 2021 include:

- Disseminating agroecological practices and promoting sustainable water management to strengthen farmers' resiliency to insufficient and erratic rainfall
  - As of 2021, more than 1,200 farmers were trained in agroecology, including organic farming, pest management through natural fertilizers, livestock management, wild plants processing, mix cropping, crop rotations, agroforestry, tree planting as a way to retain water in the soil, vegetables production, and other topics. As a result, 35% of farmers trained have reported the adoption of different techniques they learned during these training sessions.

- Providing farmers with remunerative, profitable, and stable prices for guar
  - In addition to assuring farmers that they will be paid upon their delivery of guar, in 2021 the project also established and implemented a minimum price for guar monthly (for village predictability). Specifically, before the start of the sowing period in July, our supplier calculated and communicated to beneficiaries the quota of starting raw materials they will purchase and at what floor price, thereby helping to strengthen financial planning opportunities and build farmers' capacity of savings and investment.
- Enhancing the role of women and finding sustainable solutions to alleviate their workload
  - To highlight the importance of the role of female farmers in the field, nearly 200 farmers and community members participated in a program organized during the year to celebrate and promote the women's important role on the farms.

### Looking Ahead

Over the next several years, our Responsible Sourcing program aims to scale up the partnerships with our suppliers, customers, and other stakeholders into responsible sourcing programs that will indirectly benefit more families and community members while strengthening the health of our planet.



# EQUITY & WELLBEING

At IFF, applying science and creativity for a better world would not be possible without our colleagues and team members, who play a key role in delivering on our Company purpose statement. By tapping into their creativity, passion, and expertise, we know we can build a brighter future, together. This means creating a better world where all people – from our employees to those working across our supply chain – are safe, healthy, and treated with dignity. It means engaging our employees, attracting the best talent, dialing up a greater focus in our workforce on diversity, equity & inclusion, and cultivating the most robust safety culture where we commit to zero injuries or incidents.

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WE  
RESPECT,  
ENGAGE  
AND  
EMPOWER.

STARTING  
WITHIN OUR  
OWN SPHERE  
OF INFLUENCE,  
WE CONTRIBUTE  
TO A SAFE,  
EQUITABLE,  
AND INCLUSIVE  
WORLD.

# STRATEGY & APPROACH

Our Human Resources (HR) mission is to cultivate a diverse and inclusive workplace with a vibrant culture, engage our colleagues, and empower our leaders. Our objective is to ensure that our employees always have access to HR support, regardless of where they work, and we use employee feedback to find new and improved ways of working to give all IFFers the best possible professional experience.

Our HR operating model, overseen by our Chief Human Resources and Diversity, Equity & Inclusion Officer (CHRO), focuses on three primary areas that enhance the employee experience while driving business results:

- **Define:** Partnering with the business to ensure that talent implications and requirements are considered during the development of business strategy
- **Design:** Creating, rolling out, implementing, and embedding global talent programs and tools that help successfully execute business strategy, once defined
- **Deliver:** Providing people services and solutions to the regions, countries, and sites, once defined and designed

A fourth area that overlays each of these building blocks – **Deploy** – includes an agile team that supports the CHRO in connecting the strategic talent vision with corporate priorities and goals to ensure a holistic and impactful HR management approach.





## KEY HIGHLIGHTS

- Adapted our workplace culture through the launch of the Future of Work program, a hybrid work model to provide employees with flexible and remote work options
- Launched Global Learning Week, achieving more than 15,100 learning hours during 71 global and regional events in five days
- Honored by the Human Rights Campaign as a Best Place to Work for LGBTQ Equality for the third consecutive year after receiving a perfect score of 100 on the 2021 Corporate Equality Index
- Established proactive new EHS programs such as 'Site Buddy' and 'Fresh Eyes' to assist our teams on their journey to zero injuries, zero incidents, and 100% compliance, resulting in strong 2021 performance and reductions in incident rates

# DO MORE GOOD PLAN: EQUITY & WELLBEING GOALS

IFF's commitment to our employees is captured in the Do More Good Plan, IFF's ESG+ strategy and roadmap launched in 2021. Aligned with our focus on social responsibility, IFF is committed to unleashing the potential of our people, strengthening local communities, and ensuring health and safety for all. To underscore our commitment to driving equity and wellbeing in these ways across our entire organization, we have identified three high-level 2030 goals:

- **40% people of color in management roles in the United States (with equitable representation in other markets globally)**
- **50% women in management roles, company-wide**
- **Incident-free workplace and world-class safety performance**

Each of these goals entails critical internal key performance indicators that support continuous improvement and allow us to track our progress annually, with leadership support from our CEO and the highest management levels of the organization. Now as a combined company with N&B, we are bringing together the best talent, teams, and synergies to execute on the Do More Good Plan to ensure we meet and exceed our 2030 goals.



# NEW WORLD OF WORK

As the COVID-19 pandemic extended into 2021, IFF focused on continuing to protect our employees and support our customers, including upholding our important role in delivering vital disinfection solutions and sanitation supplies to some of the world's most important consumer products manufacturers. Building on the important work of 2020 in establishing a coordinated crisis response plan at the corporate level, some of the preventative and protective measures we took in 2021 to ensure the continued safety of our colleagues included:

- Limiting large group gatherings, restricting non-essential travel, and maintaining enhanced internal sanitation and sterilization protocols at all manufacturing and creative center facilities
- Implementing a hybrid work policy (including extending and formalizing work-from-home arrangements for non-essential employees) which had the benefit of limiting the number of people on site on any given day
- Following Centers for Disease Control and Prevention (CDC) guidance on face coverings, shifting to requiring surgical masks or N-95 equivalents only, and providing same to onsite employees

While we maintained these and other global guiding principles and safety expectations throughout the year, the evolution of the situation in 2021 and the emergence of vaccines also prompted us to decentralize our management approach and empower regions, sites, and local leadership teams to keep their sites safe by implementing the recommendations of their own governments and health authorities. This approach also proved to be effective in addressing the challenge of managing many new sites in countries with changing regulations following IFF's integration with N&B.



The IFF COVID-19 Crisis Task Force that was first established in 2020 – made up of global, regional, and local crisis teams, along with representatives from HR, Legal, Operations, Corporate Communications, Information Technology, and our business teams – was also responsible in 2021 for refreshing all management guidelines for sites as the pandemic progressed and expectations related to vaccines and masking evolved. This included updating our Crisis Response Toolkit designed to provide site leaders with important guidance on preventing or minimizing COVID-19 workplace exposures through checklists, workplace sanitation expectations, notification protocols and guidance on contact tracing.

The global data tracker that was created in 2020 for site leaders and HR business partners to track and monitor cases was also refreshed in 2021 to capture more relevant data, which continued to be reviewed by the Crisis Management Team and regional leaders on a weekly basis. COVID-19 cases (as defined by OSHA) were tracked and evaluated for work-relatedness separately according to OSHA guidelines and/or country requirements. All COVID-19 cases were determined to not be work-related.

## FUTURE OF WORK

In addition to our ambition to lead our industry in terms of providing great products and services, we are also committed to being a great place to work, and the COVID-19 pandemic changed where and how we work forever. We learned how to collaborate in new ways and stay connected with our colleagues and customers while working remotely. With an emphasis on flexibility and agility of our workforce, in 2021, IFF formally adapted our culture to this new world through the launch of the Future of Work program, a new enterprise-wide hybrid work model to provide employees with remote work options. The goal of this way of working is to improve personal employee productivity, retain and attract key talent, and reduce our overall physical footprint in line with the environmental goals of our Do More Good Plan (e.g., reducing Scope 3 GHG emissions

related to employee commuting and strengthening real estate portfolio management). We believe the many other benefits that can be realized with this work model are substantial, and moving forward, we are committed to continuously improving to create a best-in-class offering for our employees.

Prior to the program launch, we completed a successful pilot program beginning in 2020, which included a legacy IFF employee survey and a pulse survey of N&B employees. Results of those engagement efforts indicated that 73% of surveyed employees from both heritage organizations preferred a hybrid work model where they have the flexibility to work on site and remotely. Among the benefits cited during the survey were a reduced commute, increased ability to focus, and a better work-life balance. Other insights from the survey included confirmations of no negative impact on employee engagement nor productivity during the work-from-home lockdown period (with many reporting an increase in productivity), and 91% of managers reported that collaboration with their customers was not impacted. We also considered the potential negative impacts of working from home on an individual's mental and physical health in response to feelings such as isolation, or inability to “switch off from work.”



Taking these and other inputs into consideration, the program we launched in 2021 includes four hybrid work profiles:

- **Anchor:** for employees whose work is 100% tied to a specific location and/or function and cannot be done remotely (five days per week at worksite)
- **Agile:** for employees who regularly work with other team members onsite or require access to labs/technology at a dedicated site (two to five days per week at worksite)
- **Flex:** for employees whose work is not based on specific physical ties to space and/or location, as they are collaborating with onsite teams less frequently (one to three days per week at worksite)
- **Remote:** for employees with the ability to work anywhere because their work has no ties to the physical space and most collaboration can be done virtually (zero to one days per week at worksite)

Employee work profiles were determined collaboratively between each employee and their manager, based on role and job function, preferences, team dynamics, and other leadership and morale considerations. To support employees in their new arrangements, we expanded digital workplace offerings for a single unified experience supportive of virtual meetings, video conferences, and calls; instant messaging; file sharing; project management; storing and sharing files; and common space collaboration.

### 2021 HYBRID WORK PROFILES BY EMPLOYEE CATEGORY (PERMANENT EMPLOYEES)

|                      | ANCHOR     | AGILE      | FLEX       | REMOTE    |
|----------------------|------------|------------|------------|-----------|
| Executive management | 0%         | 0%         | 100%       | 0%        |
| Upper management     | 36%        | 31%        | 24%        | 9%        |
| Middle management    | 34%        | 28%        | 22%        | 16%       |
| Junior management    | 43%        | 26%        | 20%        | 11%       |
| Operational          | 86%        | 6%         | 7%         | 2%        |
| <b>Total</b>         | <b>68%</b> | <b>14%</b> | <b>12%</b> | <b>6%</b> |



# CULTURE & VALUES

Building on the comprehensive culture program that we launched in 2020, we expanded the program in 2021 to reflect the refreshed set of values and culture principles to support our new purpose, vision, and organization as a combined company following the merger with N&B. We drew from the legacy cultures of IFF and N&B when developing our newly combined values and culture principles, and our inclusive validation approach included multiple steps to ensure comprehensive feedback from senior leaders and employees from both legacy entities, including interviews, focus groups, and a survey representing employees from five regions, three generations, and 15 business units/functions. Our five new values of empowerment, expertise, integrity, innovation, and responsibility are fundamental beliefs that guide individual behavior and clearly define what we stand for. Our culture principles represent our purpose, vision, and values in action: act as an owner; be agile; and collaborate and win together. We believe these refreshed values and culture principles emphasize even more prominently how critical it is for each employee at IFF to take ownership and to work with passion.

## VALUES

Fundamental Beliefs that Guide Individual Behavior



### Empowerment

We make informed decisions, take action, and have the courage to hold ourselves accountable for the outcomes.



### Expertise

We collaborate, applying our collective skills and diverse backgrounds to solve problems and achieve higher levels of performance.



### Integrity

We are inclusive, treat each other with respect and work in a fair, honest, and ethical way.



### Innovation

We harness our creativity to deliver essential solutions for our partners and the communities we serve.



### Responsibility

We protect the health and safety of our people and preserve the communities where we work.

*Values guide how we hire, evaluate fit, and onboard new employees. They clearly define what our people stand for.*

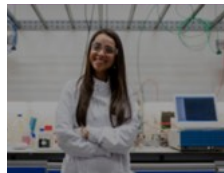
## CULTURE PRINCIPLES

The Behaviors that Bring Our Purpose, Vision, and Values to Life



### Act as an Owner

We take ownership and work with passion and integrity. Our teams are empowered to make decisions and help the entire organization thrive.



### Be Agile

We constantly push for progress and respond to the needs of our customers and the world with speed, skill, and creativity.



### Collaborate and Win Together

Our bond with our customers and colleagues powers innovation and our shared success.

*Culture principles set a standard for how we work together inside and outside our walls. They help new employees and teams collaborate and assimilate more efficiently.*



To support awareness of, and engagement with, our refreshed values and culture principles, in 2021 we rolled out a robust culture and values program with the objectives of attracting and retaining talent; motivating and engaging employees; and enabling business performance while celebrating our common culture and values in the workplace. We began with a series of senior leadership messaging and videos about why these values and culture principles are so important to our leadership team. To help translate these themes for employees, we also leveraged our existing culture ambassador program but expanded it by meeting our target of having nearly one ambassador at every site around the world. Following a carefully designed training and preparation program, this network of more than 200 culture ambassadors sponsored local voluntary site events (mostly virtual but in-person, where permissible) to facilitate dialogues that attracted a total of more than 11,400 participants during the year. Each executive team member also participated in at least one ambassador-led session to further engage with employees and demonstrate their support. We also created a series of central forums for ambassadors to connect with one another after their events to share information, best practices, and lessons learned, as well as offer encouragement. Finally, through a continuation of our online recognition program, employees were encouraged to

recognize their fellow colleagues for jobs well done and in alignment with our new values and culture principles.

To evaluate our progress and success of the culture and values program, as well as work toward continuous improvement, we measure overall performance, participation, and engagement, including through employee surveys. We also analyze the correlation between recruitment and retention statistics. Moving forward, our values and culture principles will also be embedded in the recruiting, performance management, and leadership development processes.

## EMPLOYEE SENTIMENT

In November 2021, we launched a pulse survey to the entire organization with the objective of understanding overall employee sentiment following the merger with N&B, which achieved a response rate of approximately 40%. The survey was primarily comprised of three parts: feedback on the status and progression of the integration; preferred methods of communication and important topics to be communicated; and an assessment of employee satisfaction and engagement levels.

Results from the survey and related analytical reports were evaluated by HR and the four business divisions, with action plans created as

needed with business leaders. For example, in response to a question about how employees prefer to receive information, we learned that employees greatly value town halls and the opportunity to engage with senior leaders. As a result, more Executive Committee members hosted town halls in 2021 (often a mix of virtual and in-person, where permissible) and cascaded the practice throughout the organization. We also learned that while we have succeeded in achieving our initial focus of establishing a strong baseline understanding across the organization of IFF's values, vision and purpose, there is now more work to be done in seeing IFF values brought to life in practice every day through continued engagement and behavior change.



# TALENT MANAGEMENT

Increasing our workforce following the merger with N&B brought with it many exciting opportunities, as well as various integration challenges. Among the biggest opportunities we saw was to leverage the best of both heritage N&B and legacy IFF from a talent perspective to support the end-to-end life cycle of all employees. We created a new Talent & Inclusion Center of Expertise (T&I CoE) focusing on the following key areas: Workforce Planning; Talent Analytics; Talent Acquisition; University Relations; Talent Management / Leadership Development; IFF University; Learning Solutions; and Diversity, Equity & Inclusion.

Through the **Workforce Planning team**, for example, we collaborate closely with IFF business divisions and functions to support the talent needs they require to successfully execute on their business strategies, from expanded capacity requirements to securing team members with new capabilities or skill sets. We use these insights to build out clear workforce plans with the business units and help inform next steps for talent acquisition and retention. Our new **Talent Analytics team** also tracks T&I CoE metrics and KPIs that help inform HR and senior leader decision-making while supporting continuous improvement

in our people processes. Data insights from this team's predictive talent analytics capabilities also support workforce planning efforts, including understanding the most effective talent acquisition strategies and what differentiates group performance.

IFF's strategy for acquiring the highest quality talent is built around delivering the best possible candidate and hiring experience, while effectively managing the time and costs to recruit. Our **Talent Acquisition team** incorporates a personalized feedback process supported by industry-leading assessment tools, allowing us to do more proactive sourcing. New to IFF as of 2021 is a **University Relations team**, inspired by a similar structure that existed at N&B, which now serves as a dedicated resource to focus on the strength and diversity of our future pipeline. We measure our performance and identify areas for improvement in how we recruit, screen, and select best fit candidates. We also adapt our approach based on internal feedback, insights from our internal talent review process, KPIs as measured by our Talent Analytics team, or other indicators of program effectiveness (i.e., those gathered from outreach campaigns, town halls, or other employee engagements).

Among the talent management challenges related to the integration was a significant amount of set up and pre-work that needed to be done prior to Day 1 of the merger (February 1, 2021) to achieve a seamless transition for all employees, such as updating or creating new systems to accommodate the expanded workforce and completing important preparations for onboarding and other resources. It was also a challenge to participate in new markets and talent pools following the merger that we did not previously compete for talent in, such as in the biotechnology, pharmaceutical, or nutrition spaces. While we may have already established ourselves as an employer of choice in some areas, in others we needed to build brand awareness and communicate our need for specialist skills in new ways with both internal and external stakeholders.

Learn more about the opportunities IFF offers at our [Careers page](#) and our [Job Opportunities page](#).



## Performance Management & Reviews

We maintained our focus on performance management during 2021, bringing all new employees following the merger into our personalized process. Managers and their direct reports work together to develop annual objectives that support core business priorities as well as professional development goals. We use an online performance management system that captures performance history, strengthens accountability, and enhances transparency. All permanent employees that were eligible for performance reviews in 2021 had access to the performance management system and all received performance reviews. Employees receive formal progress evaluations twice a year, creating opportunities for feedback to drive continuous improvement. Beyond those conversations, managers are encouraged to provide feedback throughout the year. The feedback process is further enabled by the implementation of various industry-leading assessment tools. Those targeted tools provide exceptional insights for managers, and when coupled with facilitation, elevate the performance of our employees and teams.

In addition to regular performance reviews, IFF conducts multilevel internal talent reviews several times each year. Our Board

recognizes that one of its most important duties is to ensure excellence and continuity in our senior leadership. This is partially accomplished by overseeing the development of executive talent and by planning for the effective succession of our CEO and other senior members of executive management. Our CEO and our executive officers are required to prepare detailed development and succession plans for themselves and for their direct reports on an annual basis. Those reports build upon similar reviews, occurring at multiple levels within IFF. As an extension of this, in 2021 we facilitated formal talent review discussions twice during the year, both between Executive Committee members and the CEO (to understand high-level needs at the divisional or functional level), and, for the first time, deeper into the organization with upper and middle management for all groups. The objective of this structured process at multiple management levels was to confirm existing capabilities versus needed critical skill sets, review hiring goals, and consider the diversity of succession plans, among other topics.





## Learning & Development

At IFF, we aspire to be the best place to learn and grow in the industry and we are continuously working to identify and develop IFF's current and future leaders in support of the business strategy.

For the first time in 2021, we formalized an IFF Learning Philosophy that guides our beliefs and approach to learning:

- We believe in empowering IFFers to grow to their full potential. We make relevant learning accessible to all.
- We learn for today and tomorrow to build meaningful careers and to bring innovative solutions to our customers and the world.
- We are passionate about life-long learning. We engage in learning every day.
- We believe that all of us develop through formal learning experiences, in the flow of work and from each other's expertise.
- We create a supportive work environment that allows IFFers to learn, experiment, and be their most creative.

Career ladders are one way we provide an accessible global framework for vertical professional development and career planning. They are organized according to job function and tailored for specific commercial and technical positions in our business divisions. Clear expectations are outlined for specific roles at all levels, including the knowledge, experience, skills, competencies, performance expectations and criteria for success. In combination with our training programs, career ladders help employees manage their learning and development progress and provide a roadmap for building a successful career at IFF.

Led by our **Talent Management / Leadership Development team**, another way we help all employees imagine what is possible in their career journeys in line with our Learning Philosophy is through [IFF University](#), which we relaunched in 2021 as a comprehensive online hub with a revamped structure to meet the needs of the combined company. This corporate university platform is accessible to all permanent/full-time employees through our intranet and offers training in the form of professional learning tools, online classes, and development aids to help guide employees to our full portfolio of resources. Offerings include leadership development, creative schools, and IFF Academies customized by

business unit or function. IFF Academies develop strategic functional skills, learning solutions, and capabilities to help businesses deliver on their vision and strategy, serving as vehicles toward upskilling and reskilling employees. Activities offered include instructional e-learning courses, conferences, seminars, lunch-and-learns, external speakers, and more. In short, the Academies serve as both training centers (to develop strategic functional skills and capabilities) and learning networks (to build new connections and create a culture of collaborative learning).

IFF University is also supported by our Learning Management System (LMS), which we also relaunched in 2021 to allow employees to find and access hundreds of on-demand, instructor-led, in-person and virtual training modules that are accessible in multiple languages. Trainings may be consolidated under corporate oversight as well as managed at local, regional and/or global levels, in accordance with requirements or other specifications. The LMS is the primary IFF system for maintaining employee profiles, including a historic record of employee training accomplishments, which helps facilitate the performance management process, the talent review process, and legal compliance. Managers review training records



with employees during mid- and year-end performance cycles to confirm trainings in support of their development plans, allowing managers to make more informed decisions regarding employee assignments, moves, or promotions.

One of the exciting ways our **Learning Solutions team** leveraged IFF University and the LMS in 2021 was through the launch of IFF's first ever Global Learning Week, an opportunity to better understand the range of opportunities and experience available for employees to design and articulate their successful career journeys. During a five day period, more than 15,100 hours of learning was collectively achieved across 71 global and regional events. Many of the materials were made available through IFF University, where they could also be accessed and played back afterwards as well. The Week included senior leader panels, external speakers, and facilitated training across our four regions globally.

### LEADERSHIP PROGRAMS

Because so many of our career tracks are unique to our industry, we provide a variety of blended professional opportunities tailored to specific careers. We look for appropriate educational backgrounds and expertise when hiring for these positions, and we have found ways to develop important skill sets in-house

as well as in collaboration with well-respected educational institutions.

- **Leadership Development** empowers participants to become forward-looking, inspiring, and capable decision-makers and agents of change through a variety of programs and partnerships. As part of this platform, we partner with [INSEAD](#), one of the world's leading graduate business schools, to help participants explore new business opportunities, new markets, and enhanced profitability models.
- **Management Development** empowers our employees to take ownership and to work with passion and integrity. Our teams are empowered to make decisions, drive change, and to help the entire organization thrive. For example:
  - Management Essentials, our junior management training program, is our hands-on approach to management and leadership best-practices. Composed of self-paced courses and live group webinars, the training is conducted over two months and covers key concepts such as giving and receiving feedback, managing performance, and managing workplace conflict. In 2021, 400 learners participated in the program; a 400% increase in participation from 2020.

- The People Leader program is designed for first-line supervisors, managers with direct reports and employees who are new to management. Participants spend six months building a foundation for understanding leadership while broadening their perspectives and expanding their internal networks. In 2021, 50 leaders participated in the program.
- The Organizational Leader Program (OLP) is our senior manager program designed for "managers of managers." The six-month program guides participants in shifting from strategy execution to strategy design, emphasizing a cross-functional mindset while still encouraging individual and team development. In 2021, 140 leaders completed the OLP; a significant achievement as OLP was not offered during 2020.
- **Business & Professional Programs** include curricula that helps our employees innovate and excel by providing them with a consistent framework to continue their professional development. Our online learning resources enable an array of courses and trainings that can be leveraged virtually by individual employees around the world.



We also nurture unconventional thinkers and creators through our dedicated, specialized schools for scent and flavorist development. For example, we are proud to partner with the world's premier perfumery school, ISIPCA (Institut Supérieur International du Parfum, de la Cosmétique et de L'aromatique Alimentaire) to offer a [Masters in Scent Design and Creation](#), the first and only accredited program of its kind. Our Sensory University is designed for global sensory evaluators who make decisions based on odor, taste, and appearance to ensure quality control of our solutions. [Learn more here](#). Our goal is to continue to grow these programs by expanding enrollment and access to educational tools that further support our employees.

## BENEFITS & WELLBEING

IFF offers an array of competitive benefits to meet the diverse needs of our employees and their eligible dependents. From healthcare to holidays, our aim is to help our employees enjoy happy and healthy lifestyles, while maintaining a good work-life balance.

We also recognize the importance of supporting employee wellbeing in different ways around the world. In the United States, for example, we offer a program that helps employees reach personal health goals and make improvements to avoid future

health problems. Employees can learn vital information about their overall health by taking an assessment and participating in a biometric screening. They can then earn credit and rewards for completing program activities in support of improved health outcomes.

We also continue to offer programs that support the flexibility and work-life balance of our employees, including the following:

- **Vacation Time:** In addition to the observance of holidays throughout the year, we provide eligible employees time off based on their years of service.
- **Paid Time Off:** We maintain a discretionary paid time off program for employees to deal with emergency situations and unexpected or unavoidable events.
- **Flexible Work Program:** We continue to offer our global flexible work program that was first launched in 2018. The program offers two options for employees: Flex Time (a standard five-day workweek with a set schedule that includes core hours and untraditional start and end times) and Flex Week (a work schedule that compresses the standard number of hours in a workweek into fewer, longer days). The program goal is to help reduce employee stress caused by conflicting personal and professional

priorities; increase job satisfaction, energy, and creativity; and allow opportunities for employees to pursue other interests, such as education or participation in community activities. This program is also complementary to the Future of Work program that was rolled out in 2021 (for more information on Future of Work, please see [page 91](#)).



# DIVERSITY, EQUITY & INCLUSION

We believe that each colleague’s unique lived experience is a value-add to our culture. When all individuals know that their full authentic selves belong, unfettered creativity is released, as demonstrated in our diversity, equity & inclusion (DE&I) vision: “Your Uniqueness Unleashes Our Potential.” We know there is no summit to reach, no finish line to cross, nor even a final destination when it comes to our journey to full inclusion. Rather, it is an ever-evolving process, and one that we remain committed to as we work to become the most diverse, equitable, and inclusive organization that is leading the way for our industry.

To that end, we are dedicated to nurturing a truly inclusive and fair culture through the three pillars of our DE&I mission:

- **OUR PEOPLE** represent the mosaic of the markets we serve and are empowered to transform the future
- **OUR SPIRIT** nurtures an inclusive and fair culture where every voice is valued and heard
- **OUR WORLD** embraces diversity of thought and strives to Do More Good, creating a better future for all

We also know the words “diversity,” “equity,” and “inclusion” can vary in meaning depending on the context in which they are used and in different cultures around the world. For this reason, in 2021, we developed a collaborative understanding that frames our journey, choices, and actions.

## DIVERSITY

Encompasses the mosaic of personal experiences, values, beliefs, and perspectives that arise from every individual’s unique makeup.

## EQUITY

Recognizing the roadblocks that have impacted historically underrepresented groups in the workplace and the purposeful work to remove them.

## INCLUSION

The collective set of actions, norms, and processes that create a workplace where all individuals are welcomed, respected, supported, and valued.



## DE&I Governance

We are proud to have an employee-led DE&I governance structure that ensures that the development and execution of our strategy has the greatest positive impact on all employees. Ultimate accountability for DE&I rests with the CEO and the CHRO, who approves the Global DE&I Steering Committee's annual plan and strategy. Several other Executive Committee members, who report directly to the CEO, provide executive sponsorship for our eight global Colleague Communities (see [page 109](#)). Additionally, in October 2021 we established a Disability Inclusion Taskforce that comprises key decision makers from around the business to ensure we close the gaps in accessibility for People with Disabilities (see [page 108](#)).

The Global DE&I Steering Committee oversees the work of our DE&I Center of Excellence (DE&I CoE), led by our Global Director of Diversity, Equity & Inclusion, who has the accountability and overall responsibility for our program. As a testament to the growing maturity of our program since it was created in 2017, the DE&I CoE added two full-time staff members in 2021: Global DE&I Communications & Platforms Lead and Global DE&I Project Management Officer & Reporting Lead.

We have a Regional Inclusion Council in each of our five IFF regions that are responsible for identifying and delivering regional and locally specific DE&I activities while supporting global initiatives across each region. The Councils help to provide a source of feedback to the DE&I CoE and Global DE&I Steering Committee about key inclusion priorities at the local level. We use this input, along with other employee feedback received throughout the year, to evaluate the effectiveness of our DE&I approach and identify new opportunities for engagement.

Following the N&B merger, understanding and combining two distinct heritage DE&I programs and steering committees was a challenge. However, there was significant drive and dedication among all teams to communicate openly with each other and harmonize both legacy IFF and heritage N&B DE&I activities into one as quickly as possible, utilizing the best of both to ultimately update and improve our platforms. Within the first month of integration, for example, our combined Global Steering Committee reviewed and approved the annual DE&I 2021 Plan, and we achieved a fully integrated program by the first half of the year – ahead of our target schedule.



## DE&I 2030 Goals

While we know that reaching full inclusion is an ongoing journey, we have goals to track our progress, hold ourselves accountable, and guide and assess the advancement of our program. To that end, by 2030, in alignment with the goals of IFF's Do More Good Plan, we will ensure:

- 50% women at all organizational levels, including the Board of Directors
- 40% people of color in management roles in the U.S., with equitable representation in other markets globally
- All global and local policies and practices are fully inclusive of LGBTIQ+ Colleagues, with a focus on Transgender inclusive healthcare
- 5% of our workforce will be People with Disabilities and 100% of physical locations, internal and external technology, policies, and processes will be fully accessible for People with Disabilities.

To achieve these 2030 goals, we must turn our words into collective action. We are by no means perfect, but through dedicated advancements, we are working hard to create safe spaces that empower employees to share their unique experiences and work toward affecting positive change. We draw strength from our diversity, and we are committed to creating safe environments for each of us to ask questions, respect answers, and appreciate one another's contributions to our IFF culture.





