



# A WORLD OF RESPONSIBLE SOLUTIONS

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**CORPORATE SOCIAL  
RESPONSIBILITY**

INTERIM REPORT





# McCORMICK IS A LEADING GLOBAL FLAVOR COMPANY

Corporate Social Responsibility (CSR)  
is at the core of that success.

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## OUR CSR VISION

To grow our business globally, while driving positive  
change to the environment, within our communities,  
and for our employees.





**McCORMICK IS  
PLANNING FOR  
THE FUTURE**

**IN 2014**, we mapped out a series of ambitious targets to drive our social and environmental performance for the next 5 years.

This report highlights the areas where we've made significant progress toward—or have already met—our goals for 2019.

## McCORMICK IS ACTIVELY WORKING TO



Bolster the **economic viability** of the farming communities we source from



Reduce our **environmental impact** by increasing efficiency and minimizing packaging



Improve the **diversity** of our workforce



Contribute to **healthier eating** habits



“We’re investing financial and human resources now to create a sustainable pathway of environmental and social development for tomorrow.”

**LAWRENCE KURZIUS**  
President and CEO







McCORMICK IS  
**GLOBAL**





**A GLOBAL COMPANY  
DEMANDS A GLOBAL  
PERSPECTIVE.**

We aim to ensure the crops we source are produced responsibly. We work to support our farmers and their communities.

A supply chain of **3,000** agricultural products produced in over **80 COUNTRIES**

Facilities in more than **50 LOCATIONS & 26 COUNTRIES**

More than **10,000 EMPLOYEES** worldwide

Consumers purchase our brands in **140+ COUNTRIES & territories**

A leading share in the **\$10 BILLION** global spices and seasonings category





**McCORMICK IS  
HELPING  
FARMERS**



# MORE THAN 13,000 FARMERS ARE POSITIVELY IMPACTED BY OUR PROGRAMS



**FURTHERING GOOD AGRICULTURAL PRACTICES BY OFFERING BEST-IN-PRACTICE TRAINING**

Country	Farmers Impacted	Project Status
Ivory Coast	500	Underway
India	600	Underway
Madagascar	800	Underway
Turkey	1,200	Underway
Vietnam	3,000	Underway
Indonesia	4,500	Launching 4Q 2016



**PARTNERSHIP WITH FARMFORCE IS BRINGING MOBILE PHONES AND CLOUD COMPUTING TO OREGANO, BLACK PEPPER AND RED PEPPER FARMERS**

Country	Farmers Impacted	Project Status
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**ORGANIZING FARMER GROUPS/COOPERATIVES AND DONOR-SUPPORTED PARTNERSHIPS**

**PARTNERING WITH RESPECTED THIRD PARTIES** to create development funds that support food security—incentivizing farmers to produce higher quality crops



**WIDER ROLLOUT OF FARMFORCE IS SLATED FOR 2017.**





**McCORMICK IS  
PURSUING  
SUSTAINABILITY**





# WE'RE LOOKING OUT FOR OUR SMALLHOLDER FARMERS' FUTURES



**12,768**

Targeted number of farmers impacted by McCormick sustainability initiatives

**63,840**

Number of livelihoods improved  
(based on households with 5 family members)

**800 & 600**

Farmers in India & Turkey respectively benefiting from new technology through demo farm operations

**1,200**

Farmers in India with harvests protected by integrated pest management practices

## FIELD-TO-BOTTLE OVERSIGHT

Through education and training, we're achieving better outcomes for our farmers and higher quality products for our customers.



A close-up photograph of a person's hand holding a sliced lemon. The lemon is cut into several pieces, and a red chili pepper is placed inside one of the slices. The background is a soft, out-of-focus brown color.

**McCORMICK IS  
INCREASING  
ORGANIC  
PRODUCTION**



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INCREASING ORGANIC PRODUCTION



# IT'S A NATURAL APPROACH TO FLAVOR

**400% INCREASE**

in sourced organic acreage since 2014

**BY THE END OF 2016**

70% of branded herbs, spices and extracts in the U.S. will be labeled non-GMO



80% of our U.S. Gourmet product line will be organic

► We're on track to meet our 2019 organic and non-GMO targets.



## DID YOU KNOW?



Our Rainforest Alliance supports the development of one of the first RFA certifications of wild harvested oregano.





# McCORMICK IS MAXIMIZING EFFICIENCY





## WE'RE NOT JUST SETTING EFFICIENCY TARGETS. WE'RE REACHING THEM EARLY

McCormick is embarking on our Journey to Excellence (JTE) program which is the combination of our existing High Performance Work Organization and our new Total Productive Maintenance (TPM) program. This combination provides our highly motivated employees with the tools of TPM to systematically reduce losses and waste. Our JTE program will significantly enhance our efficiency which will dramatically reduce our use of natural resources such as water, waste and energy and deliver significant cost savings to the bottom line.

### PROGRESS REPORT

We're on track to meet many of our 2019 goals in 2017 or 2018.

**OUR NEW FACILITY** in Shanghai, China, will be LEED Silver-certified.



### OUR 4R FRAMEWORK

#### REUSE

**\$10 million investment** in wastewater projects through 2018

#### REDUCE

**43% carbon footprint reduction** by using fewer trucks for transport

#### RECYCLE

**Transitioning** from BPA (Bisphenol A) product packaging formats across several product lines globally

#### RENEW

**5% reduction** in GHG emissions goal already achieved—**3 years early**





McCORMICK IS  
**COMMITTED  
TO DIVERSITY**



## WE ARE POWERED BY OUR PEOPLE

The diversity of our Board increased in 2015 with the addition of **Maritza G. Montiel** and **Michael Conway**.



McCormick was recently named one of *DiversityInc's* “**25 Noteworthy Companies.**”



We launched a **Young Professional Ambassador Group** earlier this year and will launch a **LGBTQ Group** for employees by the end of 2016.

## DIVERSITY & INCLUSION PROGRESS

### BOARD OF DIRECTORS



### EXECUTIVES



■ Women ■ People of color  
U.S. people of color and globally female

### GOALS FOR 2019

**50%** Global Women  
**25%** People of Color in the U.S.





McCORMICK IS  
**ENCOURAGING  
HEALTHY CHOICES**



# BETTER CHOICES. BETTER TASTES. HEALTHIER FAMILIES



To better inspire healthy choices and educate the communities we serve, McCormick launched our Flavor For Life charitable giving program in 2016.



**DIETARY  
GUIDELINES  
FOR AMERICANS  
2015-2020  
EIGHTH EDITION**



## WHERE

Baltimore, MD

## WHO WE WORK WITH



## WHAT WE'RE INVESTING

\$2.5 million over 10 years

## WHERE WE'RE GOING

National and international expansion

Supported by research from the **McCormick Science Institute**, the latest edition of the **Dietary Guidelines for Americans** recognized the nutritional benefits of McCormick products and recommended using herbs and spices to reduce sodium intake.







*McCormick Brings Passion to Flavor™*

Contact McCormick for questions about our CSR Interim report at [responsibility@mccormick.com](mailto:responsibility@mccormick.com)