McCORMICK IS A LEADING GLOBAL FLAVOR COMPANY

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

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
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

<table>
<thead>
<tr>
<th>Country</th>
<th>Farmers Impacted</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ivory Coast</td>
<td>500</td>
<td>Underway</td>
</tr>
<tr>
<td>India</td>
<td>600</td>
<td>Underway</td>
</tr>
<tr>
<td>Madagascar</td>
<td>800</td>
<td>Underway</td>
</tr>
<tr>
<td>Turkey</td>
<td>1,200</td>
<td>Underway</td>
</tr>
<tr>
<td>Vietnam</td>
<td>3,000</td>
<td>Underway</td>
</tr>
<tr>
<td>Indonesia</td>
<td>4,500</td>
<td>Launching 4Q 2016</td>
</tr>
</tbody>
</table>

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

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

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<td>1,200</td>
<td>Underway</td>
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WIDER ROLLOUT OF FARMFORCE IS SLATED FOR 2017.
McCORMICK IS
PURSuing SUSTAINABILITY
04
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.
McCORMICK IS INCREASING ORGANIC PRODUCTION
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
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**

<table>
<thead>
<tr>
<th>Year</th>
<th>Women</th>
<th>People of Color</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>2015</td>
<td>27%</td>
<td>27%</td>
</tr>
</tbody>
</table>

**EXECUTIVES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Women</th>
<th>People of Color</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>29%</td>
<td>18%</td>
</tr>
<tr>
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<td>20%</td>
</tr>
</tbody>
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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
To better inspire healthy choices and educate the communities we serve, McCormick launched our Flavor For Life charitable giving program in 2016.

WHERE
Baltimore, MD

WHO WE WORK WITH
American Heart Association, United Way, the YMCA

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.