# Our Actions

Globally, we focus on four primary DE&I themes and select external partners for each that are experts in their respective fields to guide us along our path. These collaborations allow IFF to use established methodologies in support of systemic positive change, while joining with like-minded companies and organizations to exchange best practices.

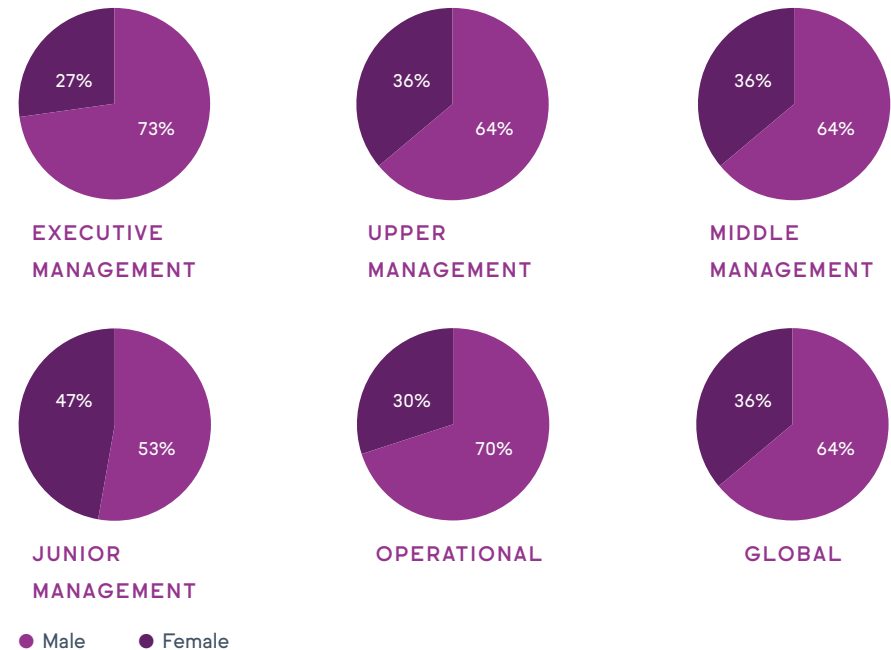
## GENDER PARITY

To understand what it will take to reach our goal of 50% women at all levels of the organization, we must recognize the steps taken to reach where we are today. In 2019, for example, the percentage of women in middle management was 37%, which increased to 38% as of the end of 2020. Following the merger with N&B and the addition of more than 10,000 employees, the percentage of women in middle management for the combined company decreased to 36% in 2021. To continuously improve and achieve an upward trend on gender diversity for all employee categories, we have a renewed focus on recruitment, succession, and promotion efforts. While we admit we are not yet where we want to be, we have our North Star, and we are not slowing down until we achieve our goal.

We continue to align with the U.N. Women’s Empowerment Principles, a set of seven tenets to advance and empower women, and provide equal treatment in the workplace, marketplace, and community. We have renewed and expanded our partnership with Economic Dividends for Gender Equality (EDGE), our global advisor on gender parity. EDGE holds a leading methodology and third-party evaluation and certification process to guide organizations on gender representation, pay equity, effective policies and practices, and the inclusiveness of an organization’s culture. EDGE sets the minimum threshold of targeting at least 30% of either gender at all levels of the organization. As of the end of 2021, IFF met that threshold for our global population (with women making up 36% of our workforce), but executive management did not meet that threshold, ending 2021 at 27%.

## 2021 GENDER DIVERSITY BY EMPLOYEE CATEGORY

(Permanent Employees)





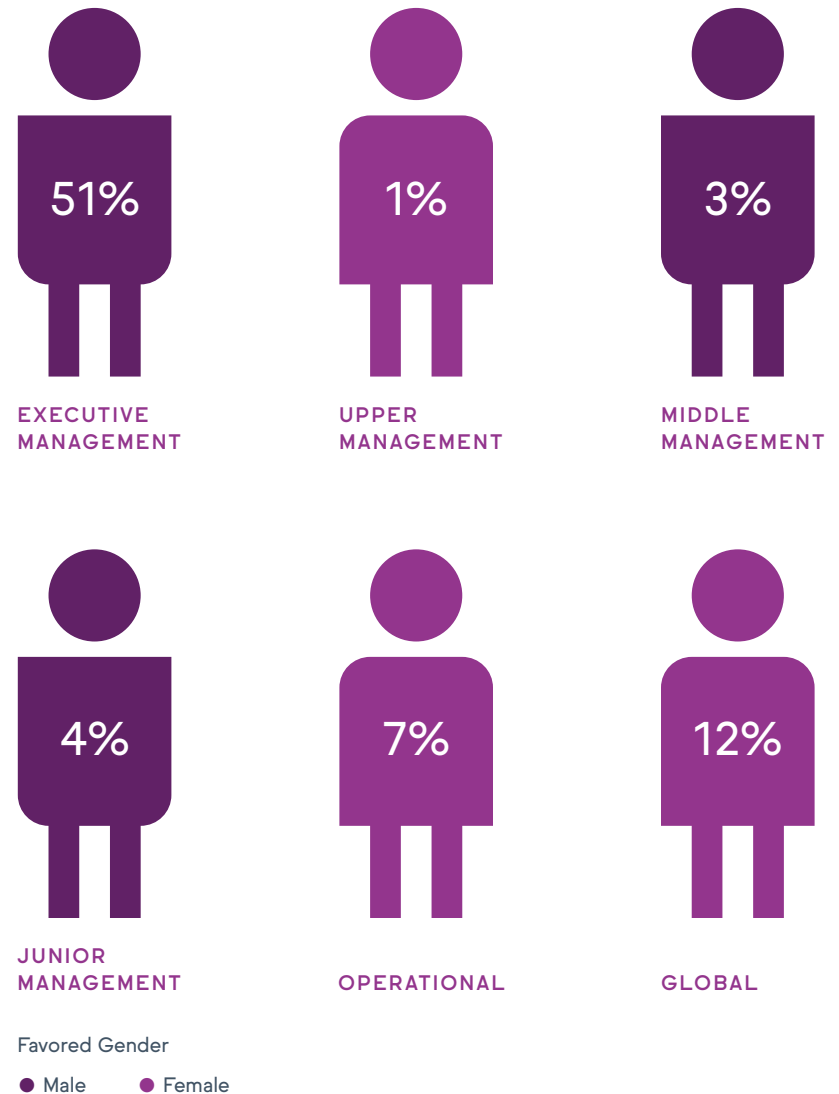
Gender representation is not the only way we assess our maturity in gender equality; understanding the gender pay gap is also vital to ensuring we are a fully inclusive employer. In alignment with our [Global Equality Policy](#), our internal Principles of Equal Pay for Equivalent Work outlines our commitment to achieve gender balance and provide equal pay for equal work. In 2020, we were proud to achieve a Global EDGE Move Certification, which confirmed equal pay for equivalent work in 21 countries assessed. In 2021, we took steps to prepare for expanding the list of countries to be certified to 27, which will represent approximately 90% of our employee population. We conduct a pay-gap assessment twice per year by country and trainings with people managers to ensure gender bias is not a factor in annual compensation planning or decisions.

In 2021, using the Bloomberg methodology, we determined that our global gender pay gap was 12% in favor of women.<sup>20</sup> However, when analyzing gender pay gap by management level, we see a different story, with pay gaps in favor of male employees at the executive, middle, and junior management levels. While EDGE considers a pay gap less than 5% to be statistically insignificant, having any gender pay gap is unacceptable by our standards. IFF uses the EDGE Pay Tool™ to assess any possible gender pay-gaps, which uses a regression analysis that considers the variables of gender, tenure, and age, among others. Using this tool, we monitor our [statistically significant unexplained gender pay gap](#) and take corrective action when individual unexplainable gender pay gaps are identified.

We also measure the Company's proportion of female permanent employees across pay quartiles globally. Quartiles are determined by aligning all global employees' compensation from highest to lowest and dividing the list into four equal cuts, with the highest compensated in the top quartile. In 2021, women made up 41% of the top quartile; 39% of the upper-middle quartile; 34% of the lower-middle quartile; and 30% of the lower quartile. We are encouraged that the breakdown of pay quartiles closely follows our representation numbers by management level.

## 2021 GENDER PAY GAP BY EMPLOYEE CATEGORY<sup>20</sup>

(Permanent Employees)



20. All pay is calculated for full-time equivalent (FTE). Formula used is the difference between average male salary and average female salary divided by average male salary (all salary figures converted to USD via exchange rates as of December 31, 2021).





In short, we know we have more work to do to achieve full gender parity, but we are focused on continuous improvement. We were pleased to be listed on the Bloomberg Gender Equality Index for the first time, due in large part to our commitment to transparency in gender-related data disclosures.<sup>21</sup> As we continue to move toward full gender parity over the course of 2022, we will roll out an Inclusive Talent Management training series that tackles removing unconscious bias at each stage of the employee life cycle, and we will also formalize a global family leave policy. Additionally, to further hold ourselves accountable to achieve our 2030 gender goal, all executive management will have 5% of their 2022 annual bonus tied to the success of meeting our internal gender target for 2022.

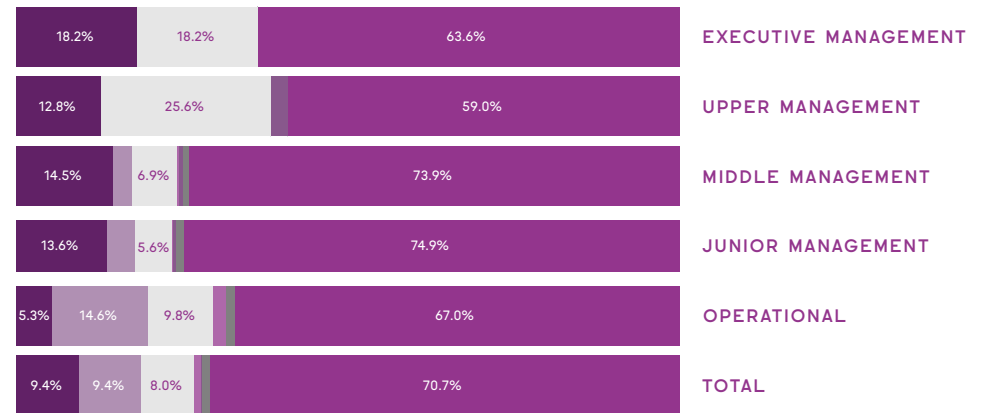
### RACIAL EQUITY

Our steadfast and unequivocal position is that racism has no place in our organization, and we remain committed to working to identify and correct examples of institutional racism in our policies and practices. In 2021, our CEO continued to support the [CEO Action for Diversity & Inclusion™ pledge](#) to support more inclusive workplaces. IFF’s ethnic diversity by employee category in the United States has a mixed story of both success and opportunity for improvement. We are always working to continuously improve and our Do More Good Plan goal is to reach 40% people of color in management roles (executive, upper management, and middle management) by 2030. We define people of color (POC) in the United States as Asian; Black or African American; Hispanic or Alaska Native; Native American or Alaska Native; North African / Middle Eastern; and Two or More Races. As of 2021, we had 27.2% POC in executive, upper, and middle management roles. Specifically, in 2021 executive and upper management had POC representations of 36.4% and 41%, respectively, and a combined POC representation of 40%, but that does not include

anyone who identifies as Black. Middle and junior management had POC representations in 2021 of 24.5% and 23.6%, respectively. We have representation from Asian and Hispanic or Latinx colleagues across all our management levels, but the highest percentage of Black colleagues are represented in our Operational employee category. We understand that to reach our goal of 40% POC by 2030 at all management levels, we will need to focus on maintaining and increasing representation at the executive and upper management levels while also increasing the acquisition, retention, and promotion rates of the middle and junior management levels.

### 2021 ETHNIC DIVERSITY<sup>22</sup> BY EMPLOYEE CATEGORY (U.S. ONLY)

(Permanent Employees)



Ethnicity

- Asian<sup>23</sup>
- Black or African American
- Hispanic or Latinx
- Native American or Alaska Native
- North African / Middle Eastern<sup>24</sup>
- Two or More Races
- White<sup>24</sup>

21. Based on 2020 (legacy IFF) performance data

22. Based on U.S. government reporting EEO data

23. Includes Native Hawaiian or Pacific Islander

24. Prior to 2021, we included North African / Middle Eastern in the 'White' category in alignment with U.S. EEO-1 reporting but in 2021 it is separated out.

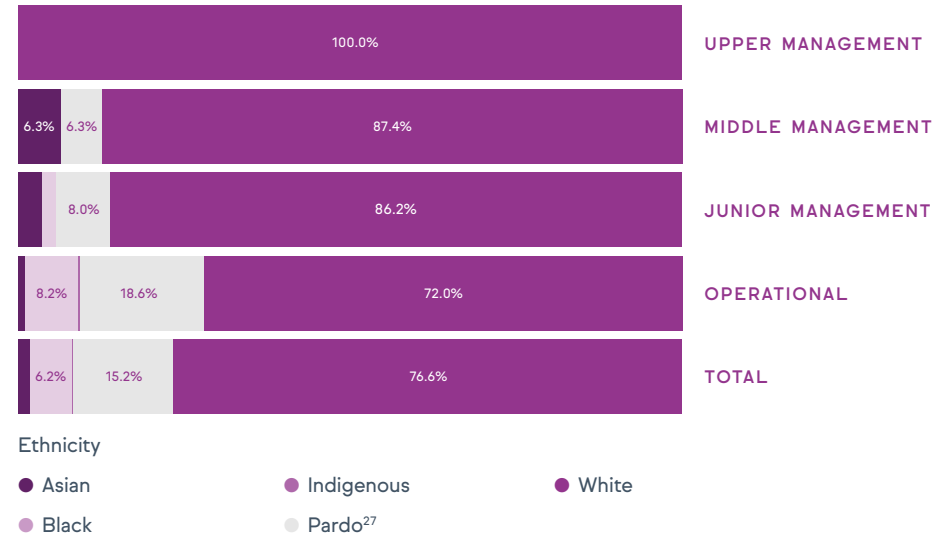


IFF welcomed a new CEO in February 2022. We are proud that he is one of the five Black CEOs in the S&P 500, and that, as a member of the Board of Directors, he has increased that body's POC representation from 15% in 2020 to 21.4% at the time of the publication of this report in June 2022. However, we know there is more opportunity to increase representation from other ethnic minority groups on our Board of Directors as well.

We also know that racial barriers are not something unique to the United States, and we have seen the impacts it can have on other countries such as Brazil. For this reason, in 2021 we are publicly reporting for the first time our representation numbers for Brazil and will continue to track these trends moving forward. Like the United States, Brazil sees the highest concentration of Black and Afro-descendent employees in our Operational employee category. It is now our responsibility to move these numbers in a progressive direction.

### 2021 ETHNIC DIVERSITY<sup>25</sup> BY EMPLOYEE CATEGORY<sup>26</sup> (BRAZIL ONLY)

(Permanent Employees)



25. Based on Brazilian government reporting

26. Executive management is reported globally in the U.S. representation numbers only

27. Pardo is a term used in Latin American countries to describe a person who is of European and African heritage and is commonly used to refer to mixed-race Brazilians, individuals with varied racial ancestries



## LESBIAN, GAY, BISEXUAL, TRANSGENDER, INTERSEX, QUEER AND QUESTIONING (LGBTIQ+) EQUALITY

Strengthening the commitment we made by signing the [U.N. Global LGBTI Standards of Conduct for Business](#) in 2019, this year we also expanded our global reach on LGBTIQ+ equality through a partnership with [Workplace Pride](#), a not for profit foundation dedicated to improving the lives of LGBTIQ+ people in workplaces worldwide. We signed the [Declaration of Amsterdam](#), a 10-point “call to action” developed by Workplace Pride that outlines the “ideal” working situation for LGBTIQ+ workplace inclusion and sets clear goals that encourage LGBTIQ+ workplace inclusion wherever organizations have activities around the world. Through the Workplace Pride global benchmarking tool, we also assessed our LGBTIQ+ policies and practices on a global level in 2021. The analysis helped us better understand the inequities in our policies and practices, identify gaps in our own standards, and establish action plans to address these gaps.

While we know we have more work to do, we are very proud of our recognition in 2021 by the Human Rights Campaign (HRC) as a Best Place to Work for LGBTQ Equality in the United States for the third consecutive year, and in Mexico for the second consecutive year, after receiving Corporate Equality Index scores of 100% for each country. Additionally, we were recognized in 2021 as a Top Employer for LGBT+ inclusion at the Bronze Award level in the [India Workplace Equality Index](#), collectively organized by the [Keshav Suri Foundation](#), [Pride Circle](#), and [Stonewall](#).

As we continue our path toward full inclusion of our LGBTIQ+ colleagues, we will seek out other country level certifications to ensure our policies and practices are both globally consistent and locally relevant.





## DISABILITY INCLUSION

Having a common definition of disability is important. As noted in the book, [\*Demystifying Disability: What to Know, What to Say, and How to Be An Ally\*](#), published in 2021 by author and disability rights activist, Emily Ladau, there are many formal definitions of disability, but they often focus on the limitations and inabilities of individuals rather than understanding the unique potential each disabled individual has to offer the world. The term ‘disability’ is ever-evolving and can mean something different to each person that identifies as having a disability. From her own perspective, Ms. Ladau states, “After years of existing in this body of mine, my definition of disability is: a state of being; a natural part of the human experience.”

At IFF, in alignment with our [Global Equality Policy](#), we are committed to becoming a fully accessible employer of choice globally for people with disabilities. This includes expanding our representation of disabled employees, our technology accessibility, and our culture of inclusive leadership. To ensure that disability inclusion remains among IFF’s business-critical priorities, our CEO continued to support [The Valuable 500](#) during 2021, a global movement and pledge to put disability on the business leadership agenda.

We are proud members of the [Disability:IN’s Inclusion Works](#) program, a coalition of 98 companies which shares customized guidance and best practices from a team of disability inclusion experts on creating an inclusive culture and a sustainable recruitment strategy. In 2021, our Global Director of DE&I served on a Disability:IN advisory panel to expand the U.S.-based Disability Equality Index globally. As part of this effort, IFF participated in a pilot program to expand the Global Disability Equality Index in Brazil, France, and China in 2021. Looking ahead to 2022, we will also participate in the official rollout of the framework to 26 countries outside of the United States.

While we are pleased to have been named for the second consecutive year as one of the 2021 Best Places to Work for Disability Inclusion by Disability:IN after again scoring 100% on the Disability Equality Index, we know we are just at the start of our journey to be to a fully accessible employer for people with disabilities. For this reason, we launched an internal Disability Inclusion Taskforce in 2021 comprised of senior leaders from across the business. The team uses Disability:IN’s Disability Equality Index as a framework to identify the gaps we must close to reach full accessibility for our colleagues with disabilities.



## Our Communities

Our Colleague Community Platform is a vital component of our Global DE&I Program to engage employees and provide valuable resources and connections. Collectively, our colleague communities have established chapters in all four regions. In 2021, we were excited to welcome many passionate heritage N&B colleagues to our colleague communities and we collaboratively used the momentum of the integration to add two new communities, **ACE@IFF** (Asian Colleagues for Equity, Empowerment, & Excellence) and **IFFers UNIDOS** (supporting our Latinx colleagues), bringing the total number of global colleague communities to eight.

A bedrock of our Colleague Communities Platform is the fact that each community is open to all employees – for those who identify with the groups' areas of focus or for those who are allies. To ensure that all communities have a voice at the highest levels of our organization, each community is sponsored by an Executive Committee Member. The objectives and executive sponsors for each community are as follows:

- **Women@IFF**, established 2010: To create an inclusive space where women can advance their skills and leadership potential through connection, mentorship, collaboration, and discussion. Our Executive Vice President (EVP), General Counsel, serves as executive sponsor.
- **PRISMA**, established 2019: To lead the way in sustaining a culture that welcomes our LGBTIQ+ colleagues in bringing their authentic selves to work and celebrating Pride around the world, while ensuring IFF remains an inclusive workplace for all colleagues. Our President of the Nourish division serves as executive sponsor.

- **SERVE@IFF** (Supporting Emergency Responders and Veterans Engagement), established 2019: To provide a supportive setting for employees who serve or have served their communities in selfless and at times dangerous situations. Our EVP, Chief Financial Officer, serves as executive sponsor.
- **BE@IFF**: (Black Excellence), established 2020: To advocate for and support an inclusive and equitable environment for all Black employees across the globe at IFF. Our President of the Scent division serves as executive sponsor.
- **AccessAbilities@IFF**, established 2020: To provide a community for colleagues who care about disability, learning differences, special needs, or neurodiversity, whether for themselves or a child, relative or friend. Our President of the Health & Biosciences division serves as executive sponsor.
- **NextGen@IFF**, established 2020: To promote the next generation of IFF leaders. Our EVP, Chief Information Officer, serves as executive sponsor.
- **ACE@IFF** (Asian Colleagues for Equity, Empowerment, & Excellence), established 2021: Promotes an inclusive and empowered environment for colleagues of Asian heritage and their allies. Our EVP, Chief Research & Development, Global Integrated Solutions & Sustainability Officer serves as executive sponsor.
- **IFFers UNIDOS** (serving our Latinx community), established 2021: Aims to make IFF stronger through better representation, advancement, and inclusion of Latinx colleagues and their allies. Our President of the Pharma Solutions division serves as executive sponsor.



## COLLEAGUE COMMUNITY 2021 HIGHLIGHTS

We are proud of the many advancements our colleague communities made during 2021. Together, they worked diligently to make IFF a more inclusive and welcoming environment where uniqueness is both acknowledged and celebrated. Even in the height of the ongoing global pandemic, our communities utilized the virtual nature of the new way of doing business to reach more employees than ever before.

To advance the overall platform and strengthen the relationship between Executive Sponsors and Colleague Community leadership teams, we created a new Executive Sponsorship Guide, which better defines the role of Executive Sponsor and serves as a helpful resource to steer colleague communities toward successful engagements. Additional highlights of 2021 activities include:

- **Women@IFF** celebrated International Women's Day with 20+ hours of virtual programs across time zones with a focus on inclusion and intersectionality with other colleague communities.
- **Prisma** celebrated Pride globally during June 2021, built a partnership with [Workplace Pride](#), and supported IFF in being recognized by the Human Rights Campaign as a Best Place to Work for LGBTQ Equality in the United States, Mexico, and India.
- **SERVE@IFF** continued to provide a venue in which IFF's veterans and emergency responders (or those wishing to support those groups) could communicate with each other for support and information. The group also developed tools to help hiring managers understand veteran experiences.
- **BE@IFF** in North America launched the BEnlightened and BExConnected internal communication series, celebrated Juneteenth and Black History Month, participated in a back-to-school drive, and created a BE@IFF Cookbook and Black-owned Business Guide. In Brazil, the team also launched a Racial Diversity & Inclusion Intern Program and an English language course.
- **AccessAbilities@IFF** celebrated International Day of Persons with Disabilities with events focused on demystifying disability, disability inclusion, and creating safe spaces for colleagues with disabilities.
- **NextGen@IFF** built out the Global Core Team and hosted a panel discussion for young employees on life transitions, mentorship, and personal development.
- **ACE@IFF** hosted a panel discussion to celebrate Asian American and Pacific Islander Heritage (AAPI) Heritage Month focusing on the 'bamboo ceiling' (a term coined in 2005 by Jane Hyun to address the complex barriers faced by many Asians advancing in the workplace), sponsored ACE lunches, and participated in a 5K run to support refugees.
- **IFFers UNIDOS:** Celebrated Hispanic Heritage Month and hosted an interview on Latinas in Leadership with Chief Human Resources Officer and Head of Group HR for Clariant.



## Colleague Engagement & Education

In 2021, we evolved our DE&I education initiative into a full-fledged DE&I Academy within IFF University. Leveraging IFF’s Inclusion Competency Model, we took the following actions to encourage all colleagues to be inclusive of everyone:

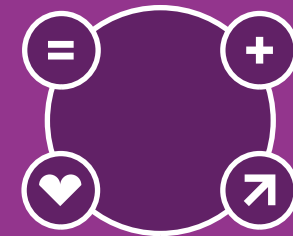
- In IFF’s [Code of Conduct](#), which was updated in 2021, we included a new section on “Being an Inclusive Colleague” that highlights the four inclusion competencies, codifying them as expectations of all employees.
- We refreshed our “Purposefully Unbiased in the Workplace” online educational experience to better support our colleagues in championing the “Purposefully Unbiased” inclusion competency and to challenge their unconscious bias. As of the end of 2021, more than 2,500 employees have completed the course.
- We launched an online educational experience to support the other three inclusion competencies (Actively Inclusive, Multicultural Agility, and Committed to Diversity). As of the end of 2021, approximately 750 colleagues had completed at least one of these three new courses.

- We hosted our first Global Inclusion Week, consisting of five days of global and regional events. More than 2,200 employees participated in 28 programs offered, racking up more than 5,400 hours of collective learning hours during the week.
- We continued to encourage all colleagues to add an Inclusion Competency to their annual Professional Development Plan. As of the end of 2021, 15% of the global employee population had added at least one competency to their goals.
- Looking ahead, throughout 2022, we will be rolling out a series of courses to educate our People Managers on how to create a holistic inclusive talent management process.

## IFF Inclusion Competency Model

PURPOSEFULLY UNBIASED

ACTIVELY INCLUSIVE



COMMITTED TO DIVERSITY

MULTICULTURAL AGILITY

- **Purposefully Unbiased:**  
Develop a conscious knowledge of your personal biases, work to address them, and actively foster an equal and equitable workplace.
- **Actively Inclusive:**  
Advocate for and consistently act to support a culture that values and nurtures each colleague’s uniqueness.
- **Committed to Diversity:**  
Demonstrate active engagement to support IFF’s business objective of inclusive diversity by ensuring all levels of our organization reflect the markets we serve
- **Multicultural Agility:**  
Proactively seek to understand how others experience the world and adapt your behavior to collaborate effectively in a multiculturally diverse workplace.



# ENVIRONMENT, HEALTH & SAFETY

Another important way we support Equity & Wellbeing across IFF is our commitment to zero injuries, zero incidents, and 100% compliance, as nothing is more important than the health and safety of our people and the communities where we operate. Ensuring that our working environments are safe is an important part of everyone's job at IFF.

In 2021, we published and communicated our new [Global Environment, Health & Safety Policy](#) for the combined company, which demonstrates our commitment to maintaining a safe work environment for our employees, business partners, contractors, consultants, and temporary employees or secondees. In support of this Policy, we provide leadership guidance and resources, including our comprehensive Environment, Health & Safety (EHS) management system, which covers all employees and contractors for activities at sites globally. Employees, contractors, and visitors are expected and encouraged to uphold all IFF's policies, report any incidents, and suggest opportunities that will improve the safety of work sites. Our approach for reporting EHS incidents and the criteria we use for corporate tracking is based on U.S. Occupational Safety and Health Administration (OSHA) standards. In addition to complying with all local regulations, our pursuit of excellence and best practice guidelines drive us to go beyond regulations to keep our people and facilities safe and environmentally friendly.

For incident tracking, we used reporting systems from both legacy organizations during the year, and the information was manually combined to report safety performance for the combined company. Local teams report safety performance to the corporate global EHS team, who reviews all incidents and works with local teams to support investigations and resolve issues as appropriate, including identifying corrective actions and safety improvement plans. Based on metrics and insights from safety

reporting, the EHS team identified key trends and training priorities, as well as competency expertise needed for continuous improvement. For example, we realized reporting was done differently in both heritage organizations and it was important to align our policies, definitions, and procedures to have a globally consistent system. We are pleased to report that we are implementing a world-class software solution to harmonize and strengthen our reporting and investigation, which will allow our leaders to see data on a timely basis and clearly identify trends to proactively prevent future incidents.

As the COVID-19 pandemic continued in 2021, we continued to focus on protecting our employees and supporting our customers. For more information on how IFF managed COVID-19 related workforce safety, please see [page 90](#).





## Strategy & Approach

In alignment with the Do More Good Plan, IFF is committed to continuously improving our safety program by striving for an incident-free workplace and achieving world-class safety performance. Toward this end, we uphold a set of policies, protocols, and programs in three key areas: governance, training, and culture.

### GOVERNANCE

IFF's safety ambitions are directly related to the strength of the governance and organizational structures we have in place that will position us for success. In line with best practices, we work to equally engage senior managers, middle managers, first line supervisors, and safety professionals in attaining EHS excellence, according to clearly defined and executed roles, responsibilities, and activities. Specifically, within each of IFF's divisions and globally, the following roles are responsible for maximizing our performance, including:

- Senior managers / leaders: individuals at the top of line management, e.g., Vice Presidents (VPs) and Directors of Operations
- Middle managers: those who oversee the functions of employees who are at risk, e.g., Site Managers

- First line supervisors: those who direct the activities of at-risk personnel
- EHS professionals: those who support line management with their subject matter expertise

In short, senior managers and leaders create our vision for safety excellence (including establishing the culture for safety), while middle managers facilitate the execution of this vision, and first line supervisors execute it. EHS professionals at all levels of our organization support and enhance this process by providing subject matter expertise, policies, tools, and training to enable line management to achieve our collective vision of world class safety performance.

### LINE MANAGEMENT ACCOUNTABILITY

Ultimately, the Executive Vice Presidents (EVP) of each function at IFF are accountable for the safety of their employees. For example, as our manufacturing facilities are a key focus area for employee safety and environmental compliance, our EVP of Operations is accountable for all Operations employees (approximately 16,000 in the combined company) and facilities. In turn, the VPs of each manufacturing division are accountable

for the safety of the employees in their area, as well as compliance to applicable environmental and safety regulations. Site managers and first line supervisors are responsible for implementing safety procedures at their locations, and they are held accountable for their work group performance and actions; meeting safety objectives; and the correction of any safety- or environmental-related incidents that may occur. They also lead key aspects of safety rituals like communicating expectations, incident investigations, conducting audits, and assessing workers compliance. Finally, all employees are responsible for following the procedures and direction from their first line supervisor.

To ensure all employees are following IFF's rigorous standards, meeting corporate requirements, and culturally acting in a safe manner, the local teams conduct proactive safety observations, near miss reporting, and self-assessments (or first party audits). Various external site audits are also conducted during the year to provide additional support and verification of our processes.



## RESPONSIBILITIES OF EHS PROFESSIONALS

The global corporate EHS team, who reports to the Vice President, Global Sustainability & EHS, is made up of members of an EHS Center of Excellence (EHS CoE) and a team of divisional / regional EHS & Sustainability (EHS&S) leaders. This new structure was established in 2021 to further support our vision of achieving an incident-free workplace where we Commit to Zero: zero injuries, zero incidents and 100% compliance.

Among other areas of expertise, the EHS CoE supports the business through the sharing of expertise in workplace safety and industrial hygiene, environmental stewardship and remediation, process safety management and fire safety. The team is responsible for EHS systems, training, and improvement, as well as auditing and compliance.

EHS&S leaders for each of IFF's business divisions and regions help implement and customize EHS CoE policies at facilities around the world based on local needs. They deploy consistent global policies, procedures, and systems to support IFF's line managers, EHS and Operations professionals and employees. EHS&S leaders are also responsible for the sharing of best practices and support global harmonization of programs across all divisions and regions.

Together, the CoE and EHS&S leaders are responsible for the deployment of consistent global policies, procedures, and systems to support our line managers, employees, and operations. The EHS professionals at each facility are guided by the EHS&S divisional / regional leaders to provide onsite support to line managers throughout the world.

## TRAINING

EHS training for employees is managed at the site level, with each facility customizing safety and environmental programs based on both local requirements and global policies. Mandatory training is held for EHS managers and teams. The topics are based on key safety priorities and reflect EHS best practices and regulatory requirements.

Training is conducted monthly on specific EHS topics driven by the EHS CoE and divisional / regional leaders. For example, in 2021, we integrated two policies from the legacy organizations into a new internal Global Incident Management Policy for the combined company with the objective of establishing a uniform method of reporting and classifying incidents, conducting investigations, and managing work-related incidents. Aligning with the expectations of the Policy will ensure that incidents are consistently reported and documented in accordance with IFF and

local regulatory requirements, root causes of incidents are determined, and corrective actions are developed and tracked to completion. While site line management and EHS professionals are jointly responsible for incident management, it is important that all IFF employees and contractors be familiar with related key concepts, including when to report incidents. Toward this end, we established new tools and prepared training materials to support our teams in this process. As a next step in 2022, we will launch a mandatory online Global Incident Management Policy overview training through IFF's integrated learning solutions platform.

In parallel, we launched a new online incident investigation tool in 2021 to determine the root causes of an incident within a systematic process, and we will continue working toward full implementation. We also established a series of demonstrations and virtual training sessions for approximately 50 EHS line managers on the new investigation tool to support IFF personnel worldwide with the knowledge and expertise they need to fully utilize it. Once trained, the system guides investigators to identify fixable root causes of human errors and equipment failures that may cause incidents related to safety, quality, and reliability, among others. Further use of the method will assist IFF sites in developing effective corrective actions to prevent recurrence of incidents.



## CULTURE

Instilling a strong and proactive safety culture characterized by awareness and communication is vital to improving our performance over time.

During the second quarter of 2021, the global EHS team joined other teams within the IFF Operations organization to launch the Integrated Operations Core Principles campaign, which emphasizes the four important ways we continuously “Find a Better Way for Our Customers” in the areas of safety, quality, sustainability, and integrity. This internal campaign helped to establish a consistent message across IFF’s expanded operational footprint while driving increased awareness about stakeholder expectations for a standard of excellence in these four areas. (For more information, see [page 132](#)).



With the Operations Core Principles as a foundation, we worked to define, measure, evaluate, and strengthen safety culture as part of our integration work. For example, the global EHS team launched and implemented the Safety Focus Program in 2021 to assist sites with improving their safety performance. The Program provides support and assistance to sites through a collaborative approach and consists of two parts, a Site Buddy initiative and “Fresh Eyes” visits.

- **Site Buddy:** An opportunity to assist the identified safety-focused site on their safety improvement journey by connecting the site managers and local teams with a line manager and EHS professional from a nearby site that has a mature, well-developed safety culture. By establishing this safety sharing relationship, the program provides the maturing site with an experienced “Safety Buddy” contact for mentorship, questions, and discussion, as well as an outlet to share incidents, best practices, and expertise.
- **Fresh Eyes:** A visit to an identified safety-focused site by its designated Site Buddy and a global EHS team leader to discuss safety culture. Visits consist of collaborative discussions, site tours to identify strengths and areas of opportunity, and an assessment of the site’s safety culture, after which actions are identified for improvement.



## EHS Performance

IFF’s safety performance has continued to improve over time as we have expanded critical safety best practices across all sites globally. Line management continuously works with the global EHS team to assess safety metrics and identify synergies, gaps, and opportunities to further strengthen our safety performance in all locations. In 2021, the legacy IFF Total Recordable Incident Rate (TRIR) was 0.79 (a 17% decrease from 2020) and the Lost Time Incident Rate (LTIR) was 0.36 (a decrease of 18% from 2020). As of 2021, a new baseline was created for the combined company. As such, this will be the last year we are reporting performance against legacy IFF.

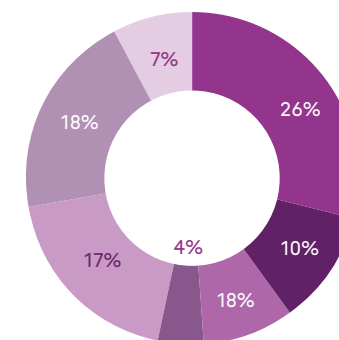
Following the merger with N&B, a key area of focus for the year was to also understand the safety performance for the combined company. Through data analysis (i.e., incident trends, internal and external audit results, site risk evaluations, and management systems performance), benchmarking, and re-baselining activities, we better understood our strengths, gaps, and opportunities. We created a set of safety KPIs from the “best of both” organizations that allowed us to track safety performance monthly. As integration progressed during the year – including the establishment of the new organizational structure and EHS strategy – our internal

tracking systems noted a positive monthly incident trend beginning in September 2021. Our combined company 2021 TRIR and LTIR for the year was 0.63 and 0.24, respectively. Achieving these results during the challenges of the integration and an ongoing pandemic speaks to the remarkable strategic steps taken by many teams across the organization to strengthen IFF’s safety culture and drive progress toward our vision of becoming a world-class safety leader.

We also expanded our focus on process safety during 2021, integrating American Petroleum Institute (API) Recommended Practice 754 (Process Safety Performance Indicators for the Refining and Petrochemical Industries) into the previously described Global Incident Management Policy for the combined company. We also included usage of improved root cause failure analysis on Tier 1 and Tier 2 incidents via the online incident investigation tool. Sharing and learning from these incidents will be enhanced using common tools and strengthened networks which were designed in 2021 and are currently being implemented. Moving forward, we will develop a unified Process Safety Management Program to manage these risks for the combined company, including standardized tools and risk reduction methods.

To keep continuously improving our program, in 2022, we will work to include employee training on incident management; launch the incident management tracking system; update and integrate additional core internal EHS policies; and continue to embed the new IFF safety culture across the combined company in a consistent and cohesive way. The next several years will represent an important transition period during which we will continue to focus on strengthening the three critical areas of safety governance, training, and culture toward our vision of being a world-class leader in safety and environmental stewardship.

### 2021 LOST TIME INCIDENTS (COMBINED COMPANY)

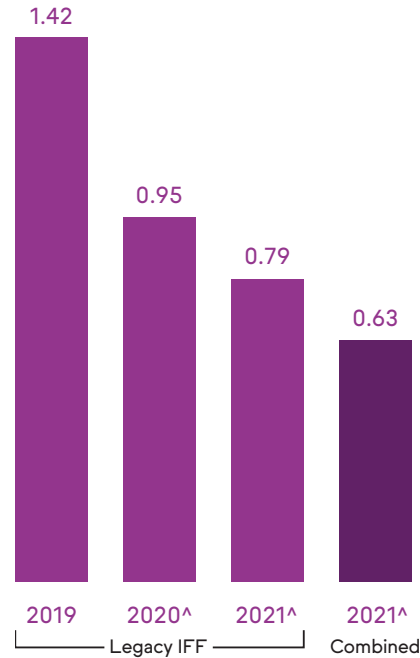


- Incident Source
- Trips/Falls
  - Struck by Objects / Impact / Contact
  - Chemical Exposure
  - Strains/Sprains
  - Cuts
  - Burns
  - Other



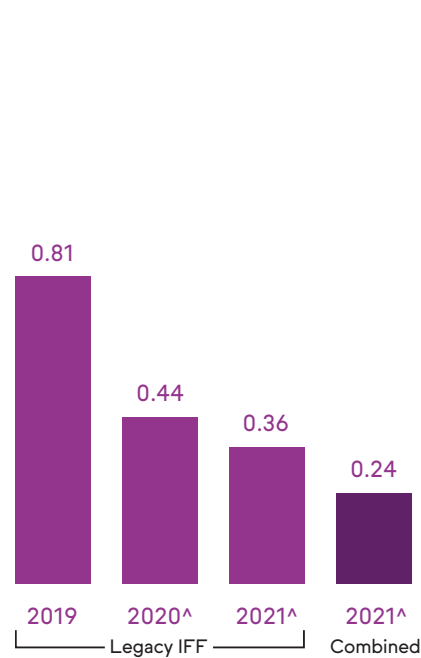
### ANNUAL TOTAL RECORDABLE INCIDENT RATE\*

Per 100 employees and supervised contractors



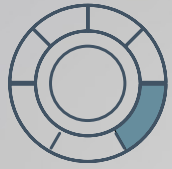
### ANNUAL LOST TIME INCIDENT RATE\*

Per 100 employees and supervised contractors



\* IFF calculates TRIR and LTIR by estimating hours worked based on average Global HR headcount figures and an assumption of a 40-hour work week, 50 weeks worked per year. Rates are presented per 200,000 hours worked. An injury or illness is classified as a Lost Time Injury (LTI) when the employee is unable to work for one or more days after the injury. For better local alignment with OSHA, differences in the prescription of medical leave are considered. The determination is decided by the medical lead or nurse, in collaboration with the regional safety lead.

<sup>^</sup> COVID-19 cases (as defined by OSHA) were tracked and evaluated for work-relatedness separately according to OSHA guidelines and/or country requirements. All COVID-19 cases were determined to not be work-related.



# TRANSPARENCY & ACCOUNTABILITY

At IFF, we are proud of what our Company stands for, the relationships we have established and the trust we have built with our stakeholders. We will never stop adhering to the highest ethical standards, committing to transparency in all that we do, and holding our leaders accountable. To maintain our stakeholder relationships and our strong reputation, we have a robust corporate governance program to ensure compliance with our Code of Conduct, related Company policies, and all applicable laws and regulations, as outlined in our governance documents and charters.

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WE STRIVE  
TO ALWAYS  
DELIVER  
ON OUR  
PROMISES.

WE OPENLY  
DISCLOSE OUR  
PROGRESS AND  
HOLD OURSELVES  
ACCOUNTABLE  
TO CONTINUOUS  
IMPROVEMENT.

# STRATEGY & APPROACH

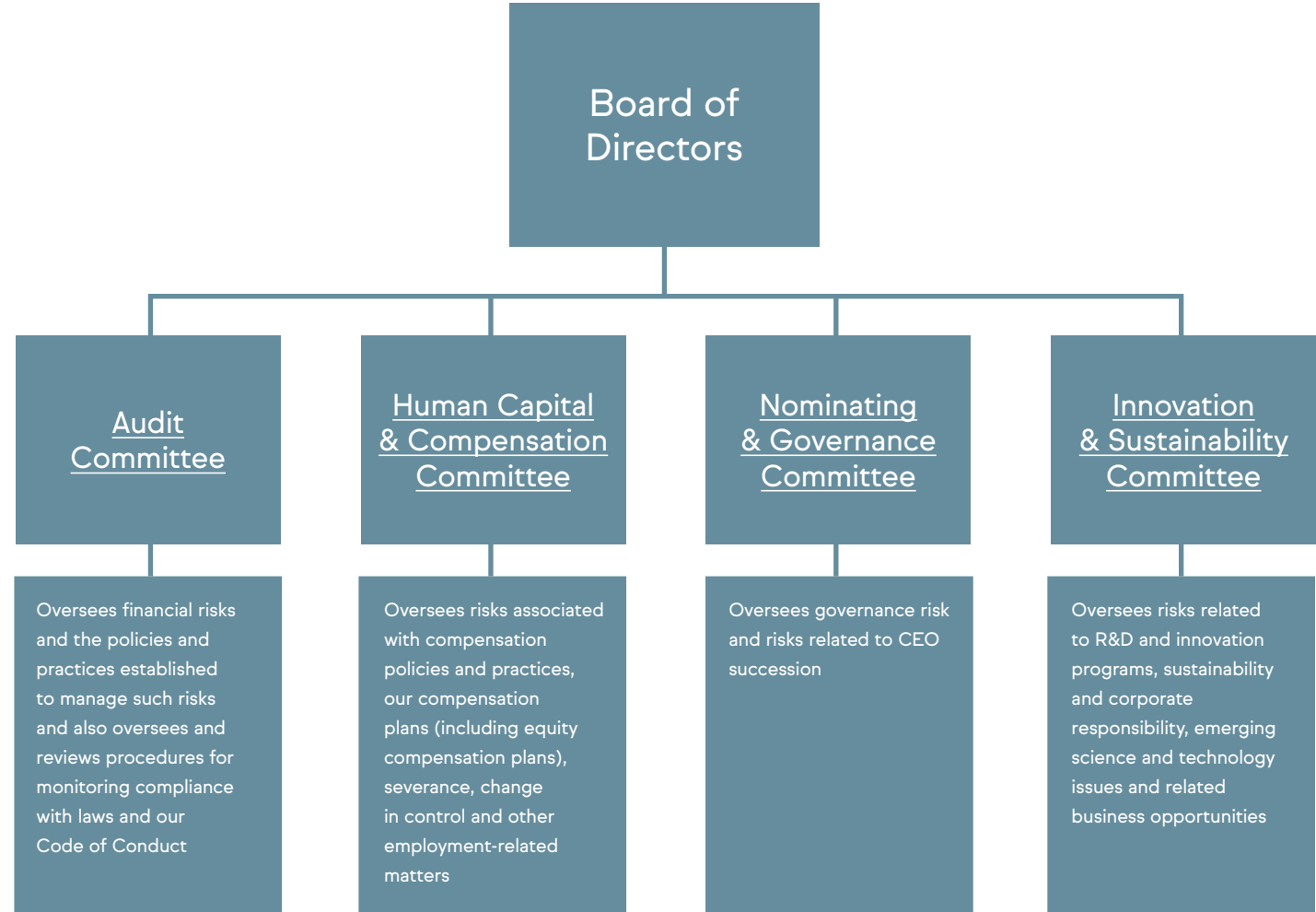
Our commitment to good corporate governance begins with our [Board of Directors](#) (“Board”), which represents the interests of the Company’s shareholders and is responsible for overseeing the management of the Company. In fulfilling this obligation, the Board regularly monitors the development and execution of management’s strategies and the effectiveness of its policies and decisions, including the identification and evaluation of its strengths, weaknesses, opportunities, and risks. Our independent Board provides the highest level of oversight for our organization and includes four committees: Audit; Human Capital & Compensation; Nominating & Governance; and Innovation & Sustainability.

Our [Executive Committee](#) (EC) is chaired by IFF’s CEO and is comprised of IFF’s most senior leaders, who represent some of the most seasoned executives in the food, fragrance, health, and biosciences industries. The EC addresses strategic, operational, and financial matters and is the highest approval body before the Board.



### KEY HIGHLIGHTS

- Achieved a 99.7% Code of Conduct acknowledgment completion rate following an extensive training and certification campaign for the combined company
- Refreshed and formalized a series of internal Information Security policies and conducted a company-wide Awareness & Training Program to help employees recognize potential threats
- Launched the Integrated Operations Core Principles employee engagement campaign to emphasize the importance of safety, quality, sustainability, and integrity



For more information about our governance structure, please refer to the [Governance page](#) on our website, our [Proxy Statement and Notice of 2022 Annual Meeting of Shareholders](#), and our [Corporate Governance Guidelines](#).





# DO MORE GOOD PLAN: TRANSPARENCY & ACCOUNTABILITY GOALS

IFF's ESG+ strategy and roadmap, the Do More Good Plan, is underscored by our unwavering commitments to transparency, accountability and upholding the highest ethical standards in our dealings with each other and our business partners. To proactively respond to stakeholder expectations and manage risk across our entire organization, we have identified three high-level 2030 governance goals, which are accompanied by internal key performance indicators (KPIs) that support continuous improvement and allow us to track our progress over time:

- **Increase transparency of annual disclosures and KPIs in line with stakeholder expectations**
- **Launch ESG metrics tied to executive compensation**
- **Expand oversight for ESG governance at the Board of Directors level**



## ESG Governance

Sustainability and ESG topics are governed at the highest level of IFF by the Board. For example, IFF's [Innovation & Sustainability Committee](#) is responsible for assisting the Board in overseeing the Company's overall strategic direction as related to new innovative business concepts, potential integrated solutions, sustainability, and R&D. Specifically, among other responsibilities, the Committee assesses new opportunities that would support the Company's sustainability and corporate responsibility targets and goals, including those related to environmental stewardship, operational eco-efficiency, climate and water risk strategy, and risks associated with responsible sourcing. The Committee also reviews and discusses the management of the Company's environmental performance, including progress toward targets, programs, policies, and disclosure related to climate change.

All EC members – including our CEO; Chief Research & Development, Global Integrated Solutions and Sustainability Officer; and Interim Chief Human Resources and Diversity, Equity & Inclusion Officer – are responsible for managing the Company's impacts on the economy, environment, and people and they provide regular updates to the Board describing these impacts. They also integrate

ESG considerations into IFF's operations, management approaches, policies, strategic direction, and innovation pipeline to deliver sustainable and equitable solutions that meet the needs of IFF's internal and external stakeholders while driving sales growth.

Together, IFF's Board, the EC, and the EC's leadership teams, including our Vice President, Global Sustainability & EHS, provide oversight for the execution of our global ESG+ strategy, the Do More Good Plan, including the activities, targets, and related action plans that are operationalized within IFF's divisions and functions. To measure our progress while holding ourselves accountable in meaningful and measurable ways, we have annual ESG-related performance targets for EC members, which are cascaded throughout the organization and linked to performance and compensation. Some management roles with specific ESG-related responsibilities have compensation more directly tied to progress against ESG targets. In 2021, we announced our 2030 Do More Good Plan goals to launch ESG metrics tied to executive compensation and expand oversight for ESG at the Board of Directors level.

IFF has issued an annual, standards-adherent sustainability report since our first reporting

year in 2010. The CEO, who also serves on the Board of Directors, is responsible for reviewing and approving our ESG+ Report, including our material topics, and the EC also reviews and approves this report prior to its publication.



# ETHICS & TRANSPARENCY

To establish a common approach to upholding the highest standards of honesty and integrity, and in compliance with all applicable laws and regulations, in 2021, we focused on the integration and harmonization of a refreshed compliance program. This included a harmonized Code of Conduct and relevant policies, and global communications about Ethics & Compliance topics and enterprise training sessions for senior leaders and all employees.

As a first step, to set the ethical tone for our organization and serve as a compass outlining the general workplace standards and policies, we refreshed our [Code of Conduct](#) (“Code”) as of February 1, 2021. Available in 25 languages on the IFF [Policy Center](#), the Code not only summarizes our policies on important topics such as anti-bribery and corruption, workplace safety, protecting confidential information, and diversity, equity & inclusion, but also includes scenarios about ethical dilemmas that employees may encounter throughout their careers. The values, expectations, and practical guidance found within the Code form the basis of how we expect IFF employees to conduct themselves.

All IFF employees, including our Executive Committee, temporary employees, and contractors are responsible for reviewing, understanding, and complying with the Code and IFF’s policies and procedures. Employees receive annual awareness training on the Code (via a mix of in-person sessions, online courses, and webinars) and other internal communications, such as intranet articles, corporate email alerts and town hall meetings. This mandatory Code training campaign requires each employee to acknowledge receipt of, and adherence to, the Code. During

2021, as part of our integration process, we launched an extensive Code training and certification campaign for the combined company. Through multiple global and local touchpoints, including companywide email reminders and onsite meetings, we are proud to report that we achieved a 99.7% training and acknowledgment completion rate among all employees. In addition to the Code, all directors are required to comply with the [Code of Conduct for Directors](#) (amended as of January 2021) and all officers are required to comply with the [Code of Conduct for Executive Officers](#) (amended as of January 2022).

Through similar online and live training methods and internal communications channels, we seek to ensure that employees understand other important compliance topics, including anti-corruption, workplace harassment, reporting concerns, information security, political contributions, international business transactions, and use of company assets. In 2021, we updated and translated into other languages several internal compliance policies available to employees on our intranet, including our Conflict of Interest Policy, Insider Trading Policy, and Confidential Information & Trade Secrets Policy. We also refreshed our [Anti-Bribery Policy](#), which prohibits the giving of anything of value to a government official or any other person to influence that person’s decisions to help the Company obtain or retain business or gain an unfair advantage. In an accompanying campaign, we launched a reminder on appropriate gift giving and receiving around the holidays in December 2021.



## IFF SpeakUp Hotline

An effective compliance program relies on IFF being alerted to potential violations of the Code and the law, or any other issues that might compromise the health and wellbeing of our employees or the reputation of IFF.

Anyone (internal or external to IFF, including community members) who has knowledge of potential misconduct, unethical activity or violations of the Code, IFF policies, procedures and/or applicable laws and regulations – or anyone who has knowledge of attempts to conceal such activity – must promptly “SpeakUp” using one of the following channels, as described in our [“SpeakUp: Reporting Concerns & Non-Retaliation Policy:”](#)

- **In-person** to a manager/supervisor or a member of IFF’s Human Resources, Legal or Ethics & Compliance teams
- **Email** to IFF’s Global Ethics & Compliance team at [compliance@iff.com](mailto:compliance@iff.com)
- **Online** using the [iff.com/speakup](http://iff.com/speakup) web-based reporting tool, which is hosted by a third-party service provider and available to employees and business partners worldwide

- **Phone/hotline** using the telephone numbers listed at [iff.com/speakup](http://iff.com/speakup), which permit calls in more than 25 languages, 24 hours a day, 365 days a year

When making a report online, individuals will have the option to request anonymity if allowed under local law. IFF strictly forbids reprisal, retaliation, or subsequent discrimination against any person who in good faith raises a concern or reports possible misconduct.

A challenge we addressed during the year was to ensure awareness of all SpeakUp channels and the case management system among new employees from heritage N&B sites. We undertook a concerted effort to communicate widely and consistently to all employees and sites about how to reach the Compliance Office and how to use available SpeakUp resources. This included leveraging the intranet to outline compliance expectations, as well as targeted communication campaigns, distribution of hotline posters at sites, and trainings on report investigation for local HR and Legal teams.

IFF takes all reports of potential violations or misconduct seriously and is committed to reviewing and investigating them. Violations of the Code, IFF policies and all applicable laws and regulations – and attempts to conceal violations – may result in disciplinary action up to and including termination of employment. In 2021, 208 reports of potential violations of the Code of Conduct were reported, of which 49 were substantiated or partially substantiated. Please note that some substantiated or partially substantiated cases may have been initiated in a prior year. Reports may relate to (amongst other issue types) employee relations issues, the potential misuse of corporate assets and conflicts of interest.



## Political Contributions

IFF encourages all our employees to be involved in their communities and to be politically and socially active citizens. All political activity on behalf of IFF, including all lobbying activities, must receive prior clearance from Ethics & Compliance or Legal.

As outlined in our internal Political Contributions Policy (refreshed as of February 1, 2021), IFF strictly prohibits direct or indirect contributions by the Company to any political campaign or political organization, as well as the reimbursement of any such contribution made by an employee. IFF does not permit the use of employees' working time or other company resources or assets for these purposes nor does IFF permit employees to post or distribute materials on IFF property or to solicit other employees while working.

Our internal Political Contributions Policy does not prohibit IFF from becoming a member of a trade association that may, at times, make political contributions on its own accord, but these contributions must not be made on IFF's behalf. We participate in industry and customer trade associations that coordinate advocacy and communications on public policy issues related to our business. We work through both

industry trade associations and through our customers' trade associations. There are no significant differences between our industry lobbying efforts and stated policies and IFF's goals or public positions. (For more information on our memberships and associations, see [page 138](#)).



## Managing Challenges

IFF has a fragrance ingredients manufacturing site in Jacksonville, Florida, U.S. Historically and prior to October 2020, IFF received complaints about our facility in Jacksonville from very few residents, which were addressed promptly. So, in October 2020 when an increase in odor complaints to the City of Jacksonville began, IFF investigated each complaint and started working with the City of Jacksonville and the Florida Department of Environmental Protection to help identify the source of the odors.

We engaged environmental experts to conduct a scientific review and full evaluation of the odor complaints and IFF's facilities. In December 2020 and October 2021, the City of Jacksonville issued citations to IFF. As part of our response to the City, we shared the results of the environmental expert study that had been conducted, which concluded that IFF is not likely the source of the odor complaints at issue. We also shared the results with residents during a town hall meeting and community discussion, which was also attended by state and local officials.

In March 2021, IFF<sup>28</sup> accepted service of a Federal Court complaint brought by residents of Jacksonville, Florida, alleging public and private nuisance and negligence, and claiming

our Jacksonville plant emitted noxious odors. On May 18, 2021, we<sup>28</sup> filed a motion to dismiss all claims of the lawsuit. On July 15, 2021, the Federal Court dismissed the lawsuit for lack of jurisdiction. In January 2022, we learned that the same plaintiffs filed a near-identical lawsuit in Florida state court, naming only IFF Chemical Holdings, Inc. as a defendant. We accepted service of the complaint in March 2022.

IFF continues to work together with the City of Jacksonville to find solutions to minimize any odor from our facility. As the investigation continues, we remain committed to ensuring our environmental, health and safety practices are best-in-class, in compliance with all laws, and that we are operating with integrity as an employer, community member, and good neighbor. As part of our stakeholder engagement process with Jacksonville residents, we have created the following website to provide informational resources and to welcome the submission of feedback and inquiries: <https://iffjaxcommunity.com/>.

28. The Complaint originally named two defendants: (1) International Flavors & Fragrances Inc. and (2) IFF Chemical Holdings, Inc. The Plaintiffs then agreed to voluntarily dismiss International Flavors & Fragrances Inc. from the lawsuit. Then, because it was the lone defendant, IFF Chemical Holdings, Inc. filed the motion to dismiss.



# RISK MANAGEMENT

Through a robust risk oversight structure characterized by a division of responsibility, we believe we have established the most effective approach for addressing risk management at IFF that allows for open communication between the Board, its committees, and management.

Our Board is actively involved in the oversight of risks that could affect our Company and is responsible for overseeing and reviewing with management the Company's enterprise-wide risks and the policies and practices established to manage such risks. The Board receives regular updates and reports from management on the Company's risk during its committee meetings and at the full Board meetings. Each of the Audit, Human Capital & Compensation, Nominating & Governance, and Innovation & Sustainability Committees are responsible for the oversight of risks relevant to its function and regularly reports to the Board. Specifically, the Board and its committees focus on operational risk, financial risk, regulatory risk, litigation risk, cybersecurity and information security risk, tax risk, credit risk, liquidity risk, human capital risk, sustainability risk,

compliance risk, as well as our general risk management strategy, and how these risks are being managed.

Our enterprise risk management (ERM) program is designed to identify and assess our global risks and to develop steps to mitigate and manage risks. As part of our risk management practices, IFF has established a management risk committee chaired by the CFO and General Counsel and made up of key members of the Company's management to integrate global risk activities (including cybersecurity, compliance, business, human resources, and crisis management) and to ensure appropriate prioritization of resources and alignment across the Company.

For more information, please refer to the Risk Management Oversight section of our [Proxy Statement and Notice of 2022 Annual Meeting of Shareholders](#) for more information.



## Crisis Management

Like any global company, IFF faces unexpected events that can disrupt our operations. To combat this risk, we have a comprehensive internal Global Crisis Management Plan that outlines preparation for and responses to emergency situations that may imperil the safety of our employees, customers, facilities, operations, or reputation. In 2021, we harmonized our Global Crisis Management Plan into one updated version reflective of the combined company by reviewing and integrating the approaches of both heritage N&B and legacy IFF.

We have Crisis Management teams in place to ensure that situations are handled quickly and effectively by subject matter experts trained on IFF's Global Crisis Management Plan. Membership on these teams is verified and updated on a regular basis, and all new team members are required to complete training on the Global Crisis Management Plan. For example, in 2021, with so many new sites, employees, and roles, we refreshed the membership of all teams to ensure proper representation and expertise. We currently have more than 400 members on the company-wide Crisis Management team, including the global team (comprised of Executive Committee members and select functional leads); regional teams (each led by a Chief

Crisis Officer and comprised of representatives of each function); and local teams (led by the country manager and site leaders). We rolled out the new integrated Crisis Management Plan to all team members and created a global training to ensure each member has the knowledge and contact information they need to effectively manage a crisis.

Depending on the crisis or situation, task forces or sub-teams may be set up to effectively manage and communicate IFF's response strategy. In 2021, amidst the ongoing COVID-19 pandemic, the COVID-19 Crisis Task Force that had originally been set up in 2020 (comprising global, regional, and local crisis teams) continued to meet on a regular basis to ensure full organizational alignment and to liaise directly with our Executive Committee, who were involved in all critical decision-making regarding response strategies. (For more information on the work of the COVID-19 Crisis Task for during 2021, see [page 90](#)).





## Information Security

At IFF, defending our organization against today's increasing and persistent cyber threats is of utmost importance. Our Chief Information Officer (CIO) is responsible for delivering on the Company's global information technology (IT) strategy and the digital technology transformation program, as well as overseeing infrastructure, data, application delivery, and end user services. Information Security (InfoSec) is led by the Chief Information Security Officer (CISO) and governed by the InfoSec Steering Committee (comprised of representatives from all business units and corporate functions), including the InfoSec Governance Review Board (comprised of the IT leadership team). InfoSec's mission is to design, implement, and maintain a program that protects the confidentiality, integrity, and availability of IFF. The CIO and CISO provide regular updates on IT and information security initiatives to the Board, including the Audit Committee.

In 2021, as part of the integration following IFF's merger with N&B, we continued to enhance our InfoSec Program by refreshing our internal policies for the combined company, all of which are available for users on IFF's intranet. InfoSec policies establish governance based on controls, standards, and compliance requirements for applicable regulations.

We updated the comprehensive internal **Acceptable Use Policy (AUP)** first as it is applicable to the entire organization and every employee is expected and required to read, acknowledge, understand and be in compliance with it. The AUP ensures the appropriate and responsible use of IFF computer systems and applications and includes rules for general use and ownership, electronic communication, internet usage, data security, privacy and incident reporting. Our internal **Data Classification Policy** outlines how IFF data should be properly classified and handled according to defined data classification levels.

InfoSec is a shared responsibility, and to best protect our network, computers and data from threats, we rely on our employees to be our first line of defense. Our risk-aligned strategy begins with employee awareness through regular communication, including monthly newsletters, bulletins, events, phishing campaigns and companywide emails on best practices. We were also excited to announce the launch of our formal InfoSec Awareness & Training Program in 2021, designed to help employees recognize potential InfoSec threats and provide helpful guidance to incorporate into their everyday tasks. In alignment with an accompanying internal **InfoSec Awareness & Training Policy**, all users with IFF systems

accounts were required to complete mandatory web-based training on topics including InfoSec essentials, phishing threats and email security on mobile devices. Moving forward, we will review InfoSec Awareness training annually and update as needed to continually strengthen user knowledge on information security-related issues.

IFF is committed to protecting the privacy of the personal data of our employees, customers, and any other parties with whom we have a business relationship and from whom we collect personal data. IFF's Global Privacy Compliance Program, overseen by our Chief Privacy Officer, ensures compliance with applicable privacy and data protection laws in the countries in which we do business. This Program includes privacy notices to individuals whose data is processed by IFF, employee privacy policies and training, processes in compliance with regulatory compliance, and data protection agreements with third parties who process personal data on IFF's behalf. We also keep abreast of and review pending global privacy laws on an ongoing basis. We have multiple InfoSec tools in place to deter threat actors, block malicious/phishing emails, and avoid IT system interruptions. This includes implementation of measures designed to protect the personal data in our possession



of employees, customers, and third parties with whom we do business from unauthorized access and disclosure, such as firewalls, secure remote access tools, unique and complex passwords, encryption, endpoint security, and email security. Similarly, as part of our own risk-based due diligence, we expect the third-parties we engage with to protect IFF's and our customers' confidential information. As outlined in our [Vendor Code of Conduct](#), vendors that access, store, host, or process confidential information are asked to complete our standard risk assessment and may be subject to an audit. We regularly conduct third-party vendor risk assessment questionnaires to identify and decrease potential IFF business uncertainties related to hiring vendors for IT products and services.

In accordance with our internal **InfoSec Compliance & Audit Policy** that was formalized for the combined company in 2021, InfoSec, ERM, and Internal Audit teams periodically conduct risk assessments to evaluate and assess the severity and likelihood of potential incidents, as well as audit IFF systems for compliance with applicable policies and controls. We participate in external audits of our control procedures, policies, and compliance mechanisms to ensure their effectiveness and confirm adherence. The InfoSec team reviews all audit results and findings with auditors, tracks findings to ensure

prompt resolutions or mitigating controls, and regularly reports remediation status to management until each finding is closed. We also annually recertify compliance with Sarbanes-Oxley (SOX), the U.S. Securities and Exchange Commission act to improve the accuracy of corporate disclosures and to protect shareholders and the general public from accounting errors and fraudulent practices in enterprises.

All IFF users must report any discovered or suspected information security incidents or policy breaches immediately to [InfoSec@iff.com](mailto:InfoSec@iff.com). Users may also report concerns or violations at <http://iff.com/speakup> to initiate InfoSec to perform an investigation of alleged misconduct in accordance with internal procedures. In the event of an incident or breach, we follow our comprehensive InfoSec Incident Response Plan, which provides guidance for detecting, containing, eradicating, and recovering from potential incidents. In 2021, we did not experience any material information security incidents or breaches of personal data. As outlined in our internal **InfoSec Incident Management Policy**, formalized in 2021 for the combined company, we review and update the InfoSec Incident Response Plan annually to incorporate lessons learned and to affirm the Plan's continued overall effectiveness. As part of this approach, we regularly evaluate the effectiveness of

our systems and test our contingency plans by conducting vulnerability analyses and information security tabletop exercises.

In the event of an unplanned incident that may take critical IFF systems offline, the Company's business continuity and disaster recovery procedures outline how we will continue to operate during a disruption in service. Our internal **InfoSec Resiliency Policy**, also formalized in 2021 for the combined company, reinforces this approach by helping to ensure that IFF's critical business processes and support systems will continue to function within an acceptable timeframe following an unplanned business process failure.



# PRODUCT RESPONSIBILITY

As a global business, IFF serves many industries with our broad range of products. Our Global Regulatory Affairs (GRA) function monitors, analyzes, and engages in legislative and regulatory developments that impact IFF. GRA works with business teams to help them understand and comply with government regulations, self-regulatory frameworks, and internal corporate policies.

In 2021, IFF established a government and public affairs team (Public Affairs) within GRA to advance IFF's business and reputational priorities with public policy audiences. Public Affairs' policy advocacy work supports responsible innovation, as well as sustainable operations, products, and technologies at IFF. The team collaborates internally and externally to address existing, emerging, and known risks (e.g., product safety, quality, efficacy, and environmental impact) and engages with stakeholders around IFF's approach to responsible innovation and safety. The team also aligns external stakeholder engagement to inform IFF's advocacy, sustainability, and ESG objectives and practices.

In the regulatory science space, IFF shares technical information through publications and industry organizations with government

authorities to inform policy-making and promote the use of scientific, risk-based approaches to ingredients evaluation. For example, the use of modern biotechnology is an enabling tool to develop sustainable solutions for our customers, such as enzymes that replace chemicals, provide energy savings, and facilitate better use of natural resources. On the one hand, this represents a tremendous opportunity for IFF and the biobased industry at large, while at the same time harboring some risk in terms of consumer acceptance and potentially restrictive rulemaking in response to consumer sentiment. We therefore engage with regulators and other stakeholders to provide them relevant information on why and how we use biotechnology, and to share best practices on safe product design and risk assessment. It is of note that IFF's products do not contain live genetically modified organisms (GMOs) even though we use genetically engineered microbes (GEMs) to produce enzymes and other ingredients. In addition, IFF may source raw materials from genetically modified commodities for markets and applications where this is accepted, yet our refined products (such as soy protein and lecithin) do not contain live GMOs. As customer requirements vary, IFF's Ingredients business delivers protein solutions in both GM

and Identity Preserved non-GM categories.

IFF supports the need for transparency in the supply chain and with consumers on this topic as it relates to the origin of ingredients in food. For example, we provide technical information to our customers that informs their decision-making regarding their ability to seek third-party GMO certification. In 2021, IFF also worked with the U.S. Food and Drug Administration and the U.S. Department of Agriculture to clarify whether food manufacturers' use of enzymes would impact food manufacturers' disclosure obligations under the National Bioengineering Disclosure Standard.

Globally, IFF also monitors developments in registration and compliance requirements to inform our R&D innovation processes. During 2021, the European Chemicals Agency (ECHA) continued to hold stakeholder consultations on microplastics and continued the work to develop proposals on potential regulatory restrictions and disclosure requirements. IFF's engagement in this process informed an R&D innovation initiative to develop sustainable fragrance encapsulations to address the biodegradability and solubility of polymers.



## Quality & Product Safety

Our responsibility and commitment to Quality, Food, and Product Safety defines who we are as IFFers. We see every day as an opportunity to make a difference in the lives of our employees, customers, consumers, and communities that we serve through safe practices, responsible manufacturing, and quality products. Our Global Quality & Product Safety teams manage quality programs to ensure product safety and compliance with all applicable laws, regulations, and customer requirements. We maintain a comprehensive database of all raw materials that are used as inputs for IFF’s products, which documents, among other things, information about regulatory status, countries of sale, and end-use applications.

In 2021, as part of our integration following the merger with N&B, we reorganized our corporate Quality organization in ways that best support IFF’s end-to-end value chain. We saw new opportunities to strengthen our Quality program and undertook exercises in benchmarking against quality best practices and technologies, trend analyses, reviews of audit results and lessons learned, including analyzing internal leading and lagging indicators of performance, and listening to the voice of both customers and employees. At the same time, our harmonization efforts also represented

some of our biggest challenges during the year, including redefining roles, responsibilities, and lines of accountability; extracting data from multiple enterprise resource planning (ERP) systems; and communicating and driving one consistent Quality culture expectation across the organization.

To set the tone for our program moving forward, we launched a new [Global Quality Policy](#), signed by the CEO to further emphasize the expectations



of our leadership. We also joined with other Operations teams to create a set of Integrated Operations Core Principles and an accompanying employee engagement campaign to emphasize the four ways we “Find a Better Way for Our Customers” in the areas of safety, quality, sustainability, and integrity. For example, one or more aspects of the Principles are integrated in some way into Operations meetings, facilitating frequent discussions and, in turn, helping to change the overall organizational culture. (For more information on the Integrated Core Principles, see [page 115](#)).



Our promise is to never compromise on the safety or quality of any product, as it is our responsibility to protect our employees, customers, consumers, communities, and shareholders. We strive to demonstrate our commitment for excellence to these stakeholders by:

- **Being our customers' partner of choice by providing sustainable products and services that are trusted and preferred, and which comply with all applicable regulatory and statutory requirements.**

All finished IFF products undergo final quality control testing, which, depending on the product, includes sensory, analytical, and microbiological analysis. In cooperation with regulators and our trade associations, we manage a set of policies and procedures to help IFF achieve safety compliance in all countries where we operate. Our regulatory disclosure approach provides our basic framework for responding to product information requests from regulatory agencies while managing confidential business information.

Listening to the voice of our customers, we proactively lead compliance monitoring programs and operate three Product Integrity Analysis (PIA) Labs globally that have the expertise and capacity to test raw

materials at low limits to identify potential contamination or meet new specifications, such as regulation on fragrance allergens. In 2021, our PIA Lab in Tilburg, the Netherlands, achieved ISO 17025 certification, further solidifying customer confidence in our work. We also partner with our customers on challenges related to product marketing and service labeling. In the event of any related incident, we coordinate directly with our customers and regulatory authorities as needed to resolve the issue. All such incidents result in root cause analysis and corrective action where appropriate. In case of potential health concerns for customers, we also have a procedure in place to voluntarily recall products.

- **Effectively outlining Quality, Good Manufacturing Practice (GMP), and Food & Product Safety programs to safeguard our employees, products, and facilities.**

We conduct a variety of inspections at our operating facilities, including supplier audits and quality audits. Our manufacturing facilities are certified to the standards that are applicable for their specific product types, e.g., the Global Food Safety Initiative (GFSI) for cosmetic, dietary, nutrition, and animal feed products. In alignment with the FDA's Food Safety Modernization Act (FSMA), we also have an independent third

party conduct FSMA audits on our Nourish manufacturing facilities.

- **Challenging the status quo to continuously improve.**

Through tools, knowledge, and experience, we create a workforce environment that embraces continuous improvement. At the end of 2021, for example, we developed and launched a global training and onboarding program (available in 26 languages) for all current Operations employees in the combined company (approximately 15,000), and for new Operations employees (to complete as part of their onboarding process) to ensure understanding of one consistent safety, quality, sustainability, and integrity message. We are continuously tracking completion rates to reach our target of 100% participation acknowledgment.

By streamlining processes and finding new efficiencies, we also add value to our business, increase our customers' satisfaction, and further promote a quality culture. For example, in 2021, we expanded our Culture of Quality program to new locations (including legacy Frutarom sites) to reduce high-risk customer complaints and reduce overall risk to the enterprise. Originally created within IFF in 2018, the Culture of Quality program seeks to drive



continuous improvement while fostering a culture of learning and execution, thereby enabling and empowering employees to solve problems and focus on the long-term solutions necessary to meet our Company's strategy. IFF Quality Ambassadors – a cross-functional group of employees from operations, manufacturing, procurement, customer service and planning roles – bring the Culture of Quality program to life through behavior-based training and other engagement opportunities.

- **Maintaining long-term partnerships with our suppliers, driving “first time right” culture and sourcing responsibly.**

Through our risk management process, vendor development programs, technologically advanced analytical capabilities, and sensorial skills, we carefully select the sources of our products and services. We use effective manufacturing quality control techniques to monitor and verify our vendors' ability to deliver products that meet our global material specifications and service requirements.

In 2021, we enhanced our vendor management program to consolidate two sets of vendors from both heritage organizations. As part of our due diligence and risk management processes, vendors

are assessed by our internal Material Review Committee and audited (which may include testing raw material samples) to ensure all products meet our specifications from both a regulatory and quality perspective. We also maintain a comprehensive risk assessment, scoring, and risk-based testing program on our vendors to inform the level of testing we complete on the raw materials we procure.



# HUMAN RIGHTS

Human rights are the freedoms and standards of treatment belonging to all persons. IFF respects the fundamental human rights of all, and each member of our organization – including personnel, contractors, consultants, and temporary employees or secondees – is expected to adhere to our [IFF Code of Conduct](#) and [Global Human Rights Policy](#) (both updated in 2021).

IFF also respects and supports internationally recognized standards, including the [U.N. Guiding Principles for Business and Human Rights](#), [Universal Declaration of Human Rights](#) and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

As outlined in our Global Human Rights Policy:

- IFF personnel are required to comply with all applicable labor laws, regulations, and guidelines, including those related to hiring, wages, hours worked, overtime and working conditions.
- IFF recognizes and respects employees' rights to freedom of association, to form and join trade unions and to bargain collectively.
- IFF values, honors and respects differences and diversity, and expects all IFF personnel to provide a work environment that offers equal opportunity to its workers; is free from unlawful discrimination or harassment; and in which each worker is treated with dignity and respect.
- Employment with IFF must be voluntary. The use of involuntary labor of any kind, including prison labor, debt bondage, indentured servitude or forced labor is strictly prohibited.
- IFF forbids the exploitation of children, the use of illegal child labor, forced labor and human trafficking, and this prohibition extends to all IFF business partners.



Issues related to human rights are managed by our business units and Human Resources teams, and any potential human rights violations are investigated by the Law department. We release an annual [Slavery and Human Trafficking Statement](#) that provides information on our global human rights due diligence processes. We conduct human rights due diligence by implementing a review and screening of our global direct spend suppliers, which helps IFF prioritize our auditing and verification efforts. Based on our human rights due diligence screening (see Risk Assessment & Prioritization, [page 70](#)), we may require participation in EcoVadis and Sedex. These platforms help drive continuous improvement in the areas of labor standards, health and safety, environmental management, and ethical business conduct. We focus our efforts with Sedex on a core set of suppliers that are critical to our business, reviewing the list annually as our supply chain evolves. The Sedex Risk Assessment Tool allows us to prioritize our suppliers for completion of the Sedex Self-Assessment Questionnaire and Sedex Members Ethical Trade Audit (SMETA) 4-pillar audits, which include human rights considerations. In addition to our assessment of our suppliers, 85% of our major manufacturing facilities<sup>29</sup> have undergone SMETA audits.

Based on the due diligence processes and risk assessment processes described above, we have not identified significant risk in our direct operations for forced or compulsory labor, child labor or violations of the right to freely associate and bargain collectively. However, we still take active steps to protect against any potential human rights issues that could arise in natural supply chains where we proactively lead responsible sourcing programs (for example, see [pages 72 and 84](#)). Looking ahead, we will be expanding our human rights focus on additional supply chains.

29. A "major manufacturing facility" is defined by the site's production, the total of which represents greater than 85% of all IFF production volume.





# APPENDIX

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# EXTERNAL INITIATIVES, MEMBERSHIPS & ASSOCIATIONS

[Alternative Fuels & Chemicals Coalition \(AFCC\)](#)

[American Chemical Council](#)

[American Cleaning Institute \(ACI\)](#)

Board of Directors, Chair

[Animal-Free Safety Assessment Collaboration \(AFSA\)](#)

[Associação Brasileira da Indústria e Comércio de Ingredientes e Aditivos para Alimentos \(ABIAM\)](#)

[Associação Brasileira de Biotecnologia Industrial \(ABBI\)](#)

[Association for Chemoreception Sciences \(AChemS\)](#)

[Association of Manufacturers and Formulators of Enzyme Products \(AMFEP\)](#)

Executive Committee, Treasurer

[Bio-based Industries Consortium \(BIC\)](#)

[Chinese Institute of Food Science and Technology \(CIFST\)](#)

[Cosmetic Executive Women](#)

Board of Governors

[Cosmetics Europe](#)

[Cosmetic Valley](#)

[Distillers Grains Technology Council \(DGTC\)](#)

[Enzyme Technical Association \(ETA\)](#)

[EU Association of Specialty Feed Ingredients and their Mixtures \(FEFANA\)](#)

[European Association for Bioindustries \(EuropaBio\)](#)

[European Bioplastics \(EUBP\)](#)

[European Chemical Industry Council \(Cefic\)](#)[European Federation for Cosmetic Ingredients \(EFFCI\)](#)[European Food Emulsifiers Manufacturers Association \(EFEMA\)](#)[European Food & Feed Cultures Association \(EFFCA\)](#)[European Organization of Cosmetic Ingredients Industries and Services \(UNITIS\)](#)

Board of Directors, Treasurer

[European Primary Food Processing Industry \(PFP\)](#)

Board of Directors, Chair

[European Renewable Ethanol Association \(ePURE\)](#)[European Vegetable Protein Association \(Euvepro\)](#)

Board of Directors

[EU Specialty Food Ingredients \(EUSFI\)](#)

Board of Directors

[Feed Ingredient & Premix of Asia \(FIPAA\)](#)

Board of Directors

[FEEDLATINA](#)[FoodDrinkEurope](#)

Board of Directors

[Flavor and Extract Manufacturers Association of the United States \(FEMA\)](#)

Board of Governors

[Food Industry Asia \(FIA\)](#)[The Fragrance Foundation](#)

Board of Directors

[Fragrance Science & Advisory Council \(FSAC\)](#)

President and Board Chairman

[Fuels America](#)[Growth Energy](#)[Household & Commercial Products Association \(HCPA\)](#)[Institute for the Advancement of Food and Nutrition \(IAFNS\)](#)[International Association for Soaps, Detergents and Maintenance Products \(A.I.S.E.\)](#)[International Collaboration on Cosmetic Safety](#)

Board Member

International Federation of Essential Oils and Aroma Trades (EFEO)International Food Additives Council (IFAC)

Board of Trustees

International Food Information Council (IFIC)

Board of Directors

International Fragrance Association (IFRA)

Board of Directors

International Humane Society (HSI)International Organization of the Flavor Industry (IOFI)

Board of Directors

International Pharmaceutical Excipients Council (IPEC)

Executive Committee, Past Chair

International Probiotics Association (IPA)

Vice President, Executive Board of Directors

International Special Dietary Foods Industries (ISDI)Marinalg International

Board of Directors

Monell Chemical Senses CenterNatural Products Association (NPA)

Board of Directors

Personal Care Products Council (PCPC)

Board of Directors

Pharmabiotic Research Institute (PRI)Renewable Carbon Initiative (RCI)Renewable Fuels Association (RFA)Research Institute for Fragrance Materials (RIFM)

Board of Directors, Chairman

The Society of Flavor ChemistsSoy Nutrition Institute Global (SNIG)

Board of Directors, President

Supplement Safety & Compliance Initiative (SSCI)



We also engage in the following ESG-related organizations and partnerships:

|   |   |
|---|---|
| <a href="#">Disability:IN Inclusion Works</a>   |   |
| <a href="#">ECOCERT</a>   | ECOCERT Programs Committee                  |
| <a href="#">EcoVadis</a>  |   |
| <a href="#">FELGBTI+ (La Federación Estatal de Lesbianas, Gais, Trans, Bisexuales, Intersexuales y más)</a> |   |
| <a href="#">Friends of Champions 12.3 network</a>   |   |
| <a href="#">Global SeaweedSTAR</a>  | Advisory Board                              |
| <a href="#">International Seaweed Association Council</a>   |   |
| <a href="#">North American Sustainable Palm Oil Network (NASPON)</a>  |   |
| <a href="#">Rainforest Alliance</a>   |   |
| <a href="#">Roundtable on Sustainable Palm Oil (RSPO)</a>   |   |
| <a href="#">Roundtable on Sustainable Biomaterials (RSB)</a>  |   |
| <a href="#">Sedex</a>   |   |
| <a href="#">Together for Sustainability</a>   |   |
| <a href="#">Union for Ethical BioTrade<sup>30</sup> (UEBT)</a>  |   |
| <a href="#">United Nations Global Compact</a> and <a href="#">Global Compact Network USA</a>                |   |
| <a href="#">Upcycled Food Association<sup>31</sup></a>  |   |
| <a href="#">Workplace Pride</a>   |   |
| <a href="#">World Business Council for Sustainable Development (WBCSD)</a>                                  | Executive Committee and Operating Committee |

30. LMR Naturals by IFF and Southern Cross Botanicals, a division of Lucas Meyer Cosmetics by IFF (LMC); and IBR, a division of LMC (Provisional Member)

31. Associate Member



We support the following ESG initiatives:

[Business for Nature](#)

[CEO Action for Diversity & Inclusion™](#)

[CDP](#)

[Declaration of Amsterdam](#)

[Disability:IN's CEO Letter on Disability Inclusion](#)

[Human Rights Campaign's Business Coalition for the Passage of the Equality Act](#)

[Human Rights Campaign's Business Statement on Anti-LGBTQ State Legislation](#)

[RE100 Climate Group](#)

[Science Based Targets](#)

[Seaweed Manifesto](#)

[The Valuable 500](#)

[U.N. Business Ambition for 1.5°C: Our Only Future pledge](#)

[U.N. Global LGBTI Standards of Conduct for Business](#)

[U.N. Women's Empowerment Principles](#)

[We Are Still In](#)



# STAKEHOLDER ENGAGEMENT

IFF is committed to engaging with our stakeholders to understand their expectations of us. We use their feedback to inform our strategies and to proactively respond with solutions that continue to create value for all.

| STAKEHOLDER GROUP  | EXAMPLES OF HOW WE ENGAGE   | EXAMPLES OF KEY TOPICS AND CONCERNS RAISED IN 2021  | LEARN MORE  |
|--------------------|---|---|---|
| <b>Communities</b> | <ul style="list-style-type: none"> <li>• Volunteer and charitable activities that are organized, hosted, and implemented locally by sites around the world</li> <li>• Initiatives through our Responsible Sourcing program to support the sustainable development of communities where our ingredients are grown</li> </ul>                                     | Health, wellness, and educational opportunities; income diversification; safety and managing disruptions or restrictions due to COVID-19 (e.g., postponing or adjusting farmer trainings); guidance on sustainable agriculture and ecosystem health | <a href="#">Strengthening Biodiversity &amp; Communities, pages 83 - 86</a>   |
| <b>Customers</b>   | <ul style="list-style-type: none"> <li>• Industry events, expos, meetings, roundtables, or presentations</li> <li>• Partnerships and joint projects, including accompanying communications (e.g., press releases and social media)</li> <li>• Questionnaires, surveys, or sustainability performance reviews on environmental and social performance</li> </ul> | Climate change and GHG emissions (i.e., supporting customers' ESG goals); product responsibility, safety, quality, and labeling (e.g., GMOs); responsible sourcing, ingredient traceability, and human rights                                       | <a href="#">Sustainable Solutions, pages 29 - 48</a><br><a href="#">Product Responsibility, pages 131 - 134</a><br><a href="#">Responsible Sourcing, pages 84 - 85</a><br><a href="#">Human Rights, pages 135 - 136</a> |



| STAKEHOLDER GROUP                                      | EXAMPLES OF HOW WE ENGAGE   | EXAMPLES OF KEY TOPICS AND CONCERNS RAISED IN 2021   | LEARN MORE  |
|--|---|--|---|
| <b>Employees</b>                                       | <ul style="list-style-type: none"> <li>Regular communications, including emails, newsletters, videos, town halls, the intranet, CEO blog and social media</li> <li>Employee engagement campaigns, surveys, webinars, e-learning courses, and trainings</li> </ul>   | Culture and values; safety, health, and wellbeing; COVID-19 management and workplace adaptations (e.g., Future of Work); diversity, equity & inclusion; career development and workplace benefits  | <a href="#">Equity &amp; Wellbeing, pages 87 - 117</a>  |
| <b>Investors</b>                                       | <ul style="list-style-type: none"> <li>Regulatory filings, disclosures and press releases</li> <li>Quarterly meetings and conference calls to maintain an open dialogue on our strategies, performance, matters of corporate governance and executive compensation</li> </ul>   | Expanded ESG disclosures on value creation, performance metrics and long-term strategy for topics such as the transition to a net zero economy and talent management, including expanding diversity, equity & inclusion  | <a href="#">Transparency &amp; Accountability, pages 118 - 136</a>  |
| <b>Governmental and non-governmental organizations</b> | <ul style="list-style-type: none"> <li>Participation in trade associations, industry groups and multilateral organizations that amplify the business voice and represent industry interests</li> <li>Interaction and advocacy with governmental agencies and legislators to ensure clear understanding of business needs, inform regulatory decisions and align on policy interpretation</li> </ul> | Business ambitions for contributing to the U.N. SDGs; halting the decline of biodiversity through protections and public policies; commitment to human rights; product labeling and substance registrations; benefits and safety of our products, e.g., shaping approval pathways for novel products made with new technologies such as modern biotechnology | <a href="#">External Initiatives, Memberships &amp; Associations, pages 138 - 142</a><br><a href="#">Product Responsibility, pages 131 -134</a> |





| STAKEHOLDER GROUP | EXAMPLES OF HOW WE ENGAGE | EXAMPLES OF KEY TOPICS AND CONCERNS RAISED IN 2021 | LEARN MORE |
|-------------------|---------------------------|--|------------|
|-------------------|---------------------------|--|------------|

**Suppliers**

- Questionnaires, audits, or disclosures via third-party platforms to assess supplier performance
- Participation in joint initiatives and global networks to support the sustainability performance of industry supply chains
- Outreach, such as training/guidance, audits, or questionnaires
- Collaborative partnerships and shared value programs to strengthen local communities and supply chains

Promoting regenerative ecosystems and achieving zero deforestation for strategic raw material supply chains; tracking and reporting GHG emissions; managing supply chain disruptions or restrictions

[Responsible Sourcing, pages 84-85](#)



# GRI CONTENT INDEX

Our 2021 ESG+ Report was prepared in accordance with the Global Reporting Initiative (GRI) Standards for the period January 1, 2021 – December 31, 2021. We apply the 2021 version of the GRI 2: General Disclosures and GRI 3: Material Topics. We apply the 2018 version of the GRI Standards for GRI 303 and GRI 403; the 2020 version of the GRI Standards for GRI 306; and the 2016 version of the GRI Standards for all other disclosures in this Index. The “2016,” “2018,” “2020,” and “2021” labels refer to the respective GRI Standards issue dates, not the date of information presented in the report.

## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE  | DESCRIPTION  | CROSS-REFERENCE OR ANSWER  | OMISSIONS |
|---|--|--|-----------|
| <b>THE ORGANIZATION AND ITS REPORTING PRACTICES</b> |  |  |           |
| 2-1   | Organizational details   | International Flavors & Fragrances Inc. (IFF)<br>IFF is headquartered at:<br>521 West 57th Street, New York, NY, 10019, U.S.A.<br>Our common stock is principally traded on the New York Stock Exchange under the ticker symbol “IFF.”<br><a href="#">2021 Form 10K (Properties, page 29)</a><br><a href="#">Where We Operate</a>                              | None      |
| 2-2   | Entities included in the organization’s sustainability reporting | <a href="#">Reporting Scope, page 27</a><br><a href="#">2021 Form 10K (Business, page 3)</a><br><a href="#">Merger Form</a>  | None      |
| 2-3   | Reporting period, frequency and contact point                    | <a href="#">Reporting Scope, page 27</a><br>The reporting period is January 1, 2021 through December 31, 2021, which is aligned with the Company’s financial reporting. IFF reports on the Company’s ESG performance annually.<br>IFF’s 2021 ESG+ Report publication date: June 2, 2022.<br><a href="mailto:sustainability@iff.com">sustainability@iff.com</a> | None      |



## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE   | DESCRIPTION  | CROSS-REFERENCE OR ANSWER   | OMISSIONS |
|--|--|---|-----------|
| THE ORGANIZATION AND ITS REPORTING PRACTICES (CONTINUED) |  |   |           |
| 2-4  | Restatements of information                              | There were no restatements of information in this report.   | None      |
| 2-5  | External assurance                                       | <a href="#">External Assurance, page 28</a><br><a href="#">ESG Governance, page 122</a><br><a href="#">External Assurance Statement, page 214</a>   | None      |
| ACTIVITIES AND WORKERS                                   |  |   |           |
| 2-6  | Activities, value chain and other business relationships | <a href="#">About IFF, page 10</a><br><a href="#">IFF At a Glance, page 12</a><br><a href="#">Our Approach to Reporting, page 26</a><br><a href="#">Responsible Sourcing, page 65</a><br><a href="#">External Initiatives, Memberships &amp; Associations, page 138</a><br><a href="#">Stakeholder Engagement, page 143</a><br><a href="#">What We Do</a><br><a href="#">Our End Markets</a><br><a href="#">Our Products &amp; Ingredients</a><br><a href="#">Supplier Partnerships</a><br><a href="#">2021 Form 10K (Business, pages 3-10)</a> | None      |



## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE                         | DESCRIPTION                          | CROSS-REFERENCE OR ANSWER   | OMISSIONS  |
|------------------------------------|--------------------------------------|---|--|
| ACTIVITIES AND WORKERS (CONTINUED) |                                      |   |  |
| 2-7                                | Employees                            | <u>IFF Performance Data, page 197</u><br><u>2021 Form 10K (Our People, pages 9-10)</u><br>IFF also discloses our latest U.S. Consolidated EEO-1 Report that we submitted to the EEOC. This EEO-1 information is available on the Company's website at <a href="https://www.iff.com">https://www.iff.com</a> . | Due to confidentiality, data on permanent employees is only broken down by gender and region. IFF will evaluate opportunities to disclose breakdowns of full-time, part-time, and temporary employees in the future.   |
| 2-8                                | Workers who are not employees        | <u>IFF Performance Data, page 197</u>   | This information is unavailable. IFF does not utilize a significant number of part-time, self-employed, or seasonal workers in our workforce, therefore workers who are not employees are not material to the Company. |
| GOVERNANCE                         |                                      |   |  |
| 2-9                                | Governance structure and composition | <u>Transparency &amp; Accountability, page 118</u><br><u>Governance webpage</u><br><u>Board of Directors webpage</u><br><u>2022 Proxy Statement (Nominees for Director, pages 6-19; Board Committees, pages 23-24)</u>  | None   |



## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE             | DESCRIPTION   | CROSS-REFERENCE OR ANSWER  | OMISSIONS |
|------------------------|---|--|-----------|
| GOVERNANCE (CONTINUED) |   |  |           |
| 2-10                   | Nomination and selection of the highest governance body                     | <a href="#">Corporate Governance Guidelines</a><br><a href="#">Charter of the Nominating and Governance Committee</a><br><a href="#">2022 Proxy Statement</a> (Nominees for Director, pages 6-19; Nominating and Governance Committee, page 28)  | None      |
| 2-11                   | Chair of the highest governance body  | <a href="#">Board of Directors webpage</a><br><a href="#">2022 Proxy Statement</a> (Our Current Board, page 1)   | None      |
| 2-12                   | Role of the highest governance body in overseeing the management of impacts | <a href="#">ESG Governance, page 122</a><br><a href="#">Risk Management, page 127</a><br><a href="#">Audit Committee Charter</a><br><a href="#">Innovation and Sustainability Committee Charter</a><br><a href="#">Human Capital &amp; Compensation Committee Charter</a><br><a href="#">2022 Proxy Statement</a> (Risk Management Oversight, pages 30-31) | None      |
| 2-13                   | Delegation of responsibility for managing impacts                           | <a href="#">ESG Governance, page 122</a><br><a href="#">Risk Management, page 127</a><br><a href="#">2022 Proxy Statement</a> (Risk Management Oversight, pages 30-31)   | None      |
| 2-14                   | Role of the highest governance body in sustainability reporting             | <a href="#">Materiality, page 16</a><br><a href="#">Our Approach to Reporting, page 26</a><br><a href="#">ESG Governance, page 122</a><br><a href="#">Innovation and Sustainability Committee Charter</a><br><a href="#">2022 Proxy Statement</a> (Environmental, Social and Governance Initiatives, pages 21-22)  | None      |



## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE             | DESCRIPTION   | CROSS-REFERENCE OR ANSWER  | OMISSIONS   |
|------------------------|---|--|---|
| GOVERNANCE (CONTINUED) |   |  |   |
| 2-15                   | Conflicts of interest   | <a href="#">Ethics &amp; Transparency, page 123</a><br><a href="#">Code of Conduct for the Board of Directors</a><br><a href="#">Related Person Transaction Policy</a><br><a href="#">2022 Proxy Statement</a><br>Information related to material incidents of conflicts of interest would be disclosed to stakeholders in IFF's annual Proxy Statement. | None  |
| 2-16                   | Communication of critical concerns                            | <a href="#">2022 Proxy Statement</a> (Shareholder Communications, pages 101-102)   | Due to confidentiality, the total number and nature of critical concerns that were communicated to the Board of Directors in 2021 is not included.                                    |
| 2-17                   | Collective knowledge of highest governance body               | <a href="#">Board of Directors webpage</a><br><a href="#">2022 Proxy Statement</a> (Director Nominee Experience and Qualifications, pages 1-2)   | Due to unavailable information, measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development is not included. |
| 2-18                   | Evaluation for the performance of the highest governance body | <a href="#">Corporate Governance Guidelines</a> (page 8)<br><a href="#">2022 Proxy Statement</a> (Board and Committee Assessment Process, page 29)   | None  |



## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE                       | DESCRIPTION                                   | CROSS-REFERENCE OR ANSWER   | OMISSIONS |
|----------------------------------|---|---|-----------|
| GOVERNANCE (CONTINUED)           |   |   |           |
| 2-19                             | Remuneration policies                         | <a href="#">Do More Good Plan: Transparency &amp; Accountability Goals, page 121</a><br><a href="#">Corporate Governance Guidelines (page 8)</a><br><a href="#">Human Capital &amp; Compensation Committee Charter</a><br><a href="#">2022 Proxy Statement (Compensation Discussion and Analysis, pages 46-51)</a>  | None      |
| 2-20                             | Process to determine remuneration             | <a href="#">2022 Proxy Statement (Compensation Discussion and Analysis, pages 46-61)</a><br><a href="#">Human Capital &amp; Compensation Committee Charter</a>  | None      |
| 2-21                             | Annual total compensation ratio               | <a href="#">2022 Proxy Statement (Pay Ratio, page 95)</a>   | None      |
| STRATEGY, POLICIES AND PRACTICES |   |   |           |
| 2-22                             | Statement on sustainable development strategy | <a href="#">A Message from our CEO, page 4</a>  | None      |
| 2-23                             | Policy commitments                            | <a href="#">Policies &amp; Commitments, page 69</a><br><a href="#">Transparency &amp; Accountability, page 118</a><br><a href="#">Human Rights, page 135</a><br><a href="#">Code of Conduct</a><br><a href="#">Anti-Bribery Policy</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Slavery &amp; Human Trafficking Statement</a><br><a href="#">Vendor Code of Conduct</a> | None      |



## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE                                   | DESCRIPTION  | CROSS-REFERENCE OR ANSWER  | OMISSIONS  |
|--|--|--|--|
| STRATEGY, POLICIES AND PRACTICES (CONTINUED) |  |  |  |
| 2-24   | Embedding policy commitments                       | <a href="#">Policies &amp; Commitments, page 69</a><br><a href="#">Transparency &amp; Accountability, page 118</a><br><a href="#">Code of Conduct</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Slavery &amp; Human Trafficking Statement</a><br><a href="#">Vendor Code of Conduct</a> | Due to unavailable information, training on implementing all policy commitments is not included. IFF will evaluate opportunities to disclose this information in the future. |
| 2-25   | Processes to remediate negative impacts            | <a href="#">Transparency &amp; Accountability, page 118</a><br><a href="#">Managing Challenges, page 126</a><br><a href="#">Risk Management, page 127</a>  | None   |
| 2-26   | Mechanisms for seeking advice and raising concerns | <a href="#">Transparency &amp; Accountability, page 118</a><br><a href="#">IFF SpeakUp Hotline, page 124</a><br><a href="#">SpeakUp Hotline</a><br><a href="#">SpeakUp: Reporting Concerns &amp; Non-Retaliation Policy</a><br><a href="#">Code of Conduct (Speak Up, page 11)</a>                         | None   |
| 2-27   | Compliance with laws and regulations               | <a href="#">2021 Form 10K</a>  | None   |
| 2-28   | Membership associations                            | <a href="#">External Initiatives, Memberships &amp; Associations, page 138</a>   | None   |





## GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE             | DESCRIPTION                        | CROSS-REFERENCE OR ANSWER  | OMISSIONS |
|------------------------|------------------------------------|--|-----------|
| STAKEHOLDER ENGAGEMENT |                                    |  |           |
| 2-29                   | Approach to stakeholder engagement | <a href="#">Materiality, page 16</a><br><a href="#">Stakeholder Engagement, page 143</a>   | None      |
| 2-30                   | Collective bargaining agreements   | <a href="#">IFF Performance Data, page 197</a><br>IFF fully respects the rights of our employees to freely associate and bargain collectively in a legal, ethical, and safe way. | None      |

## DISCLOSURES ON MATERIAL TOPICS

| DISCLOSURE                  | DESCRIPTION                              | CROSS-REFERENCE OR ANSWER   |
|-----------------------------|--|---|
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | <a href="#">Materiality, page 16</a><br><a href="#">The Do More Good Plan: IFF's ESG+ Strategy, page 19</a><br><a href="#">Our Approach to Reporting, page 26</a><br><a href="#">Stakeholder Engagement, page 143</a> |
|                             | 3-2 List of material topics 2021         | <a href="#">Materiality, page 16</a><br><a href="#">The Do More Good Plan: IFF's ESG+ Strategy, page 19</a>   |



## MATERIAL TOPICS

## DISCLOSURE

## DESCRIPTION

## CROSS-REFERENCE OR ANSWER

## OMISSIONS

RELEVANT  
EXTERNAL  
ENTITIES

## ECONOMIC

## ECONOMIC PERFORMANCE

RELEVANT IFF MATERIAL TOPIC(S): CLIMATE CHANGE; COMMUNITY ENGAGEMENT & PHILANTHROPY; TALENT, ACQUISITION, ENGAGEMENT & RETENTION

|                                    |       |  |   |      |  |
|------------------------------------|-------|--|---|------|--|
| GRI 3: Material Topics 2021        | 3-3   | Management of material topics  | <a href="#">Strategy webpage</a><br><a href="#">2021 Form 10K</a> (Business, pages 3-10)<br><a href="#">Global Tax Policy</a><br><a href="#">CDP Climate Change response</a>  | None |  |
| GRI 201: Economic Performance 2016 | 201-1 | Direct economic value generated and distributed                                | <a href="#">Benefits &amp; Wellbeing, page 99</a><br><a href="#">2021 Form 10K</a> (Business, pages 3-10; Revenue Recognition, pages 57-74)<br><a href="#">2022 Proxy Statement</a> (Executive Compensation, page 72) | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|                                    | 201-2 | Financial implications and other risks and opportunities due to climate change | <a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">TCFD Report, page 188</a><br><a href="#">CDP Climate Change response</a><br><a href="#">2021 Form 10K</a> (Risk Factors, pages 14-15)          | None |  |



## MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

## ECONOMIC PERFORMANCE (CONTINUED)

RELEVANT IFF MATERIAL TOPIC(S): CLIMATE CHANGE; COMMUNITY ENGAGEMENT & PHILANTHROPY; TALENT, ACQUISITION, ENGAGEMENT & RETENTION

|                                    |       |   |  |  |  |
|------------------------------------|-------|---|--|--|--|
| GRI 201: Economic Performance 2016 | 201-3 | Defined benefit plan obligations and other retirement plans | <a href="#">Benefits &amp; Wellbeing, page 99</a><br><a href="#">2021 Form 10K (Pension and Other Postretirement Obligations, page 40; Employee Benefits, pages 89-93)</a><br><a href="#">2022 Proxy Statement (Pension Benefits, pages 84-85)</a> | Due to confidentiality, metrics related to employee retirement plans, such as level of participation, are not available. | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|------------------------------------|-------|---|--|--|--|

## INDIRECT ECONOMIC IMPACTS

RELEVANT IFF MATERIAL TOPIC(S): COMMUNITY ENGAGEMENT & PHILANTHROPY; STAKEHOLDER ENGAGEMENT & TRANSPARENCY

|   |       |   |  |      |  |
|---|-------|---|--|------|--|
| GRI 3: Material Topics 2021             | 3-3   | Management of material topics                     | <a href="#">Sustainable Solutions, page 29</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">Managing Challenges, page 126</a><br><a href="#">Sustainable Innovation webpage</a><br><a href="#">Responsibilities webpage</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 | Infrastructure investments and services supported | <a href="#">Sustainable Solutions, page 29</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">Managing Challenges, page 126</a><br><a href="#">Sustainable Innovation webpage</a><br><a href="#">Responsibilities webpage</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |



## MATERIAL TOPICS

| DISCLOSURE   |       | DESCRIPTION   | CROSS-REFERENCE OR ANSWER   | OMISSIONS  | RELEVANT EXTERNAL ENTITIES                        |
|--|-------|---|---|--|---|
| ANTI-CORRUPTION  |       |   |   |  |   |
| RELEVANT IFF MATERIAL TOPIC(S): BUSINESS ETHICS & COMPLIANCE |       |   |   |  |   |
| GRI 3: Material Topics 2021                                  | 3-3   | Management of material topics   | <a href="#">Transparency &amp; Accountability, page 118</a><br><a href="#">Ethics &amp; Transparency, page 123</a><br><a href="#">Code of Conduct</a><br><a href="#">Anti-Bribery Policy</a><br><a href="#">2021 Form 10K (Risk Factors, pages 26-27)</a> | None   |   |
| GRI 205: Anti-corruption 2016                                | 205-1 | Operations assessed for risks related to corruption                     | <a href="#">Transparency &amp; Accountability, page 118</a><br><a href="#">Ethics &amp; Transparency, page 123</a><br><a href="#">Code of Conduct</a><br><a href="#">Anti-Bribery Policy</a>  | Due to confidentiality, metrics related to the assessment of risks related to corruption are not available.  | Customers<br>Investors<br>Regulators<br>Suppliers |
|  | 205-2 | Communication and training about anticorruption policies and procedures | <a href="#">Transparency &amp; Accountability, page 118</a><br><a href="#">Ethics &amp; Transparency, page 123</a><br><a href="#">Code of Conduct</a><br><a href="#">Anti-Bribery Policy</a>  | Due to confidentiality, the number and percentage of employees and governance body members that have received training broken down by employee category and region are not included in the report. |   |



## MATERIAL TOPICS

| DISCLOSURE |  | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|--|-------------|---------------------------|-----------|----------------------------|
|------------|--|-------------|---------------------------|-----------|----------------------------|

## ANTI-CORRUPTION (CONTINUED)

## RELEVANT IFF MATERIAL TOPIC(S): BUSINESS ETHICS &amp; COMPLIANCE

|                      |       |                               |   |      |                         |
|----------------------|-------|-------------------------------|---|------|-------------------------|
| GRI 207: Tax<br>2019 | 3-3   | Management of material topics | <a href="#">Global Corporate Tax Policy</a><br><a href="#">2021 Form 10K</a>  |      | Investors<br>Regulators |
|                      | 207-1 | Approach to tax               | <a href="#">Global Corporate Tax Policy</a><br><a href="#">2021 Form 10K</a><br><a href="#">Audit Committee Charter</a> | None |                         |

## ENVIRONMENTAL

## MATERIALS

## RELEVANT IFF MATERIAL TOPIC(S): INNOVATION &amp; SUSTAINABLE PRODUCT SOLUTIONS; RESPONSIBLE SOURCING

|                            |       |                                    |  |   |  |
|----------------------------|-------|------------------------------------|--|---|--|
| GRI 301:<br>Materials 2016 | 3-3   | Management of material topics      | <a href="#">Sustainable Solutions, page 29</a> |   | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|                            | 301-1 | Materials used by weight or volume | <a href="#">Sustainable Solutions, page 29</a> | Due to unavailable information, total weight or volume of materials used is not included. IFF will evaluate opportunities to disclose this information in the future. |  |



MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

MATERIALS (CONTINUED)

RELEVANT IFF MATERIAL TOPIC(S): INNOVATION & SUSTAINABLE PRODUCT SOLUTIONS; RESPONSIBLE SOURCING

|                         |       |                               |  |  |  |
|-------------------------|-------|-------------------------------|--|--|--|
| GRI 301: Materials 2016 | 301-2 | Recycled input materials used | <a href="#">Sustainable Solutions, page 29</a> | Due to unavailable information, the percentage of recycled input materials used is not included. IFF will evaluate opportunities to disclose this information in the future. | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|-------------------------|-------|-------------------------------|--|--|--|

ENERGY

RELEVANT IFF MATERIAL TOPIC(S): CLIMATE CHANGE; ENERGY

|                             |     |                               |   |      |  |
|-----------------------------|-----|-------------------------------|---|------|--|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | <a href="#">Climate &amp; Planetary Health, page 49</a><br><a href="#">Energy Management, page 58</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">Energy Management webpage</a><br><a href="#">CDP Climate Change response</a><br><a href="#">Global Environmental Sustainability Policy</a><br><a href="#">2021 Form 10K (Environmental, Social, and Governance, page 7)</a><br><a href="#">2022 Proxy Statement (Environmental, Social and Governance Initiatives, pages 21-22)</a><br><a href="#">RE100 Members webpage</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|-----------------------------|-----|-------------------------------|---|------|--|



## MATERIAL TOPICS

| DISCLOSURE   | DESCRIPTION | CROSS-REFERENCE OR ANSWER                   | OMISSIONS  | RELEVANT EXTERNAL ENTITIES                                       |
|--|-------------|---|--|--|
| ENERGY (CONTINUED)                                     |             |   |  |  |
| RELEVANT IFF MATERIAL TOPIC(S): CLIMATE CHANGE; ENERGY |             |   |  |  |
| GRI 302: Energy 2016                                   | 302-1       | Energy consumption within the organization  | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">Energy Management, page 58</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a> | None   |
|  | 302-2       | Energy consumption outside the organization | <a href="#">Energy Management, page 58</a><br><a href="#">IFF Performance Data, page 197</a>   | None   |
|  | 302-3       | Energy intensity                            | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">Energy Management, page 58</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a> | None   |
|  | 302-4       | Reduction of energy consumption             | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">Energy Management, page 58</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a> | None   |
|  |             |   |  | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |



## MATERIAL TOPICS

| DISCLOSURE                            |       | DESCRIPTION                                   | CROSS-REFERENCE OR ANSWER  | OMISSIONS   | RELEVANT EXTERNAL ENTITIES                                       |
|---------------------------------------|-------|---|--|---|--|
| WATER AND EFFLUENTS                   |       |   |  |   |  |
| RELEVANT IFF MATERIAL TOPIC(S): WATER |       |   |  |   |  |
| GRI 3: Material Topics 2021           | 3-3   | Management of material topics                 | <a href="#">Climate &amp; Planetary Health, page 49</a><br><a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">Water Management webpage</a><br><a href="#">CDP Water Security response</a><br><a href="#">Global Environmental Sustainability Policy</a><br><a href="#">2021 Form 10K (Environmental, Social, and Governance, page 7)</a><br><a href="#">2022 Proxy Statement (Environmental, Social and Governance Initiatives, pages 21-22)</a> | None  |  |
| GRI 303: Water and Effluents 2018     | 303-1 | Interactions with water as a shared resource  | <a href="#">Do More Good Plan: Climate &amp; Planetary Health Goals, page 52</a><br><a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">CDP Water Security response</a>   | None  | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|                                       | 303-2 | Management of water discharge-related impacts | <a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">CDP Water Security response</a>   | Due to confidentiality, information on internal water quality standards is not available. Compliance is based on local regulations. IFF will evaluate opportunities to disclose this information in the future. |  |





## MATERIAL TOPICS

| DISCLOSURE                            | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS  | RELEVANT EXTERNAL ENTITIES   |
|---------------------------------------|-------------|---------------------------|--|--|
| WATER AND EFFLUENTS (CONTINUED)       |             |                           |  |  |
| RELEVANT IFF MATERIAL TOPIC(S): WATER |             |                           |  |  |
| GRI 303: Water and Effluents 2018     | 303-3       | Water withdrawal          | <a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Water Security response</a> | A breakdown of water withdrawal data from areas with water stress by source types is unavailable. IFF will evaluate opportunities to disclose this information in the future.  |
|                                       | 303-4       | Water discharge           | <a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Water Security response</a> | A breakdown of water discharge data from areas with water stress by source types is unavailable. IFF will evaluate opportunities to disclose this information in the future.<br><br>Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|                                       | 303-5       | Water consumption         | <a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Water Security response</a> | Total water consumption from all areas with water stress is unavailable. IFF will evaluate opportunities to disclose this information in the future.   |



| MATERIAL TOPICS                                      |       |  |  |   |  |
|--|-------|--|--|---|--|
| DISCLOSURE   |       | DESCRIPTION  | CROSS-REFERENCE OR ANSWER  | OMISSIONS   | RELEVANT EXTERNAL ENTITIES                                       |
| BIODIVERSITY   |       |  |  |   |  |
| RELEVANT IFF MATERIAL TOPIC(S): RESPONSIBLE SOURCING |       |  |  |   |  |
| GRI 3: Material Topics 2021                          | 3-3   | Management of material topics  | <a href="#">Policies &amp; Commitments, page 69</a><br><a href="#">Risk Assessment &amp; Prioritization, page 70</a><br><a href="#">Climate &amp; Planetary Health, page 49</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">Responsible Sourcing Policy</a><br><a href="#">Global Environmental Sustainability Policy</a><br><a href="#">Sustainable Palm Oil Policy</a><br><a href="#">Sustainable Soy Policy</a><br><a href="#">CDP Forests response</a> | None  | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 304: Biodiversity 2016                           | 304-2 | Significant impacts of activities, products and services on biodiversity | Do More Good Plan:<br><a href="#">Responsible Sourcing Goals, page 68</a><br><a href="#">Policies &amp; Commitments, page 69</a><br><a href="#">Risk Assessment &amp; Prioritization, page 70</a><br><a href="#">Strategic Raw Materials, page 72</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">CDP Forests response</a>   | Information on direct and indirect impacts with reference to species, extent and duration is unavailable. IFF will evaluate opportunities to disclose this information in the future. |  |



MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

BIODIVERSITY (CONTINUED)

RELEVANT IFF MATERIAL TOPIC(S): RESPONSIBLE SOURCING

|                            |       |                                |   |  |  |
|----------------------------|-------|--------------------------------|---|--|--|
| GRI 304: Biodiversity 2016 | 304-3 | Habitats protected or restored | <a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">CDP Forests response</a> | Information on size of all habitat areas protected or restored is unavailable. IFF will evaluate opportunities to disclose this information in the future. | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|----------------------------|-------|--------------------------------|---|--|--|

EMISSIONS

RELEVANT IFF MATERIAL TOPIC(S): CLIMATE CHANGE; ENERGY

|                             |     |                               |  |      |  |
|-----------------------------|-----|-------------------------------|--|------|--|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | <a href="#">Climate &amp; Planetary Health, page 49</a><br><a href="#">Metrics &amp; Targets, page 54</a><br><a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">Climate Change &amp; Emissions webpage</a><br><a href="#">CDP Climate Change response</a><br><a href="#">Global Environmental Sustainability Policy</a><br><a href="#">2021 Form 10K (Environmental, Social, and Governance, page 7)</a><br><a href="#">2022 Proxy Statement (Environmental, Social and Governance Initiatives, pages 21-22)</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|-----------------------------|-----|-------------------------------|--|------|--|



## MATERIAL TOPICS

| DISCLOSURE   | DESCRIPTION | CROSS-REFERENCE OR ANSWER                     | OMISSIONS   | RELEVANT EXTERNAL ENTITIES                                       |
|--|-------------|---|---|--|
| EMISSIONS (CONTINUED)                                  |             |   |   |  |
| RELEVANT IFF MATERIAL TOPIC(S): CLIMATE CHANGE; ENERGY |             |   |   |  |
| GRI 305: Emissions<br>2016                             | 305-1       | Direct (Scope 1)<br>GHG emissions             | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a> | None   |
|  | 305-2       | Energy indirect<br>(Scope 2) GHG<br>emissions | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a> | None   |
|  | 305-3       | Other indirect<br>(Scope 3) GHG<br>emissions  | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a> | None   |
|  | 305-4       | GHG emissions<br>intensity                    | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">CDP Climate Change response</a>   | None   |
|  | 305-5       | Reduction of GHG<br>emissions                 | <a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">CDP Climate Change response</a>  | None   |
|  |             |   |   | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |



## MATERIAL TOPICS

| DISCLOSURE |  | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|--|-------------|---------------------------|-----------|----------------------------|
|------------|--|-------------|---------------------------|-----------|----------------------------|

## EMISSIONS (CONTINUED)

## RELEVANT IFF MATERIAL TOPIC(S): CLIMATE CHANGE; ENERGY

|                         |       |   |  |      |  |
|-------------------------|-------|---|--|------|--|
| GRI 305: Emissions 2016 | 305-7 | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | <a href="#">Standards and Basis of Calculations for Environmental Data, page 55</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|-------------------------|-------|---|--|------|--|

## WASTE

## RELEVANT IFF MATERIAL TOPIC(S): WASTE

|                             |     |                               |   |      |  |
|-----------------------------|-----|-------------------------------|---|------|--|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | <a href="#">Sustainable Solutions, page 29</a><br><a href="#">Climate &amp; Planetary Health, page 49</a><br><a href="#">Waste Management, page 62</a><br><a href="#">Waste Management webpage</a><br><a href="#">Upcycling webpage</a><br><a href="#">Global Environmental Sustainability Policy 2021 Form 10K (Environmental, Social, and Governance, page 7)</a><br><a href="#">2022 Proxy Statement (Environmental, Social and Governance Initiatives, pages 21-22)</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|-----------------------------|-----|-------------------------------|---|------|--|



## MATERIAL TOPICS

| DISCLOSURE                            | DESCRIPTION | CROSS-REFERENCE OR ANSWER                       | OMISSIONS   | RELEVANT EXTERNAL ENTITIES  |  |
|---------------------------------------|-------------|---|---|---|--|
| WASTE (CONTINUED)                     |             |   |   |   |  |
| RELEVANT IFF MATERIAL TOPIC(S): WASTE |             |   |   |   |  |
| GRI 306: Waste 2020                   | 306-2       | Management of significant waste-related impacts | <a href="#">Sustainable Solutions, page 29</a><br><a href="#">Climate &amp; Planetary Health, page 49</a><br><a href="#">Waste Management, page 62</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">Waste Management webpage</a> | None  |  |
|                                       | 306-3       | Waste generated                                 | <a href="#">Waste Management, page 62</a><br><a href="#">IFF Performance Data, page 197</a>   | None  | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|                                       | 306-4       | Waste diverted from disposal                    | <a href="#">Waste Management, page 62</a><br><a href="#">IFF Performance Data, page 197</a>   | Information related to the location (i.e., onsite or offsite) of waste diverted from disposal is not available. IFF will evaluate opportunities to disclose this information in the future. |  |



MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

WASTE (CONTINUED)

RELEVANT IFF MATERIAL TOPIC(S): WASTE

|                     |       |                            |   |   |  |
|---------------------|-------|----------------------------|---|---|--|
| GRI 306: Waste 2020 | 306-5 | Waste directed to disposal | <a href="#">Waste Management, page 62</a><br><a href="#">IFF Performance Data, page 197</a> | Information related to the location (i.e., onsite or offsite) of waste directed to disposal is not available. IFF will evaluate opportunities to disclose this information in the future. | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|---------------------|-------|----------------------------|---|---|--|

SUPPLIER ENVIRONMENTAL ASSESSMENT

RELEVANT IFF MATERIAL TOPIC(S): RESPONSIBLE SOURCING

|                             |     |                               |  |  |   |
|-----------------------------|-----|-------------------------------|--|--|---|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | <a href="#">Responsible Sourcing, page 65</a><br><a href="#">Responsible Sourcing webpage</a><br><a href="#">Responsible Sourcing Policy</a><br><a href="#">Vendor Code of Conduct</a><br><a href="#">Global Environmental Sustainability Policy</a><br><a href="#">Sustainable Palm Oil Policy</a><br><a href="#">Sustainable Soy Policy</a><br><a href="#">2021 Form 10K (Environmental, Social, and Governance, page 7)</a><br><a href="#">2022 Proxy Statement (Environmental, Social and Governance Initiatives, pages 21-22)</a> |  | Customers<br>Investors<br>Regulators<br>Suppliers |
|-----------------------------|-----|-------------------------------|--|--|---|



MATERIAL TOPICS

| DISCLOSURE   |       | DESCRIPTION  | CROSS-REFERENCE OR ANSWER  | OMISSIONS  | RELEVANT EXTERNAL ENTITIES                        |
|--|-------|--|--|--|---|
| SUPPLIER ENVIRONMENTAL ASSESSMENT (CONTINUED)        |       |  |  |  |   |
| RELEVANT IFF MATERIAL TOPIC(S): RESPONSIBLE SOURCING |       |  |  |  |   |
| GRI 308: Supplier Environmental Assessment 2016      | 308-1 | New suppliers that were screened using environmental criteria        | <u>Do More Good Plan: Responsible Sourcing Goals, page 68</u><br><u>Risk Assessment &amp; Prioritization, page 70</u><br><u>Strategic Raw Materials, page 72</u><br><u>Supplier Engagement, page 78</u>                                | None   | Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 308: Supplier Environmental Assessment 2016      | 308-2 | Negative environmental impacts in the supply chain and actions taken | <u>Do More Good Plan: Responsible Sourcing Goals, page 68</u><br><u>Risk Assessment &amp; Prioritization, page 70</u><br><u>Strategic Raw Materials, page 72</u><br><u>Supplier Engagement, page 78</u><br><u>CDP Forests response</u> | Specific metrics for negative environmental impacts in the supply chain and actions taken are not available. | Customers<br>Investors<br>Regulators<br>Suppliers |





| MATERIAL TOPICS   |       |  |   |  |                                       |
|---|-------|--|---|--|---------------------------------------|
| DISCLOSURE  |       | DESCRIPTION  | CROSS-REFERENCE OR ANSWER   | OMISSIONS  | RELEVANT EXTERNAL ENTITIES            |
| SOCIAL  |       |  |   |  |                                       |
| EMPLOYMENT  |       |  |   |  |                                       |
| RELEVANT IFF MATERIAL TOPIC(S): TALENT, ACQUISITION, ENGAGEMENT & RETENTION |       |  |   |  |                                       |
| GRI 3: Material Topics 2021   | 3-3   | Management of material topics  | <a href="#">New World of Work, page 90</a><br><a href="#">Culture &amp; Values, page 93</a><br><a href="#">Talent Management, page 95</a><br><a href="#">Careers webpage</a><br><a href="#">Innovation webpage</a><br><a href="#">Our Purpose webpage</a> | None   |                                       |
| GRI 401: Employment 2016  | 401-1 | New employee hires and employee turnover   | <a href="#">IFF Performance Data, page 197</a>  | None   | Communities<br>Customers<br>Suppliers |
|   | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | <a href="#">Benefits &amp; Wellbeing, page 99</a><br>Please note, IFF does not utilize a significant number of part-time, self-employed, or seasonal workers in our workforce.  | Due to confidentiality, details on benefits by locations of operation are not available. IFF will evaluate opportunities to disclose this information in the future. |                                       |



MATERIAL TOPICS

| DISCLOSURE  |       | DESCRIPTION  | CROSS-REFERENCE OR ANSWER  | OMISSIONS | RELEVANT EXTERNAL ENTITIES                                       |
|---|-------|--|--|-----------|--|
| LABOR/MANAGEMENT RELATIONS  |       |  |  |           |  |
| RELEVANT IFF MATERIAL TOPIC(S): HUMAN RIGHTS; TALENT, ACQUISITION, ENGAGEMENT & RETENTION |       |  |  |           |  |
| GRI 3: Material Topics 2021   | 3-3   | Management of material topics                        | <a href="#">Equity &amp; Wellbeing, page 87</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">2021 Form 10K (Risk Factors, page 18)</a>   | None      |  |
| GRI 402: Labor/Management Relations 2016  | 402-1 | Minimum notice periods regarding operational changes | We comply with notice periods (as defined by collective bargaining agreements in place or by local laws or regulations) prior to the implementation of any changes that could potentially involve our employees. In each case, we follow the appropriate channels of communication to ensure our employees and their elected representatives or union/works councils are informed and consulted where required. Minimum notice periods regarding operational changes range from no notice to seven months. | None      | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |



## MATERIAL TOPICS

| DISCLOSURE  |       | DESCRIPTION  | CROSS-REFERENCE OR ANSWER   | OMISSIONS | RELEVANT EXTERNAL ENTITIES                                       |
|---|-------|--|---|-----------|--|
| OCCUPATIONAL HEALTH AND SAFETY                                      |       |  |   |           |  |
| RELEVANT IFF MATERIAL TOPIC(S): EMPLOYEE HEALTH, SAFETY & WELLBEING |       |  |   |           |  |
| GRI 3: Material Topics 2021   | 3-3   | Management of material topics  | <a href="#">Environment, Health &amp; Safety, page 112</a><br><a href="#">Health &amp; Safety webpage</a><br><a href="#">Global Environment, Health &amp; Safety Policy</a> | None      |  |
| GRI 403: Occupational Health and Safety 2018                        | 403-1 | Occupational health and safety management system                                       | <a href="#">Environment, Health &amp; Safety, page 112</a>  | None      | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|   | 403-2 | Hazard identification, risk assessment and incident investigation                      | <a href="#">Environment, Health &amp; Safety, page 112</a><br><a href="#">Global Environment, Health &amp; Safety Policy</a>  | None      |  |
|   | 403-4 | Worker participation, consultation and communication on occupational health and safety | <a href="#">Environment, Health &amp; Safety, page 112</a>  | None      |  |



MATERIAL TOPICS

| DISCLOSURE  | DESCRIPTION | CROSS-REFERENCE OR ANSWER  | OMISSIONS   | RELEVANT EXTERNAL ENTITIES                                       |
|---|-------------|--|---|--|
| OCCUPATIONAL HEALTH AND SAFETY (CONTINUED)                          |             |  |   |  |
| RELEVANT IFF MATERIAL TOPIC(S): EMPLOYEE HEALTH, SAFETY & WELLBEING |             |  |   |  |
| GRI 403: Occupational Health And Safety 2018                        | 403-5       | Worker training on occupational health and safety                      | <a href="#">Environment, Health &amp; Safety, page 112</a>  | None   |
|   | 403-6       | Promotion of worker health   | <a href="#">New World of Work, page 90</a><br><a href="#">Benefits &amp; Wellbeing, page 99</a><br><a href="#">Environment, Health &amp; Safety, page 112</a>   | None   |
|   | 403-8       | Workers covered by an occupational health and safety management system | <a href="#">Environment, Health &amp; Safety, page 112</a><br><a href="#">External Assurance Statement, page 214</a><br>The safety data for recordable or total recordable and lost time incidents submitted by our facilities is subject to global third-party verification. | None   |
|   |             |  |   | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |



## MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

## OCCUPATIONAL HEALTH AND SAFETY (CONTINUED)

## RELEVANT IFF MATERIAL TOPIC(S): EMPLOYEE HEALTH, SAFETY &amp; WELLBEING

|   |                                |  |  |  |
|---|--------------------------------|--|--|--|
| GRI 403:<br>Occupational<br>Health And Safety<br>2018 | 403-9<br>Work-related injuries | <a href="#">EHS Performance, page 116</a><br><a href="#">IFF Performance Data, page 197</a><br>IFF considers lost time incidents as high consequence injuries. | Individual data for contractors is not available. IFF's current data management processes are aligned with OSHA reporting, which combines employee and contractor safety data. IFF will evaluate opportunities to separate safety data reporting for employees and contractors for future disclosures. | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|---|--------------------------------|--|--|--|

## TRAINING AND EDUCATION

## RELEVANT IFF MATERIAL TOPIC(S): TALENT, ACQUISITION, ENGAGEMENT &amp; RETENTION

|                                |   |   |      |                                       |
|--------------------------------|---|---|------|---------------------------------------|
| GRI 3: Material<br>Topics 2021 | 3-3<br>Management of<br>material topics | <a href="#">Talent Management, page 95</a><br><a href="#">Innovation webpage</a><br><a href="#">Our Purpose webpage</a><br><a href="#">Corporate Governance Guidelines, page 10</a> | None | Communities<br>Investors<br>Suppliers |
|--------------------------------|---|---|------|---------------------------------------|



MATERIAL TOPICS

| DISCLOSURE  | DESCRIPTION | CROSS-REFERENCE OR ANSWER  | OMISSIONS   | RELEVANT EXTERNAL ENTITIES   |
|---|-------------|--|---|--|
| TRAINING AND EDUCATION (CONTINUED)  |             |  |   |  |
| RELEVANT IFF MATERIAL TOPIC(S): TALENT, ACQUISITION, ENGAGEMENT & RETENTION |             |  |   |  |
| GRI 404: Training and Education 2016  | 404-1       | Average hours of training per year per employee                                      | <a href="#">Learning &amp; Development, page 97</a>           | Average training hours by gender and employee category is not available. IFF will evaluate opportunities to measure and disclose this information in the future. |
|   | 404-2       | Programs for upgrading employee skills and transition assistance programs            | <a href="#">Learning &amp; Development, page 97</a>           | None   |
|   | 404-3       | Percentage of employees receiving regular performance and career development reviews | <a href="#">Performance Management &amp; Reviews, page 96</a> | None   |
|   |             |  |   | Communities<br>Investors<br>Suppliers  |



| MATERIAL TOPICS   |       |  |  |           |  |
|---|-------|--|--|-----------|--|
| DISCLOSURE  |       | DESCRIPTION                                  | CROSS-REFERENCE OR ANSWER  | OMISSIONS | RELEVANT EXTERNAL ENTITIES                                       |
| DIVERSITY AND EQUAL OPPORTUNITY   |       |  |  |           |  |
| RELEVANT IFF MATERIAL TOPIC(S): DIVERISTY, EQUITY & INCLUSION; CORPORATE GOVERNANCE |       |  |  |           |  |
| GRI 3: Material Topics 2021   | 3-3   | Management of material topics                | <a href="#">Diversity, Equity &amp; Inclusion, page 100</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">Diversity, Equity &amp; Inclusion webpage</a><br><a href="#">Global Equality Policy</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">2018 Gender Equity Report</a><br>2021 Form 10K (Environmental, Social, and Governance, page 7)<br><a href="#">2022 Proxy Statement</a> (Environmental, Social and Governance Initiatives, pages 21-22; Diversity, Equity & Inclusion, pages 32-33) | None      | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 405: Diversity and Equal Opportunity 2016                                       | 405-1 | Diversity of governance bodies and employees | <a href="#">Diversity, Equity &amp; Inclusion, page 100</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">2022 Proxy Statement</a> (Diversity and Tenure, pages 3-4)  | None      |  |



MATERIAL TOPICS

| DISCLOSURE  |       | DESCRIPTION  | CROSS-REFERENCE OR ANSWER  | OMISSIONS | RELEVANT EXTERNAL ENTITIES                                       |
|---|-------|--|--|-----------|--|
| FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING  |       |  |  |           |  |
| RELEVANT IFF MATERIAL TOPIC(S): HUMAN RIGHTS; TALENT, ACQUISITION, ENGAGEMENT & RETENTION |       |  |  |           |  |
| GRI 3: Material Topics 2021   | 3-3   | Management of material topics  | IFF fully respects the rights of our employees to freely associate and bargain collectively in a legal, ethical, and safe way.<br><br><a href="#">Human Rights, page 135</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Vendor Code of Conduct</a> | None      | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 407: Freedom of Association and Collective Bargaining 2016                            | 407-1 | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | <a href="#">Human Rights, page 135</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Slavery &amp; Human Trafficking Statement</a><br><a href="#">Vendor Code of Conduct</a>                        | None      |  |





MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

CHILD LABOR  
RELEVANT IFF MATERIAL TOPIC(S): HUMAN RIGHTS

|                             |       |   |   |      |  |
|-----------------------------|-------|---|---|------|--|
| GRI 3: Material Topics 2021 | 3-3   | Management of material topics   | <a href="#">Human Rights, page 135</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Slavery &amp; Human Trafficking Statement</a><br><a href="#">Vendor Code of Conduct</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 408: Child Labor 2016   | 408-1 | Operations and suppliers at significant risk for incidents of child labor | <a href="#">Human Rights, page 135</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Slavery &amp; Human Trafficking Statement</a><br><a href="#">Vendor Code of Conduct</a> | None |  |

FORCED OR COMPULSORY LABOR  
RELEVANT IFF MATERIAL TOPIC(S): HUMAN RIGHTS

|                             |     |                               |   |      |  |
|-----------------------------|-----|-------------------------------|---|------|--|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | <a href="#">Human Rights, page 135</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Slavery &amp; Human Trafficking Statement</a><br><a href="#">Vendor Code of Conduct</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|-----------------------------|-----|-------------------------------|---|------|--|



MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

FORCED OR COMPULSORY LABOR (CONTINUED)

RELEVANT IFF MATERIAL TOPIC(S): HUMAN RIGHTS

|  |       |  |   |      |  |
|--|-------|--|---|------|--|
| GRI 409: Forced or Compulsory Labor 2016 | 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labor | <a href="#">Human Rights, page 135</a><br><a href="#">Global Human Rights Policy</a><br><a href="#">Slavery &amp; Human Trafficking Statement</a><br><a href="#">Vendor Code of Conduct</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|--|-------|--|---|------|--|

LOCAL COMMUNITIES

RELEVANT IFF MATERIAL TOPIC(S): COMMUNITY ENGAGEMENT & PHILANTHROPY; RESPONSIBLE SOURCING

|                             |     |                               |   |      |                                       |
|-----------------------------|-----|-------------------------------|---|------|---------------------------------------|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | <a href="#">About IFF, page 10</a><br><a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">Stakeholder Engagement, page 143</a><br><a href="#">2021 Form 10K (Environmental, Social, and Governance, page 7)</a> | None | Communities<br>Customers<br>Suppliers |
|-----------------------------|-----|-------------------------------|---|------|---------------------------------------|



MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

LOCAL COMMUNITIES (CONTINUED)

RELEVANT IFF MATERIAL TOPIC(S): COMMUNITY ENGAGEMENT & PHILANTHROPY; RESPONSIBLE SOURCING

|                            |       |  |  |  |                                       |
|----------------------------|-------|--|--|--|---------------------------------------|
| GRI 413: Local Communities | 413-1 | Operations with local community engagement, impact assessments, and development programs | <a href="#">Sustainable Solutions, page 29</a><br><a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">Managing Challenges, page 126</a><br><a href="#">Stakeholder Engagement, page 143</a><br><a href="#">IFF Facility Certifications, page 212</a> | Due to confidentiality, specific metrics related to all operations with local community engagement, impact assessments, and development programs is not available. IFF will evaluate opportunities to disclose this information in the future. | Communities<br>Customers<br>Suppliers |
|----------------------------|-------|--|--|--|---------------------------------------|

SUPPLIER SOCIAL ASSESSMENT

RELEVANT IFF MATERIAL TOPIC(S): RESPONSIBLE SOURCING

|                             |     |                               |   |      |  |
|-----------------------------|-----|-------------------------------|---|------|--|
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics | <a href="#">Responsible Sourcing, page 65</a><br><a href="#">Human Rights, page 135</a><br><a href="#">Responsible Sourcing webpage</a><br><a href="#">Responsible Sourcing Policy</a><br><a href="#">Vendor Code of Conduct</a><br><a href="#">Global Environmental Sustainability Policy</a><br><a href="#">Sustainable Palm Oil Policy</a><br><a href="#">Sustainable Soy Policy</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|-----------------------------|-----|-------------------------------|---|------|--|



## MATERIAL TOPICS

| DISCLOSURE | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|-------------|---------------------------|-----------|----------------------------|
|------------|-------------|---------------------------|-----------|----------------------------|

## SUPPLIER SOCIAL ASSESSMENT (CONTINUED)

## RELEVANT IFF MATERIAL TOPIC(S): RESPONSIBLE SOURCING

|  |       |  |   |      |  |
|--|-------|--|---|------|--|
| GRI 414: Supplier Social Assessment 2016 | 414-1 | New suppliers that were screened using social criteria | <a href="#">Do More Good Plan: Responsible Sourcing Goals, page 68</a><br><a href="#">Risk Assessment &amp; Prioritization, page 70</a><br><a href="#">Strategic Raw Materials, page 72</a><br><a href="#">Supplier Engagement, page 78</a><br><a href="#">Human Rights, page 135</a><br><a href="#">Vendor Code of Conduct</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
|--|-------|--|---|------|--|

## PUBLIC POLICY

## RELEVANT IFF MATERIAL TOPIC(S): STAKEHOLDER ENGAGEMENT &amp; TRANSPARENCY

|                             |       |                               |   |      |  |
|-----------------------------|-------|-------------------------------|---|------|--|
| GRI 3: Material Topics 2021 | 3-3   | Management of material topics | <a href="#">Political Contributions, page 125</a><br><a href="#">Code of Conduct (Political Activities, page 24)</a>  | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 415: Public Policy 2016 | 415-1 | Political contributions       | <a href="#">External Initiatives, Memberships &amp; Associations, page 138</a><br><a href="#">Political Contributions, page 125</a><br><a href="#">IFF Performance Data, page 197</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |



## MATERIAL TOPICS

| DISCLOSURE |  | DESCRIPTION | CROSS-REFERENCE OR ANSWER | OMISSIONS | RELEVANT EXTERNAL ENTITIES |
|------------|--|-------------|---------------------------|-----------|----------------------------|
|------------|--|-------------|---------------------------|-----------|----------------------------|

## CUSTOMER HEALTH AND SAFETY

## RELEVANT IFF MATERIAL TOPIC(S): PRODUCT SAFETY &amp; QUALITY

|  |       |  |   |      |  |
|--|-------|--|---|------|--|
| GRI 3: Material Topics 2021              | 3-3   | Management of material topics  | <a href="#">Quality &amp; Product Safety, page 132</a><br><a href="#">Global Environment, Health &amp; Safety Policy</a><br><a href="#">Global Quality Policy</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 416: Customer Health and Safety 2016 | 416-2 | Incidents of noncompliance concerning the health and safety impacts of products and services | <a href="#">Quality &amp; Product Safety, page 132</a><br><a href="#">2021 Form 10K</a>   | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |

## MARKETING AND LABELING

## RELEVANT IFF MATERIAL TOPIC(S): CUSTOMER EXPERIENCE; INNOVATION &amp; SUSTAINABLE PRODUCT SOLUTIONS; PRODUCT SAFETY &amp; QUALITY

|                                      |       |  |   |      |  |
|--------------------------------------|-------|--|---|------|--|
| GRI 3: Material Topics 2021          | 3-3   | Management of material topics  | <a href="#">Quality &amp; Product Safety, page 132</a><br><a href="#">GMO Policy</a><br><a href="#">Animal Testing Policy</a> | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| GRI 417: Marketing and Labeling 2016 | 417-2 | Incidents of noncompliance concerning product and service information and labeling | <a href="#">Quality &amp; Product Safety, page 132</a><br><a href="#">2021 Form 10K</a>                                       | None | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |



## MATERIAL TOPICS

| DISCLOSURE   |       | DESCRIPTION  | CROSS-REFERENCE OR ANSWER   | OMISSIONS | RELEVANT EXTERNAL ENTITIES                                       |
|--|-------|--|---|-----------|--|
| CUSTOMER PRIVACY                                     |       |  |   |           |  |
| RELEVANT IFF MATERIAL TOPIC(S): INFORMATION SECURITY |       |  |   |           |  |
| GRI 3: Material Topics 2021                          | 3-3   | Management of material topics  | <a href="#">Information Security, page 129</a><br><a href="#">Privacy webpage</a><br><a href="#">2022 Proxy Statement (Risk Factors, pages 19-20)</a> | None      |  |
| GRI 418: Customer Privacy 2016                       | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | <a href="#">Information Security, page 129</a>  | None      | Communities<br>Customers<br>Investors<br>Regulators<br>Suppliers |
| IFF MATERIAL TOPIC: DIGITALIZATION                   |       |  |   |           |  |
| GRI 3: Material Topics 2021                          | 3-3   | Management of material topics  | <a href="#">Climate &amp; Planetary Health, page 49</a><br><a href="#">Sustainably Sourcing Vanilla in Madagascar, page 84</a>                        | None      |  |
| N/A  |       | Increasing the flexibility, reliability, security, and efficiency through digitalization     | <a href="#">Sustainably Sourcing Vanilla in Madagascar, page 84</a>   | None      | Customers<br>Suppliers   |



| MATERIAL TOPICS  |     |  |  |           |                                      |
|--|-----|--|--|-----------|--------------------------------------|
| DISCLOSURE   |     | DESCRIPTION                                    | CROSS-REFERENCE OR ANSWER  | OMISSIONS | RELEVANT EXTERNAL ENTITIES           |
| IFF MATERIAL TOPIC: SOCIETAL & GEOPOLITICAL CONDITIONS |     |  |  |           |                                      |
| GRI 3: Material Topics 2021                            | 3-3 | Management of material topics                  | <a href="#">Risk Management, page 127</a><br><a href="#">CDP Climate Change response</a>   | None      | Communities<br>Customers             |
| N/A  |     | Safeguarding business continuity against risks | Strengthening Biodiversity & Communities ( <a href="#">Moving Forward on Vetiver in Haiti, page 83</a> )<br><a href="#">Risk Management, page 127</a><br><a href="#">CDP Climate Change response</a> | None      | Investors<br>Regulators<br>Suppliers |



# SASB DISCLOSURES

This report marks the third year IFF has disclosed under the Sustainability Accounting Standards Board (SASB) standards. We have included the topics and metrics below related to the Resource Transformation sector and the Chemicals industry. We do not claim to fulfill the disclosures for all indicators this year, but we are continuing to enhance our responses and evaluate them for future disclosures.

| TOPIC                    | ACCOUNTING METRIC  | CODE         | CROSS-REFERENCE OR ANSWER   |
|--------------------------|--|--------------|---|
| Greenhouse Gas Emissions | Gross global Scope 1 emissions and the percentage covered under emissions-limiting regulations   | RT-CH-110a.1 | <a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">IFF Performance Data, page 197</a><br><br>In 2021, 8.8% of IFF's Scope 1 emissions were covered under the EU Emissions Trading System (ETS). |
|                          | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | RT-CH-110a.2 | <a href="#">Do More Good Plan: Climate &amp; Planetary Health Goals, page 52</a><br><a href="#">Climate Change &amp; Emissions, page 56</a><br><a href="#">CDP Climate Change response</a>                          |
| Air Quality              | Air emissions of the following pollutants: (1) NOX (excluding N <sub>2</sub> O), (2) SOX, (3) volatile organic compounds, and (4) hazardous air pollutants             | RT-CH-120a.1 | <a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a><br><br>Hazardous air pollutants are not material to our operations.   |
| Energy Management        | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy  | RT-CH-130a.1 | <a href="#">Energy Management, page 58</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Climate Change response</a>   |





| TOPIC                      | ACCOUNTING METRIC  | CODE         | CROSS-REFERENCE OR ANSWER  |
|----------------------------|--|--------------|--|
| Water Management           | (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | RT-CH-140a.1 | <a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">IFF Performance Data, page 197</a><br><a href="#">CDP Water Security response</a>   |
|                            | Number of incidents of noncompliance associated with water quality permits, standards and regulations                                | RT-CH-140a.2 | We had no significant incidents of noncompliance concerning water quality permits, standards, or regulations in 2021.  |
|                            | Description of water management risks and discussion of strategies and practices to mitigate those risks                             | RT-CH-140a.3 | <a href="#">Water Management &amp; Stewardship, page 60</a><br><a href="#">CDP Water Security response</a>   |
| Hazardous Waste Management | Amount of hazardous waste generated, and percentage recycled   | RT-CH-150a.1 | <a href="#">Waste Management, page 62</a><br><a href="#">IFF Performance Data, page 197</a>  |
| Community Relations        | Discussion of engagement processes to manage risks and opportunities associated with community interests                             | RT-CH-210a.1 | <a href="#">Risk Assessment &amp; Prioritization, page 70</a><br><a href="#">Strengthening Biodiversity &amp; Communities, page 83</a><br><a href="#">Managing Challenges, page 126</a>  |
| Workforce Health & Safety  | (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees                  | RT-CH-320a.1 | <a href="#">EHS Performance, page 116</a><br><a href="#">IFF Performance Data, page 197</a><br><br>Individual data for contractors is not available. IFF's current data management processes are aligned with OSHA reporting, which combines employee and supervised contractor safety data. IFF is evaluating opportunities to separate safety data reporting for employees and supervised contractors in future disclosures. |
|                            | Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks  | RT-CH-320a.2 | <a href="#">Environment, Health &amp; Safety, page 112</a><br><a href="#">Global Environmental, Health and Safety Policy</a>   |



| TOPIC  | ACCOUNTING METRIC  | CODE         | CROSS-REFERENCE OR ANSWER  |
|--|--|--------------|--|
| Product Design for Use-phase Efficiency          | Revenue from products designed for use-phase resource efficiency   | RT-CH-410a.1 | <p><a href="#">Sustainable Solutions, page 29</a><br/><a href="#">Innovation webpage</a></p> <p>We have embedded our commitment to circular design across our business. Revenue from products designed for use-phase efficiency is not available.</p>  |
| Safety & Environmental Stewardship of Chemicals  | (1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, and (2) percentage of such products that have undergone a hazard assessment | RT-CH-410b.1 | <p><a href="#">Sustainable Solutions, page 29</a><br/><a href="#">Scent, page 43</a></p> <p>IFF has products that have been classified as GHS Category 1 and 2 Health and Environmental Hazardous Substances. The percentage of products that contain GHS Category 1 and 2 Health and Environmental Hazardous Substances and that undergone a hazard is not available.</p> |
|  | Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact  | RT-CH-410b.2 | <p><a href="#">Sustainable Solutions, page 29</a><br/><a href="#">Product Responsibility, page 131</a><br/><a href="#">Innovation webpage</a><br/><a href="#">Research &amp; Development webpage</a></p>   |
| Genetically Modified Organisms                   | Percentage of products by revenue that contain genetically modified organisms (GMOs)   | RT-CH-410c.1 | <p><a href="#">Product Responsibility, page 131</a><br/><a href="#">GMO Policy</a></p>   |
| Management of the Legal & Regulatory Environment | Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry   | RT-CH-530a.1 | <p><a href="#">Political Contributions, page 125</a><br/><a href="#">Materiality, page 16</a><br/><a href="#">Product Responsibility, page 131</a><br/><a href="#">2021 Form 10K (Business, page 3; Risk Factors, page 12)</a></p>   |



| TOPIC   | ACCOUNTING METRIC  | CODE         | CROSS-REFERENCE OR ANSWER  |
|---|--|--------------|--|
| Operational Safety, Emergency Preparedness & Response | Process Safety Incidents Count, Process Safety Total Incident Rate and Process Safety Incident Severity Rate | RT-CH-540a.1 | <a href="#">Environment, Health &amp; Safety, page 112</a><br><a href="#">EHS Performance, page 116</a>  |
|   | Number of transport incidents  | RT-CH-540a.2 | <a href="#">Environment, Health &amp; Safety, page 112</a><br><br>In 2021, IFF had no significant or reportable transport incidents.                   |
| ACTIVITY METRIC                                       |  | CODE         | CROSS-REFERENCE OR ANSWER  |
| Production by reportable segment                      |  | RT-CH-000.A  | <a href="#">About IFF, page 10</a><br><br>Additional information on our reportable segments can be found in IFF's <a href="#">2021 Annual Report</a> . |



# TCFD REPORT

IFF's second Task Force on Climate-related Financial Disclosures (TCFD) Report is aligned with the four sections of the TCFD framework: (1) governance (2) strategy (3) risk management and (4) metrics and targets. For more information on TCFD, please visit <https://www.fsb-tcf.org>.

| DISCLOSURE | CROSS-REFERENCE OR ANSWER |
|------------|---------------------------|
|------------|---------------------------|

|   |  |
|---|--|
| <p><b>GOVERNANCE</b></p> <p><b>DISCLOSE THE ORGANIZATION'S GOVERNANCE AROUND CLIMATE-RELATED RISKS AND OPPORTUNITIES.</b></p> |  |
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|---|---|
| <p>Board's oversight of climate-related risks and opportunities</p> | <p><a href="#">Do More Good Plan: Transparency &amp; Accountability Goals, page 121</a><br/> <a href="#">ESG Governance, page 122</a><br/> <a href="#">CDP Climate Change response (Question C1.1, pages 3-5)</a><br/> <a href="#">Innovation and Sustainability Committee Charter</a></p> <p>Direct Board oversight of IFF's climate-related risks and opportunities is provided by the Board of Directors' Innovation and Sustainability Committee, which is responsible for reviewing and discussing the management of the Company's environmental performance, including progress toward targets, programs, policies, and disclosures related to climate change.</p> <p>Together, IFF's Board, the Executive Committee (EC), and the EC's leadership teams, including IFF's Vice President, Global Sustainability &amp; EHS, provide oversight for the execution of our global ESG+ strategy, the Do More Good Plan, including the activities, targets, and related action plans that are operationalized within IFF's divisions and functions.</p> |
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|--|---|
| <p>Management's role in assessing and managing climate-related risks and opportunities</p> | <p><a href="#">Climate &amp; Planetary Health, page 49</a><br/> <a href="#">Do More Good Plan: Transparency &amp; Accountability Goals, page 121</a><br/> <a href="#">ESG Governance, page 122</a><br/> <a href="#">CDP Climate Change response (Questions C1.2 and C1.3, pages 5-8)</a></p> <p>Together, IFF's Board, the EC, and the EC's leadership teams, including IFF's Vice President, Global Sustainability &amp; EHS, provide oversight for the execution of our global ESG+ strategy, the Do More Good Plan, including the activities, targets, and related action plans that are operationalized within IFF's divisions and functions.</p> |
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DISCLOSURE

CROSS-REFERENCE OR ANSWER

STRATEGY

DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION'S BUSINESSES, STRATEGY AND FINANCIAL PLANNING.

Climate-related risks and opportunities identified over short-term, medium-term, and long-term horizon

[Climate & Planetary Health, page 49](#)  
[Risk Management, page 127](#)  
[CDP Climate Change response](#) (Questions C2.1 and C2.3-C2.4, pages 8 and 21-23)

We define time horizons for climate risks and opportunities as: short-term (1-3 years), medium-term (3-6 years) and long-term (6-10 years). Risks are categorized as transition risks or physical risks. Transition risks result from a global transition to a low-carbon and climate-resilient economy, and physical risks result from extreme weather events and sustained higher temperatures.

Although climate-related risks and opportunities exist, none were identified to have a substantive financial or strategic impact on our business. IFF defines 'substantive financial impact' when identifying or assessing climate-related risks and opportunities in both our direct operations and supply chain as any change that would significantly affect our business and operations.

We continue to monitor potential risks and opportunities on an ongoing basis and will update our conclusions as appropriate based on this process.

Impact on businesses, strategy, and financial planning

[The Do More Good Plan: IFF's ESG+ Strategy, page 19](#)  
[Sustainable Solutions, page 29](#)  
[Climate & Planetary Health, page 49](#)  
[Risk Management, page 127](#)  
[CDP Climate Change response](#) (Questions C3.3 and C3.4 pages 25-32)



DISCLOSURE

CROSS-REFERENCE OR ANSWER

STRATEGY (CONTINUED)

DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION'S BUSINESSES, STRATEGY AND FINANCIAL PLANNING.

Impact on businesses, strategy, and financial planning (continued)

Through IFF's enterprise risk management (ERM) effort, we aim to pro-actively manage company-wide business risks.

**Impact on Business and Strategy**

IFF's strategies for operations are influenced by climate-related risks and opportunities, particularly through the assessment of the Company's newly acquired assets. IFF's strategies for the Company's products and services and supply chain are influenced by climate-related risks and opportunities, particularly through the investment in new sustainable products. IFF's sustainable innovation is facilitated through our internal evaluation of all R&D projects based on sustainability criteria that address all life cycle stages and a wide range of environmental and social impacts. In manufacturing, we champion circular design through biotechnology and green chemistry. This includes ensuring energy and resource efficiency, expanding our use of renewable energy, and focusing on zero waste, where possible.

**Impact on Financial Planning**

Climate-related risks and opportunities are considered throughout IFF's financial planning. For example, climate change effects can have a negative impact on crop size and quality, impacting the availability and pricing of raw materials. These risks can negatively impact cost expectations, as our profits and operating results could be adversely affected.

**Do More Good Plan**

In 2021, informed by our materiality assessment, IFF announced the Do More Good Plan, our Environmental, Social, and Governance, plus Sustainable Solutions (or ESG+) roadmap that activates our purpose of applying science and creativity for a better world. Supported by a set of ambitious 2030 targets that aim to influence industry-wide change, our strategy is comprised of four pillars where we can have the greatest impact.

Our commitment to Climate & Planetary Health is driven by the urgent need to protect the planet for future generations. To underscore our commitment to supporting the health of the planet and leading on science-based climate action, we have identified the following high-level environmental goals:

- Reduce absolute direct and indirect (Scope 1 and 2 under our operational control) GHG emissions by 50% below 2021 levels by 2030
- Achieve net zero (Scope 1 and 2) GHG emissions by 2040; and be net positive across our entire value chain (cradle-to-gate) by 2050.
- Verify zero waste to landfill for all major manufacturing facilities while minimizing single-use plastics and championing water stewardship by 2030.



DISCLOSURE

CROSS-REFERENCE OR ANSWER

STRATEGY (CONTINUED)

DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION'S BUSINESSES, STRATEGY AND FINANCIAL PLANNING.

Impact of different scenarios, including a 2°C scenario

[The Do More Good Plan: IFF's ESG+ Strategy, page 19](#)  
[Climate & Planetary Health, page 49](#)  
[Metrics & Targets, page 54](#)  
[CDP Climate Change response \(Question C3.2, pages 23-24\)](#)

At IFF, we take a leadership role in the mobilization of wider industry action and set an example through our strategy and performance. For example, we continue to support the U.N.'s Business Ambition for 1.5°C: Our Only Future pledge, a communications and advocacy campaign to limit global temperature rise to 1.5°C through more aggressive science-based targets for emissions reduction.

As we retire our 2025 EcoEffective+ goals, including our approved SBT for legacy IFF, we have verified our new baseline footprint for the combined company to serve as the basis for a revised SBT in line with the 1.5°C commitment, and an overall target to have net zero operational emissions by 2040 and net positive emissions across the entire value chain by 2050.



DISCLOSURE

CROSS-REFERENCE OR ANSWER

RISK MANAGEMENT

DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION'S BUSINESSES, STRATEGY AND FINANCIAL PLANNING.

Process for identifying and assessing climate-related risks

[The Do More Good Plan: IFF's ESG+ Strategy, page 19](#)  
[Climate & Planetary Health, page 49](#)  
[Metrics & Targets, page 54](#)  
[Risk Management, page 127](#)  
[CDP Climate Change response \(Question C2.2, pages 10-20\)](#)

**Identification of Climate-related Risks**

IFF's identification of climate-related risks is formally integrated into the Company's multidisciplinary Enterprise Risk Management (ERM) program, designed to identify and assess global risks to our business. IFF's ERM program continuously assesses direct operations and downstream and upstream climate change and other sustainability risks.

Our ERM program is designed to identify and assess our global risks and to develop steps to mitigate and manage risks. As part of our risk management practices, IFF has established a management risk committee chaired by the CFO and General Counsel and made up of key members of the Company's management to integrate global risk activities and to ensure appropriate prioritization of resources and alignment across the Company.

**Assessment of Climate-related Risks**

Climate risks and opportunities are assessed based on the magnitude and likelihood of impact, potential financial impact, return on investment, scale of capital costs or operational expenditures and potential for disruption or delays in production.





## DISCLOSURE

## CROSS-REFERENCE OR ANSWER

## RISK MANAGEMENT (CONTINUED)

## DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANIZATION'S BUSINESSES, STRATEGY AND FINANCIAL PLANNING.

Processes for managing climate-related risks

[The Do More Good Plan: IFF's ESG+ Strategy, page 19](#)  
[Climate & Planetary Health, page 49](#)  
[Metrics & Targets, page 54](#)  
[Risk Management, page 127](#)  
[CDP Climate Change response \(Questions C2.1b and C2.2, pages 9-15\)](#)

To manage climate-related risks at the asset level, IFF implements global and regional crisis-management plans and procedures and conducts training for members of the cross-function global and regional crisis teams. We rolled out the new integrated Crisis Management Plan to all team members and created a global training to ensure each member has the knowledge and contact information they need to effectively manage a crisis.

Integration into overall risk management

[Climate & Planetary Health, page 49](#)  
[Metrics & Targets, page 54](#)  
[Risk Management, page 127](#)  
[2022 Proxy Statement, page 30](#)  
[CDP Climate Change response \(Question C2.2, pages 10-15\)](#)

Integration with Enterprise Risk Management: through a robust risk oversight structure characterized by a division of responsibility, we believe we have established the most effective approach for addressing risk management at IFF that allows for open communication between the Board, its committees, and management. IFF's identification of climate-related risks is formally integrated into the Company's multi-disciplinary ERM program, designed to identify and assess global risks to our business.

The Board receives regular reports on the ERM process and the Company's risk mitigation activities, including sustainability risks.



DISCLOSURE

CROSS-REFERENCE OR ANSWER

METRICS & TARGETS

DISCLOSE THE METRICS AND TARGETS USED TO ASSESS AND MANAGE RELEVANT CLIMATE-RELATED RISKS AND OPPORTUNITIES.

Metrics used by the organization to assess climate-related risks and opportunities

[Metrics & Targets, page 54](#)  
[IFF Performance Data, page 197](#)  
[External Assurance Statement, page 214](#)  
[CDP Climate Change response \(Questions C6-C11, pages 47-88\)](#)

In addition to measuring and reporting on absolute Scope 1, Scope 2, and Scope 3 GHG emissions, IFF also monitors and reports on the following metrics in our annual ESG<sup>+</sup> Report and CDP Climate Change response:

- GHG emissions intensity
- CO<sub>2</sub> emissions from biomass burned on-site hydrochlorofluorocarbon (HCFC) emissions from refrigerants used on-site and other air emissions
- Gross global Scope 1 GHG emissions covered under emissions-limiting regulations
- Biogenic emissions
- Energy consumption (including renewable energy) and intensity
- Percent of products classified as low carbon
- Internal price of carbon



## DISCLOSURE

## CROSS-REFERENCE OR ANSWER

## METRICS &amp; TARGETS (CONTINUED)

## DISCLOSE THE METRICS AND TARGETS USED TO ASSESS AND MANAGE RELEVANT CLIMATE-RELATED RISKS AND OPPORTUNITIES.

Scope 1, 2 and 3 greenhouse gas emissions

[Metrics & Targets, page 54](#)  
[IFF Performance Data, page 197](#)  
[External Assurance Statement, page 214](#)  
[CDP Climate Change response \(Question C6, pages 47-55\)](#)

The following metrics represent IFF's 2021 Scope 1, Scope 2, and Scope 3 greenhouse gas emissions (GHG) performance data:

| GREENHOUSE GAS EMISSIONS  | (METRIC TONS OF CO <sub>2</sub> E) |                            |
|---|------------------------------------|----------------------------|
|   | LEGACY IFF*<br>2021                | COMBINED COMPANY**<br>2021 |
| Direct emissions (Scope 1)  | 156,007                            | 889,095                    |
| Operated indirect emissions (market-based Scope 2)                          | 79,410                             | 1,023,016                  |
| Operated indirect emissions (location-based Scope 2)                        | 142,387                            | 969,798                    |
| Scope 3 (employee business air travel)                                      | 714                                | 1,983                      |
| Scope 3 (purchased goods and services)                                      | 2,294,317                          | 6,456,862                  |
| Scope 3 (capital goods)^  | 27,151                             | 44,999                     |
| Scope 3 (fuel- and energy-related activities, not included in scope 1 or 2) | 55,539                             | 438,817                    |
| Scope 3 (upstream transportation and distribution)                          | 206,214                            | 513,630                    |
| Scope 3 (waste generated in operations)                                     | 35,821                             | 187,242                    |

\* Legacy IFF (does not include DuPont N&B)

\*\* Combined company (includes DuPont N&B)

^ Emissions from capital goods are reflective of capital expenditure spend in Operations only.



DISCLOSURE

CROSS-REFERENCE OR ANSWER

METRICS & TARGETS (CONTINUED)

DISCLOSE THE METRICS AND TARGETS USED TO ASSESS AND MANAGE RELEVANT CLIMATE-RELATED RISKS AND OPPORTUNITIES.

Targets used and performance against targets

[The Do More Good Plan: IFF's ESG+ Strategy, page 19](#)  
[Do More Good Plan: Climate & Planetary Health Goals, page 52](#)  
[Metrics & Targets, page 54](#)  
[CDP Climate Change response](#) (Questions C4.1 and C4.2, pages 32-27)

In 2018, legacy IFF launched 2025 EcoEffective+ goals, focused on science-based GHG emissions reductions, renewable energy, water stewardship, and zero waste to landfill. We are pleased to report that as of 2021, we were well on track to achieve these goals against a 2015 baseline. However, this will be the final year of reporting progress against these legacy IFF 2025 goals as we introduce the 2030 goals for the combined company with a new 2021 baseline, as outlined in the Do More Good Plan.

| 2025 TARGETS (2015 BASELINE)  | PROGRESS AGAINST TARGETS  |
|---|---|
| Reduce absolute Scope 1 and Scope 2 GHG emissions by 30%*   | - 23.5% (78.3% of our legacy IFF 2025 goal)   |
| Engage suppliers representing 70% of our supply chain emissions to set their own SBTs and report annual emissions | Engaged suppliers representing 61.4% of supply chain emissions* through the CDP Supply Chain platform<br><br>Of this, suppliers representing 45.7% of supply chain emissions* have approved, committed to or plan to set an SBT |
| Procure 75% of our electricity portfolio from renewable sources   | 198,066 megawatt hours (MWh) of renewable electricity procured, representing 58.7% of our legacy IFF electricity portfolio (and 78% of our legacy IFF goal was achieved)  |

\* Legacy IFF (excluding Frutarom and N&B)



# IFF PERFORMANCE DATA

| ENVIRONMENTAL DATA  |                               | LEGACY IFF* |         |         | COMBINED COMPANY** |
|---|-------------------------------|-------------|---------|---------|--------------------|
|   | UNITS                         | 2019        | 2020    | 2021    | 2021               |
| <b>SCOPE 1 AND SCOPE 2 GREENHOUSE GAS (GHG) EMISSIONS</b> |                               |             |         |         |                    |
| Direct emissions (Scope 1)                                | Metric Tons CO <sub>2</sub> e | 151,002     | 162,286 | 156,007 | 889,095            |
| CO <sub>2</sub>   | Metric Tons CO <sub>2</sub> e | 148,773     | 160,614 | 154,465 | 869,593            |
| CH <sub>4</sub>   | Metric Tons CO <sub>2</sub> e | 221         | 225     | 132     | 846                |
| N <sub>2</sub> O  | Metric Tons CO <sub>2</sub> e | 626         | 658     | 287     | 2,074              |
| Refrigerants  | Metric Tons CO <sub>2</sub> e | 1,382       | 789     | 1,123   | 16,582             |
| Operated direct emissions (Scope 1) by source             |                               |             |         |         |                    |
| Fuel combustion   | %                             | 99%         | 99.5%   | 99.3%   | 98.1%              |
| Other   | %                             | 1%          | 0.5%    | 0.7%    | 1.9%               |
| Operated indirect emissions (market-based Scope 2)        | Metric Tons CO <sub>2</sub> e | 108,591     | 84,986  | 79,410  | 1,023,016          |
| CO <sub>2</sub>   | Metric Tons CO <sub>2</sub> e | 108,214     | 84,741  | 79,195  | 1,020,584          |
| CH <sub>4</sub>   | Metric Tons CO <sub>2</sub> e | 79          | 46      | 42      | 996                |
| N <sub>2</sub> O  | Metric Tons CO <sub>2</sub> e | 299         | 199     | 174     | 1,436              |
| Operated indirect emissions (location-based Scope 2)      | Metric Tons CO <sub>2</sub> e | 138,718     | 113,876 | 142,387 | 969,798            |
| CO <sub>2</sub>   | Metric Tons CO <sub>2</sub> e | 138,185     | 113,459 | 141,847 | 964,547            |
| CH <sub>4</sub>   | Metric Tons CO <sub>2</sub> e | 143         | 102     | 125     | 2,076              |
| N <sub>2</sub> O  | Metric Tons CO <sub>2</sub> e | 390         | 315     | 416     | 3,175              |



| ENVIRONMENTAL DATA (CONTINUED)                                    |                               | LEGACY IFF* |           |           | COMBINED COMPANY** |
|---|-------------------------------|-------------|-----------|-----------|--------------------|
|   | UNITS                         | 2019        | 2020      | 2021      | 2021               |
| <b>SCOPE 3 GHG EMISSIONS***</b>                                   |                               |             |           |           |                    |
| Indirect emissions (Scope 3)                                      | Metric Tons CO <sub>2</sub> e | 1,704,222   | 2,145,326 | 2,619,756 | 7,643,533          |
| Employee business air travel                                      | Metric Tons CO <sub>2</sub> e | 11,275      | 2,387     | 714       | 1,983              |
| Purchased goods and services                                      | Metric Tons CO <sub>2</sub> e | 1,407,000   | 1,843,915 | 2,294,317 | 6,456,862          |
| Capital goods <sup>^</sup>  | Metric Tons CO <sub>2</sub> e | 11,200      | 48,620    | 27,151    | 44,999             |
| Fuel-and-energy-related activities (not included in Scope 1 or 2) | Metric Tons CO <sub>2</sub> e | 49,362      | 45,838    | 55,539    | 438,817            |
| Upstream transportation and distribution                          | Metric Tons CO <sub>2</sub> e | 200,000     | 174,788   | 206,214   | 513,630            |
| Waste generated in operations                                     | Metric Tons CO <sub>2</sub> e | 25,314      | 29,778    | 35,821    | 187,242            |
| <b>BIOGENIC CO<sub>2</sub> EMISSIONS</b>                          |                               |             |           |           |                    |
| CO <sub>2</sub> emissions from biomass burned on-site             | Metric Tons CO <sub>2</sub> e | 38,699      | 32,020    | 39,546    | 192,946            |
| <b>HYDROCHLOROFLUOROCARBON (HCFC) EMISSIONS</b>                   |                               |             |           |           |                    |
| HCFC emissions from refrigerants used on-site                     | Metric Tons CO <sub>2</sub> e | 646         | 348       | 470       | 2,437              |
| <b>AIR EMISSIONS (EXCLUDES GHGS)<sup>^^</sup></b>                 |                               |             |           |           |                    |
| Volatile organic compounds (VOCs)                                 | Metric Tons                   | 4.79        | 5.27      | 5.12      | 42.98              |
| NOx emissions   | Metric Tons                   | 49.91       | 52.83     | 50.88     | 414.88             |
| SOx emissions   | Metric Tons                   | 1.87        | 1.74      | 1.46      | 157.24             |
| Particulate matter emissions                                      | Metric Tons                   | NC          | 7.71      | 7.40      | 61.49              |
| CO emissions  | Metric Tons                   | NC          | 80.23     | 77.74     | 668.65             |



| ENVIRONMENTAL DATA (CONTINUED)  |                       | LEGACY IFF* |           |           | COMBINED COMPANY** |
|---|-----------------------|-------------|-----------|-----------|--------------------|
|   | UNITS                 | 2019        | 2020      | 2021      | 2021               |
| <b>ENERGY USE</b>   |                       |             |           |           |                    |
| Nonrenewable fuels (nuclear fuels, coal, oil, natural gas, etc.) purchased and consumed               | MWh                   | 713,037     | 788,037   | 775,373   | 4,535,925          |
| Nonrenewable electricity purchased  | MWh                   | 207,329     | 252,983   | 292,233   | 1,698,651          |
| Steam/heating/cooling and other energy (nonrenewable) purchased and consumed                          | MWh                   | 48,979      | 26,541    | 90,746    | 1,284,212          |
| Total renewable energy (wind, solar, biomass, hydroelectric, geothermal, etc.) purchased or generated | MWh                   | 240,721     | 283,676   | 400,096   | 898,558            |
| Total nonrenewable energy consumption   | MWh                   | 967,891     | 1,067,562 | 1,158,352 | 7,518,788          |
| Production energy intensity   | Gigajoules/Metric Ton | 7.76        | 7.93      | 8.46      | 15.03              |
| Electricity   | Gigajoules/Metric Ton | 1.33        | 1.62      | 1.64      | 3.03               |
| Purchased Steam, District Heating   | Gigajoules/Metric Ton | 0.31        | 0.17      | 0.39      | 2.04               |
| Fuel Oil, LPG (Propane), LNG  | Gigajoules/Metric Ton | 0.26        | 0.24      | 0.20      | 0.24               |
| Natural Gas   | Gigajoules/Metric Ton | 3.38        | 3.77      | 3.50      | 7.86               |
| Process-Derived   | Gigajoules/Metric Ton | 0.93        | 0.96      | 0.89      | 0.26               |
| Renewable Electricity (Purchased and On-Site)   | Gigajoules/Metric Ton | 0.78        | 0.42      | 1.24      | 0.59               |
| Biomass   | Gigajoules/Metric Ton | 0.77        | 0.75      | 0.65      | 1.00               |



| ENVIRONMENTAL DATA (CONTINUED)   |   | LEGACY IFF* |       |       | COMBINED COMPANY** |
|--|---|-------------|-------|-------|--------------------|
|  | UNITS                                     | 2019        | 2020  | 2021  | 2021               |
| <b>ENERGY USE (CONTINUED)</b>  |   |             |       |       |                    |
| Direct energy use  | Thousand Gigajoules                       | 2,998       | 3,225 | 3,112 | 18,878             |
| Natural gas  | Thousand Gigajoules                       | 1,896       | 2,124 | 2,065 | 15,853             |
| Diesel   | Thousand Gigajoules                       | 57          | 53    | 41    | 244                |
| Nonrenewable energy used in on-site mobile sources (i.e., trucks, forklifts, cars, etc.) | Thousand Gigajoules                       | 34          | 30    | 20    | 150                |
| Purchased electricity  | Thousand Gigajoules                       | 1,162       | 1,146 | 1,215 | 7,305              |
| Renewable energy certificates (RECs) <sup>†</sup>  | Thousand MWh                              | 121         | 166   | 198   | 330                |
| <b>FRESHWATER USE</b>  |   |             |       |       |                    |
| Total freshwater use   | Million Cubic Meters                      | 4.56        | 4.68  | 4.42  | 95.46              |
| Groundwater  | Million Cubic Meters                      | 1.51        | 1.26  | 1.48  | 17.02              |
| Municipal  | Million Cubic Meters                      | 3.01        | 3.22  | 2.82  | 17.99              |
| Surface water  | Million Cubic Meters                      | 0.00        | 0.10  | 0.09  | 60.31              |
| Process water  | Million Cubic Meters                      | 0.04        | 0.10  | 0.02  | 0.14               |
| Rainwater  | Million Cubic Meters                      | 0.00        | 0.00  | 0.00  | 0.00               |
| Annual water use intensity   | Cubic meters per metric ton of production | 8.12        | 8.31  | 7.49  | 47.35              |





| ENVIRONMENTAL DATA (CONTINUED) |                      | LEGACY IFF* |       |      | COMBINED COMPANY** |
|--------------------------------|----------------------|-------------|-------|------|--------------------|
|                                | UNITS                | 2019        | 2020  | 2021 | 2021               |
| <b>WASTEWATER</b>              |                      |             |       |      |                    |
| Total wastewater discharge     | Million Cubic Meters | 3.26        | 3.48  | 3.61 | 64.34              |
| Municipal                      | Million Cubic Meters | 2.97        | 3.08  | 2.77 | 9.38               |
| Groundwater                    | Million Cubic Meters | 0.02        | 0.00  | 0.00 | 4.66               |
| Surface water                  | Million Cubic Meters | 0.22        | 0.39  | 0.68 | 50.14              |
| Truck/rail                     | Million Cubic Meters | 0.05        | 0.01  | 0.16 | 0.16               |
| <b>SOLID WASTE</b>             |                      |             |       |      |                    |
| Nonhazardous waste             | Thousand Metric Tons | 41.18       | 48.74 | 56.7 | 557.31             |
| Recovery/reuse/recycle         | %                    | NC          | 40.9  | 40.7 | 77.9               |
| Landfill                       | %                    | NC          | 10.5  | 10   | 7.7                |
| Incineration                   | %                    | NC          | 26.5  | 9.6  | 1.2                |
| Composted                      | %                    | NC          | 13.5  | 19.5 | 11.6               |
| Other                          | %                    | NC          | 8.6   | 20.2 | 1.6                |
| Hazardous waste                | Thousand Metric Tons | 23.90       | 24.3  | 27   | 45.4               |
| Recovery/reuse/recycle         | %                    | NC          | 13.4  | 20.8 | 18.0               |
| Landfill                       | %                    | NC          | 2.1   | 1.6  | 1.9                |
| Incineration                   | %                    | NC          | 78.8  | 52.9 | 65.0               |



| ENVIRONMENTAL DATA (CONTINUED)            |  | LEGACY IFF* |       |       | COMBINED COMPANY** |
|---|--|-------------|-------|-------|--------------------|
|   | UNITS                                    | 2019        | 2020  | 2021  | 2021               |
| <b>SOLID WASTE (CONTINUED)</b>            |  |             |       |       |                    |
| Composted                                 | %  | NC          | 0     | 0     | 0                  |
| Other                                     | %  | NC          | 5.7   | 24.7  | 15.0               |
| Annual Hazardous Waste Intensity          | Metric Tons per metric ton of production | 0.042       | 0.043 | 0.046 | 0.02               |
| Total waste (hazardous + nonhazardous)    | Thousand Metric Tons                     | 65.08       | 73.04 | 83.70 | 602.67             |
| Recovery/reuse/recycle                    | %  | NC          | 31.8  | 34%   | 73.4               |
| Landfill                                  | %  | NC          | 7.7   | 7%    | 7.2                |
| Incineration                              | %  | NC          | 43.9  | 24%   | 6                  |
| Composted                                 | %  | NC          | 9.0   | 13%   | 10.8               |
| Other                                     | %  | NC          | 7.6   | 22%   | 2.6                |
| Basel Convention (recovery/reuse/recycle) | Metric Tons                              | 0           | 0     | 0     | 0                  |



| ENVIRONMENTAL DATA (CONTINUED)               |                 | LEGACY IFF* |      |      | COMBINED COMPANY** |
|--|-----------------|-------------|------|------|--------------------|
|  | UNITS           | 2019        | 2020 | 2021 | 2021               |
| OTHER ENVIRONMENTAL INDICATORS               |                 |             |      |      |                    |
| ISO 14001-certified operations <sup>††</sup> | % of Production | 65%         | 81%  | 91%  | 95%                |
| ISO 14001-certified operations <sup>††</sup> | # of sites      | 29          | 40   | 41   | 30                 |

\* Legacy IFF (does not include DuPont N&B).

\*\* Combined company (includes DuPont N&B).

\*\*\* Due to combined data, portions of legacy IFF Scope 3 for 2021 data have been estimated.

^ Emissions from capital goods is reflective of capital expenditure spend in Operations only.

^^ Air emissions are estimated based on fuel consumption. Local regulatory reporting values may differ.

† This includes RECs from on-site generated green electricity, as well as renewable purchasing.

†† Medium and large facilities for legacy IFF; large sites only for the combined company, based on production.

Notes:

NC: Not collected

In 2019, the production volume (normalization factor) was 561,440 metric tons for IFF.

In 2020, the production volume (normalization factor) was 563,133 metric tons for IFF.

In 2021, the production volume (normalization factor) was 589,888 metric tons for Legacy IFF and 2,016,438 for the combined Company (including DuPont N&B).

GHG Direct (Scope 1) emissions consist of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

Location-based Scope 2 emissions are lower than market-based Scope 2 emissions due to the use of residual mix emission factors versus country-specific or region-specific emission factors for select N&B facilities.

Global warming potentials used: CO<sub>2</sub>: 1; CH<sub>4</sub>: 25; and N<sub>2</sub>O: 298.

The reporting boundary for our dataset is detailed in the [Our Approach to Reporting](#) section.



| WORKFORCE DATA  |              |              |              |
|---|--------------|--------------|--------------|
| EMPLOYMENT CONTRACT   | 2019*        | 2020*        | 2021**       |
| Permanent employees   | 13,690       | 13,686       | 24,114       |
| Temporary employees (contingent workers)                        | 864          | 850          | 1,716        |
| Interns   | 249          | 249          | 483          |
| Permanent employees covered by collective bargaining agreements | 15.0%        | 19.9%        | 36.3%        |
| PERMANENT EMPLOYEE TYPE   |              |              |              |
| Full-time   | 13,172       | 13,136       | 23,297       |
| Part-time   | 518          | 550          | 817          |
| PERMANENT EMPLOYEE GENDER                                       |              |              |              |
| Male  | 8,502        | 8,433        | 15,412       |
| Female  | 5,188        | 5,253        | 8,702        |
| PERMANENT EMPLOYEE HIRES AND HIRE RATE                          |              |              |              |
| New hires   | 2,243        | 1,721        | 3,135        |
| New hire rate   | 16.4%        | 12.6%        | 13.0%        |
| PERMANENT EMPLOYEE TURNOVER COUNT                               |              |              |              |
| Voluntary   | 1,229        | 911          | 1,921        |
| Involuntary   | 716          | 707          | 990          |
| Retirement and other  | NC           | 121          | 308          |
| <b>Total</b>  | <b>1,945</b> | <b>1,739</b> | <b>3,219</b> |



**WORKFORCE DATA (CONTINUED)**

**EMPLOYMENT CONTRACT (CONTINUED)**

2019\*

2020\*

2021\*\*

**PERMANENT EMPLOYEE TURNOVER RATE**

|                      |              |              |              |
|----------------------|--------------|--------------|--------------|
| Voluntary            | 9.0%         | 6.7%         | 8.0%         |
| Involuntary          | 5.2%         | 5.2%         | 4.1%         |
| Retirement and other | NC           | 0.9%         | 1.3%         |
| <b>Total</b>         | <b>14.2%</b> | <b>12.7%</b> | <b>13.3%</b> |



## WORKFORCE DATA (CONTINUED)

| GENDER DIVERSITY BY REGION<br>(PERMANENT EMPLOYEES) | 2019*         |            |            | 2020*         |            |            | 2021**        |              |              |
|---|---------------|------------|------------|---------------|------------|------------|---------------|--------------|--------------|
|   | TOTAL         | % MALE     | % FEMALE   | TOTAL         | % MALE     | % FEMALE   | TOTAL         | % MALE       | % FEMALE     |
| Europe, Africa and Middle East                      | 6,174         | 61%        | 39%        | 6,212         | 60%        | 40%        | 10,429        | 61.9%        | 38.1%        |
| Greater Asia  | 2,997         | 64%        | 36%        | 2,903         | 65%        | 35%        | 4,614         | 63.7%        | 36.3%        |
| Latin America                                       | 2,198         | 65%        | 35%        | 2,303         | 65%        | 35%        | 3,514         | 66.4%        | 33.6%        |
| North America                                       | 2,321         | 60%        | 40%        | 2,268         | 60%        | 40%        | 5,557         | 66.3%        | 33.7%        |
| <b>Total</b>  | <b>13,690</b> | <b>62%</b> | <b>38%</b> | <b>13,686</b> | <b>62%</b> | <b>38%</b> | <b>24,114</b> | <b>63.9%</b> | <b>36.1%</b> |

| GENDER DIVERSITY BY EMPLOYEE CATEGORY<br>(PERMANENT EMPLOYEES) | 2019*     |           |           | 2020*         |            |            | 2021**        |            |            |
|--|-----------|-----------|-----------|---------------|------------|------------|---------------|------------|------------|
|  | TOTAL     | % MALE    | % FEMALE  | TOTAL         | % MALE     | % FEMALE   | TOTAL         | % MALE     | % FEMALE   |
| Executive management   | -         | -         | -         | 9             | 67%        | 33%        | 11            | 73%        | 27%        |
| Upper management   | -         | -         | -         | 57            | 69%        | 31%        | 67            | 64%        | 36%        |
| <b>Middle management</b>                                       | -         | -         | -         | 657           | 62%        | 38%        | 1461          | 64%        | 36%        |
| Junior management  | -         | -         | -         | 3279          | 49%        | 51%        | 8208          | 53%        | 47%        |
| Operational  | -         | -         | -         | 9684          | 69%        | 31%        | 14367         | 70%        | 30%        |
| <b>Total</b>   | <b>NC</b> | <b>NC</b> | <b>NC</b> | <b>13,686</b> | <b>62%</b> | <b>38%</b> | <b>24,114</b> | <b>64%</b> | <b>36%</b> |



## WORKFORCE DATA (CONTINUED)

| AGE DIVERSITY BY REGION<br>(PERMANENT EMPLOYEES) | 2019*        |              |              | 2020*        |              |              | 2021**       |               |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|
|  | AGE <30      | AGE 30-50    | AGE >50      | AGE <30      | AGE 30-50    | AGE >50      | AGE <30      | AGE 30-50     | AGE >50      |
| Europe, Africa and Middle East                   | 946          | 3,713        | 1,515        | 1,007        | 3,578        | 1,627        | 1,080        | 5,987         | 3,362        |
| Greater Asia                                     | 579          | 2,012        | 406          | 586          | 1,841        | 476          | 703          | 3,158         | 753          |
| Latin America                                    | 575          | 1,359        | 264          | 625          | 1,387        | 291          | 712          | 2,294         | 508          |
| North America                                    | 306          | 1,182        | 833          | 316          | 1,075        | 877          | 618          | 2,810         | 2,129        |
| <b>Total</b>                                     | <b>2,406</b> | <b>8,266</b> | <b>3,018</b> | <b>2,534</b> | <b>7,881</b> | <b>3,271</b> | <b>3,113</b> | <b>14,249</b> | <b>6,752</b> |

| AGE DIVERSITY BY EMPLOYEE CATEGORY<br>(PERMANENT EMPLOYEES) | 2019*     |           |           | 2020*        |              |              | 2021**       |               |              |
|---|-----------|-----------|-----------|--------------|--------------|--------------|--------------|---------------|--------------|
|   | AGE <30   | AGE 30-50 | AGE >50   | AGE <30      | AGE 30-50    | AGE >50      | AGE <30      | AGE 30-50     | AGE >50      |
| Executive management  | -         | -         | -         | 0            | 0            | 9            | 0            | 2             | 9            |
| Upper management  | -         | -         | -         | 0            | 23           | 34           | 0            | 25            | 42           |
| Middle management   | -         | -         | -         | 1            | 343          | 313          | 0            | 668           | 793          |
| Junior management   | -         | -         | -         | 334          | 2,280        | 665          | 445          | 5,492         | 2,271        |
| Operational   | -         | -         | -         | 2,199        | 5,235        | 2,250        | 2,668        | 8,062         | 3,637        |
| <b>Total</b>  | <b>NC</b> | <b>NC</b> | <b>NC</b> | <b>2,534</b> | <b>7,881</b> | <b>3,271</b> | <b>3,113</b> | <b>14,249</b> | <b>6,752</b> |



## WORKFORCE DATA (CONTINUED)

| ETHNIC DIVERSITY BY EMPLOYEE<br>CATEGORY<br><br>(PERMANENT EMPLOYEES, U.S. ONLY^) | ASIAN^^    |            |            | BLACK OR AFRICAN<br>AMERICAN |            |            | HISPANIC OR LATINX |            |            | NATIVE AMERICAN OR<br>ALASKA NATIVE |          |           |
|---|------------|------------|------------|------------------------------|------------|------------|--------------------|------------|------------|-------------------------------------|----------|-----------|
|   | 2019*      | 2020*      | 2021**     | 2019*                        | 2020*      | 2021**     | 2019*              | 2020*      | 2021**     | 2019*                               | 2020*    | 2021**    |
| Executive management  | 2          | 2          | 2          | -                            | -          | -          | 2                  | 2          | 2          | -                                   | -        | -         |
| Upper management  | 2          | 3          | 5          | -                            | -          | -          | 7                  | 9          | 10         | -                                   | -        | -         |
| Middle management   | 27         | 29         | 80         | 1                            | 2          | 16         | 21                 | 21         | 38         | -                                   | -        | 1         |
| Junior management   | 128        | 127        | 268        | 41                           | 40         | 85         | 53                 | 73         | 110        | 1                                   | -        | 2         |
| Operational   | 70         | 74         | 141        | 97                           | 115        | 392        | 136                | 175        | 262        | 1                                   | 1        | 52        |
| <b>Total</b>  | <b>229</b> | <b>235</b> | <b>496</b> | <b>139</b>                   | <b>157</b> | <b>493</b> | <b>219</b>         | <b>280</b> | <b>422</b> | <b>2</b>                            | <b>1</b> | <b>55</b> |

| ETHNIC DIVERSITY BY EMPLOYEE<br>CATEGORY<br><br>(PERMANENT EMPLOYEES, U.S. ONLY^) | NORTH AFRICAN /<br>MIDDLE EASTERN^^^ |          |           | TWO OR MORE RACES |           |           | WHITE^^^     |              |              | NOT SPECIFIED |           |          |
|---|--------------------------------------|----------|-----------|-------------------|-----------|-----------|--------------|--------------|--------------|---------------|-----------|----------|
|   | 2019*                                | 2020*    | 2021**    | 2019*             | 2020*     | 2021**    | 2019*        | 2020*        | 2021**       | 2019*         | 2020*     | 2021**   |
| Executive management  | -                                    | -        | -         | -                 | -         | -         | 5            | 5            | 7            | -             | -         | -        |
| Upper management  | -                                    | -        | 1         | -                 | -         | -         | 17           | 20           | 24           | -             | -         | -        |
| Middle management   | -                                    | -        | 4         | 3                 | 4         | 5         | 153          | 162          | 413          | -             | -         | -        |
| Junior management   | -                                    | -        | 9         | 9                 | 13        | 24        | 575          | 601          | 1,488        | 1             | 12        | -        |
| Operational   | -                                    | -        | 4         | 10                | 7         | 36        | 458          | 485          | 1,799        | 4             | 16        | -        |
| <b>Total</b>  | <b>-</b>                             | <b>-</b> | <b>18</b> | <b>22</b>         | <b>24</b> | <b>65</b> | <b>1,208</b> | <b>1,273</b> | <b>3,731</b> | <b>5</b>      | <b>28</b> | <b>-</b> |





## WORKFORCE DATA (CONTINUED)

| NEW EMPLOYEE HIRES<br>BY REGION, AGE, AND<br>GENDER<br><br>(PERMANENT<br>EMPLOYEES) | 2019*       |              |            |              |            | 2020*       |              |            |              |            | 2021**       |              |            |              |            |
|---|-------------|--------------|------------|--------------|------------|-------------|--------------|------------|--------------|------------|--------------|--------------|------------|--------------|------------|
|   | AGE<br>< 30 | AGE<br>30-50 | AGE<br>>50 | MALE         | FEMALE     | AGE<br>< 30 | AGE<br>30-50 | AGE<br>>50 | MALE         | FEMALE     | AGE<br>< 30  | AGE<br>30-50 | AGE<br>>50 | MALE         | FEMALE     |
| Europe, Africa and<br>Middle East   | 355         | 527          | 62         | 542          | 402        | 302         | 342          | 40         | 385          | 299        | 413          | 492          | 95         | 622          | 377        |
| Greater Asia  | 220         | 213          | 13         | 282          | 164        | 179         | 148          | 10         | 218          | 119        | 318          | 248          | 8          | 597          | 206        |
| Latin America   | 267         | 212          | 8          | 318          | 169        | 206         | 177          | 8          | 264          | 127        | 437          | 344          | 22         | 530          | 228        |
| North America   | 119         | 201          | 46         | 233          | 133        | 111         | 145          | 53         | 204          | 105        | 297          | 329          | 132        | 393          | 181        |
| <b>Total</b>  | <b>961</b>  | <b>1,153</b> | <b>129</b> | <b>1,375</b> | <b>868</b> | <b>798</b>  | <b>812</b>   | <b>111</b> | <b>1,071</b> | <b>650</b> | <b>1,465</b> | <b>1,413</b> | <b>257</b> | <b>2,142</b> | <b>992</b> |

| EMPLOYEE TURNOVER<br>BY REGION, AGE AND<br>GENDER<br><br>(PERMANENT<br>EMPLOYEES) | 2019*       |              |            |              |            | 2020*       |              |            |              |            | 2021**      |              |            |              |              |
|---|-------------|--------------|------------|--------------|------------|-------------|--------------|------------|--------------|------------|-------------|--------------|------------|--------------|--------------|
|   | AGE<br>< 30 | AGE<br>30-50 | AGE<br>>50 | MALE         | FEMALE     | AGE<br>< 30 | AGE<br>30-50 | AGE<br>>50 | MALE         | FEMALE     | AGE<br>< 30 | AGE<br>30-50 | AGE<br>>50 | MALE         | FEMALE       |
| Europe, Africa and<br>Middle East   | 163         | 396          | 170        | 448          | 281        | 153         | 356          | 158        | 443          | 224        | 239         | 579          | 357        | 743          | 432          |
| Greater Asia  | 100         | 226          | 44         | 217          | 153        | 130         | 247          | 52         | 274          | 155        | 152         | 285          | 61         | 311          | 187          |
| Latin America   | 206         | 230          | 26         | 315          | 147        | 114         | 132          | 32         | 190          | 88         | 294         | 302          | 70         | 509          | 157          |
| North America   | 56          | 222          | 106        | 246          | 138        | 63          | 187          | 115        | 248          | 117        | 195         | 391          | 294        | 623          | 257          |
| <b>Total</b>  | <b>525</b>  | <b>1,074</b> | <b>346</b> | <b>1,226</b> | <b>719</b> | <b>460</b>  | <b>922</b>   | <b>357</b> | <b>1,155</b> | <b>584</b> | <b>880</b>  | <b>1,557</b> | <b>782</b> | <b>2,186</b> | <b>1,033</b> |



## WORKFORCE DATA (CONTINUED)

| EMPLOYEE TURNOVER RATE BY REGION, AGE, AND GENDER<br><br>(PERMANENT EMPLOYEES) | 2019*      |            |            |            |            | 2020*      |            |            |            |            | 2021**     |            |            |            |            |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|  | AGE < 30   | AGE 30-50  | AGE >50    | MALE       | FEMALE     | AGE < 30   | AGE 30-50  | AGE >50    | MALE       | FEMALE     | AGE < 30   | AGE 30-50  | AGE >50    | MALE       | FEMALE     |
| Europe, Africa and Middle East   | 17%        | 11%        | 11%        | 12%        | 12%        | 15%        | 10%        | 10%        | 12%        | 9%         | 22%        | 10%        | 11%        | 12%        | 11%        |
| Greater Asia   | 17%        | 11%        | 11%        | 11%        | 14%        | 22%        | 13%        | 11%        | 15%        | 15%        | 22%        | 9%         | 8%         | 11%        | 11%        |
| Latin America  | 36%        | 17%        | 10%        | 22%        | 19%        | 18%        | 10%        | 11%        | 13%        | 11%        | 41%        | 13%        | 14%        | 22%        | 13%        |
| North America  | 18%        | 19%        | 13%        | 18%        | 15%        | 20%        | 17%        | 13%        | 18%        | 13%        | 32%        | 14%        | 14%        | 17%        | 14%        |
| <b>Total</b>   | <b>22%</b> | <b>13%</b> | <b>11%</b> | <b>14%</b> | <b>14%</b> | <b>18%</b> | <b>12%</b> | <b>11%</b> | <b>14%</b> | <b>11%</b> | <b>28%</b> | <b>11%</b> | <b>12%</b> | <b>14%</b> | <b>12%</b> |

\* Legacy IFF (does not include DuPont N&B)

\*\* Combined Company (includes DuPont N&B)

^ Based on U.S. government reporting EEO data

^^ Includes Native Hawaiian or Pacific Islander

^^^ Prior to 2021, we included North African / Middle Eastern in the 'White' category in alignment with U.S. EEO-1 reporting but in 2021 it is separated out.

## Notes:

NC: Not collected

New hire rate is based on the number of new hires divided by the total global, permanent headcount in that category at year-end 2021.

Turnover rate is based on the total turnover headcount divided by the total headcount in that category at year-end 2021.

Turnover information is inclusive of departures related to synergies in IFF's recent mergers and acquisitions. Historical averages of IFF's turnover with no impact of acquisition synergies are materially lower.

IFF does not utilize a significant number of part-time, self-employed or seasonal workers in our workforce.



| GOVERNANCE & SAFETY DATA                    | UNITS  | 2019* | 2020* | 2021** |
|---|--|-------|-------|--------|
| <b>GOVERNANCE</b>                           |  |       |       |        |
| Total members of the Board of Directors     | #  | 12    | 11    | 13     |
| Independent Board members                   | #  | 11    | 10    | 12     |
| Female members of the Board                 | %  | 33.3  | 27    | 23.1   |
| Minority members of the Board               | %  | 16.7  | 18    | 15.4   |
| Board members in the 50-and-above age group | %  | 100   | 100   | 100    |
| Political contributions                     | \$   | 0     | 0     | 0      |
| <b>ENVIRONMENT, HEALTH &amp; SAFETY^</b>    |  |       |       |        |
| Workforce fatalities                        | #  | 0     | 0     | 0      |
| Lost time incident rate***                  | Per 100 permanent employees and supervised contractors | 0.81  | 0.44^ | 0.24^  |
| Total recordable incident rate***           | Per 100 employees and supervised contractors           | 1.42  | 0.95^ | 0.63^  |

\* Legacy IFF (does not include DuPont N&B)

\*\* Combined company (includes DuPont N&B)

\*\*\* IFF calculates LTIR and TRIR by estimating hours worked based on average Global HR headcount figures and an assumption of a 40-hour work week, 50 weeks worked per year. Rates are presented per 200,000 hours worked. An injury or illness is classified as a Lost Time Injury (LTI) when the employee is unable to work for one or more days after the injury. For better local alignment with OSHA, differences in the prescription of medical leave are taken into account. The determination is decided by the medical lead or nurse, in collaboration with the regional safety lead.

^ COVID-19 cases (as defined by OSHA) were tracked and evaluated for work-relatedness separately according to OSHA guidelines and/or country requirements. All COVID-19 cases were determined to not be work-related.

Note:

The reporting boundary for our dataset is detailed in the [Our Approach to Reporting](#) section.



## IFF FACILITY CERTIFICATIONS

| IFF FACILITIES*<br>BY COUNTRY | SMETA<br>4 PILLAR | ISO 14001      | ISO 9001      | GFSI           | RSPO          | ISO 45001     | ISO 22716     | OTHERS                                  |
|-------------------------------|-------------------|----------------|---------------|----------------|---------------|---------------|---------------|---|
| Belgium                       | Yes (2 of 2)      | Yes (2 of 2)   | No (0 of 2)   | Yes (2 of 2)   | No (0 of 2)   | No (0 of 2)   | No (0 of 2)   | FAMI-QS, FCA Standard, Kosher           |
| Brazil                        | Yes (2 of 4)      | Yes (3 of 4)   | No (0 of 4)   | Yes (4 of 4)   | Yes (2 of 4)  | Yes (1 of 4)  | No (0 of 4)   | ProTerra Certification Standard, Kosher |
| China                         | Yes (2 of 4)      | Yes (4 of 4)   | Yes (3 of 4)  | Yes (3 of 4)   | Yes (1 of 4)  | No (0 of 4)   | No (0 of 4)   |   |
| Denmark                       | Yes (2 of 2)      | Yes (2 of 2)   | Yes (1 of 2)  | Yes (2 of 2)   | Yes (2 of 2)  | Yes (2 of 2)  | No (0 of 2)   | ISO 17025                               |
| Finland                       | Yes (1 of 5)      | Yes (4 of 5)   | Yes (2 of 5)  | Yes (2 of 5)   | No (0 of 5)   | Yes (4 of 5)  | No (0 of 5)   |   |
| Germany                       | Yes (1 of 3)      | Yes (3 of 3)   | Yes (3 of 3)  | Yes (3 of 3)   | Yes (1 of 3)  | No (0 of 3)   | No (0 of 3)   |   |
| India                         | Yes (1 of 1)      | Yes (1 of 1)   | Yes (1 of 1)  | Yes (1 of 1)   | No (0 of 1)   | No (0 of 1)   | No (0 of 1)   |   |
| Ireland                       | Yes (1 of 1)      | Yes (1 of 1)   | Yes (1 of 1)  | Yes (1 of 1)   | No (0 of 1)   | Yes (1 of 1)  | No (0 of 1)   |   |
| Malaysia                      | Yes (1 of 1)      | Yes (1 of 1)   | No (0 of 1)   | Yes (1 of 1)   | Yes (1 of 1)  | No (0 of 1)   | No (0 of 1)   |   |
| Mexico                        | No (0 of 1)       | No (0 of 1)    | Yes (1 of 1)  | Yes (1 of 1)   | No (0 of 1)   | No (0 of 1)   | No (0 of 1)   |   |
| Netherlands                   | Yes (2 of 2)      | Yes (2 of 2)   | Yes (2 of 2)  | Yes (1 of 2)   | Yes (2 of 2)  | No (0 of 2)   | Yes (1 of 2)  | FairTrade                               |
| Singapore                     | Yes (1 of 1)      | Yes (1 of 1)   | Yes (1 of 1)  | No (0 of 1)    | Yes (1 of 1)  | No (0 of 1)   | Yes (1 of 1)  |   |
| Slovenia                      | Yes (1 of 1)      | Yes (1 of 1)   | Yes (1 of 1)  | Yes (1 of 1)   | No (0 of 1)   | No (0 of 1)   | No (0 of 1)   | ISO 22000:2005, Halal, Kosher           |
| Turkey                        | Yes (1 of 1)      | Yes (1 of 1)   | No (0 of 1)   | Yes (1 of 1)   | Yes (1 of 1)  | No (0 of 1)   | No (0 of 1)   |   |
| United Kingdom                | Yes (1 of 1)      | Yes (1 of 1)   | Yes (1 of 1)  | Yes (1 of 1)   | Yes (1 of 1)  | No (0 of 1)   | No (0 of 1)   |   |
| United States                 | Yes (13 of 17)    | Yes (14 of 17) | Yes (7 of 17) | Yes (15 of 17) | Yes (3 of 17) | Yes (1 of 17) | Yes (1 of 17) | Halal, Kosher, Organic                  |

\* Not a comprehensive list of all countries or facilities where IFF does business. List includes a subset of large facilities, as defined by the site's production volume.



## IFF FACILITY CERTIFICATIONS (CONTINUED)

| IFF FACILITIES*<br>BY DIVISION | SMETA<br>4 PILLAR | ISO 14001      | ISO 9001       | GFSI           | RSPO           | ISO 45001     | ISO 22716    | OTHERS  |
|--------------------------------|-------------------|----------------|----------------|----------------|----------------|---------------|--------------|---|
| NOURISH                        | Yes (23 of 28)    | Yes (25 of 28) | Yes (10 of 28) | Yes (28 of 28) | Yes (12 of 28) | Yes (5 of 28) | No (0 of 28) | ISO 17025, Kosher, FAMI-QS  |
| HEALTH &<br>BIOSCIENCES        | Yes (2 of 9)      | Yes (8 of 9)   | Yes (4 of 9)   | Yes (6 of 9)   | No (0 of 9)    | Yes (3 of 9)  | No (0 of 9)  | Kosher, FCA Standard, ProTerra<br>Certification Standard, Halal,<br>ISO 22000:2005, Organic |
| SCENT                          | Yes (5 of 5)      | Yes (5 of 5)   | Yes (5 of 5)   | No (0 of 5)    | Yes (3 of 5)   | No (0 of 5)   | Yes (3 of 5) |   |
| PHARMA SOLUTIONS               | Yes (2 of 5)      | Yes (3 of 5)   | Yes (5 of 5)   | Yes (5 of 5)   | No (0 of 5)    | Yes (1 of 5)  | No (0 of 5)  |   |

\* Not a comprehensive list of all countries or facilities where IFF does business. List includes a subset of large facilities, as defined by the site's production volume.



# EXTERNAL ASSURANCE STATEMENT

Independent Assurance Statement to International Flavors and Fragrances Inc.

ERM Certification and Verification Services, Inc. (“ERM CVS”) was engaged by International Flavors and Fragrances Inc. (“IFF”) to provide assurance in relation to the information set out below and presented in the IFF ESG+ Report 2021.

## ENGAGEMENT SUMMARY

### SCOPE OF OUR ASSURANCE ENGAGEMENT

1. Whether the 2021 Sustainability Report presents a complete and balanced presentation of IFF’s sustainability activities and performance in the reporting year in accordance with the GRI Standards (update 2021) and SASB Chemical standard;
  2. Whether the 2021 information and data for the specified indicators listed below are fairly presented in accordance with the reporting criteria. All metrics in scope refer to combined company (IFF legacy and DuPont N&B).
- **Environmental indicators:**
  - **Total Scope 1 GHG emissions** [metric tons CO<sub>2</sub>e];
  - **Total Scope 2 GHG emissions** [metric tons CO<sub>2</sub>e] – by location and market-based methods;
  - **Selected Scope 3 GHG emissions** [metric tons CO<sub>2</sub>e];
    - Category 2: Capital goods;
    - Category 3: Fuel-and-energy-related activities;
    - Category 5: Waste generated in operations;
    - Category 6: Employee business air travel
  - **Other emissions:** VOCs, NOx, SOx [metrics tons]
  - **Energy:**
    - Direct energy consumption [thousand gigajoules];
    - Indirect energy consumption [thousand gigajoules];
    - Energy consumption (direct and indirect) (absolute and intensity) [gigajoules]
  - **Waste:**
    - Total hazardous waste generated [thousand metric tons]
    - Total non-hazardous waste generated [thousand metric tons]



|   |   |
|---|---|
| SCOPE OF OUR ASSURANCE ENGAGEMENT (CONTINUED) | <ul style="list-style-type: none"> <li>• <b>Water:</b> (does not include assurance of individual categories) <ul style="list-style-type: none"> <li>- Total freshwater use as the sum of groundwater, municipal, surface, process and rainwater [million cubic meters]</li> <li>- Total wastewater discharge as a sum of municipal, groundwater, fresh surface water and truck/rail [million cubic meters]</li> </ul> </li> </ul> <p><b>Safety indicators</b></p> <ul style="list-style-type: none"> <li>• Total Recordable Incidents per 100 employees in 2021;</li> <li>• Total Lost Time Incidents per 100 employees in 2021;</li> </ul> <p><b>Other indicators:</b></p> <ul style="list-style-type: none"> <li>• <b>ISO 14001 certifications:</b> <ul style="list-style-type: none"> <li>- ISO 14001 certified operations [medium and large facilities for IFF Legacy, and large only for Combined Company]*</li> <li>- ISO 14001 certified operations [% of production from medium and large facilities for IFF Legacy, and large only for Combined Company]*</li> </ul> </li> <li>• <b>Production volume</b> [metric tons]</li> </ul> |
| REPORTING PERIOD                              | 1 January 2021 – 31 December 2021   |
| REPORTING CRITERIA                            | <ul style="list-style-type: none"> <li>• WBCSD/WRI GHG Protocol (2004, as updated January 2015) for the Scope 1, 2 and 3 GHG emissions;</li> <li>• GRI Sustainability Reporting Standards;</li> <li>• IFF’s internal reporting criteria and definitions; and</li> <li>• SASB Chemical sector reporting requirements.</li> </ul>   |
| ASSURANCE STANDARD                            | ERM CVS’ assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).   |
| ASSURANCE LEVEL                               | Limited assurance.  |
| RESPECTIVE RESPONSIBILITIES                   | <p>IFF is responsible for preparing the Report and for the collection and presentation of the information within it.</p> <p>ERM CVS’ responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.</p>  |



## OUR CONCLUSIONS

Based on our activities, as described below, nothing has come to our attention to indicate that the 2021 data and information for the disclosures listed under 'Scope' above are not fairly presented, in all material respects, with the reporting criteria.

## OUR ASSURANCE ACTIVITIES

A multi-disciplinary team of sustainability and assurance specialists performed a range of assurance procedures which varied across the disclosures covered by our assurance engagement, as follows:

- A review of external media reporting relating to IFF to identify relevant sustainability issues in the reporting period;
- A review of the materiality determination process including the results of stakeholder engagement processes and review of specific sustainability performance questionnaires completed by corporate subject matter experts specifically for the assurance and report preparation process;
- Assessment of the GRI and SASB content indices for alignment with the reporting frameworks.
- Interviews with management representatives responsible for managing the selected issues;
- Interviews with relevant staff to understand and evaluate the relevant management systems and processes (including internal review processes) used for collecting and reporting the selected disclosures;
- A review at corporate level of a sample of qualitative and quantitative evidence supporting the key claims made in the Report;

- Virtual site visits to eight locations (Lima, Freilassing, Memphis, Naantali, Shineway, Sri City, Taubate and Terre Haute) to test site level data collection and management processes and confirm the accuracy and completeness of reported data through interviews with local staff and sampling of source data;
- A desk-based review of bespoke calculations covering process emissions measurement and accounting for selected sites;
- An analytical review of the year end data submitted by all locations included in the consolidated 2021 group data for the selected disclosures which included testing the completeness and mathematical accuracy of data for all environmental and safety metrics in scope;
- A review of a sample of ISO 14001 certifications and evaluation of the internal certification tracking logs;
- Confirming conversion factors, Scope 1, 2 and 3 related emission factors and assumptions used;
- A review of Scope 3 GHG emissions accounting methodology, data consolidation and reasonableness of assumptions used; and
- Reviewing the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

## THE LIMITATION OF OUR ENGAGEMENT

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Financial highlights provided in the report have not been subject to verification by ERM CVS.





### FORCE MAJEURE - COVID-19

During our assurance engagement, travel restrictions related to COVID-19 were in place. As a result, we agreed to replace in person head office visit and site visits with 'virtual' visits via conference and video calls for this year's assurance engagement. While we believe these changes do not affect our limited assurance conclusion above, we draw attention to the possibility that if we had undertaken in person visits we may have identified errors and omissions in the assured information that we did not discover through the alternative assurance program.

### **OUR INDEPENDENCE**

ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff that have undertaken work on this assurance exercise provide no consultancy related services to IFF in any respect.

### **OUR OBSERVATIONS**

We have provided IFF with a separate management report with our detailed (non-material) findings and recommendations.

Beth Wyke  
Head of Corporate Assurance



31 May 2022

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# SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this annual ESG<sup>+</sup> Report that are not historical facts or information are “forward-looking statements” within the meaning of The Private Securities Litigation Reform Act of 1995. These forward-looking statements should be evaluated with consideration given to the many risks and uncertainties inherent in the Company’s business that could cause actual results and events to differ materially from those in the forward-looking statements. Certain of such forward-looking information may be identified by such terms as “expect,” “anticipate,” “believe,” “outlook,” “may,” “estimate,” “should” and “predict” or similar terms or variations thereof. Such forward-looking statements are based on a series of expectations, assumptions, estimates and projections about the Company, are not guarantees of future results or performance, and involve significant risks, uncertainties, and other factors, including assumptions and projections, for all forward periods. Actual results of the Company may differ materially from any future results expressed or implied by such forward-looking statements.

The Company intends its forward-looking statements to speak only as of the time of such statements and does not undertake or plan to update or revise them as more information becomes available or to reflect changes in expectations, assumptions, or results.

The Company can give no assurance that such expectations or forward-looking statements will prove to be correct. Any public statements or disclosures by IFF following this report that modify or impact any of the forward-looking statements contained in or accompanying this report will be deemed to modify or supersede such outlook or other forward-looking statements in or accompanying this report.



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## WE VALUE YOUR FEEDBACK

We welcome any questions, comments, suggestions or feedback on our 2021 ESG+ Report: [iff.com/contact-us](http://iff.com/contact-us) or [sustainability@iff.com](mailto:sustainability@iff.com).

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This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.