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— TO OUR STAKEHOLDERS

As a global leader in flavor operating across approximately 170 countries and territories around the world, committing to our Purpose–To Stand Together for the Future of Flavor–has never been more important. Delivering top tier financial performance while doing what's right for people, communities where we live, work and source, and the planet we all share continues to be a core principle in how McCormick operates.

Overall, I am pleased with our progress on our 2025 goals and commitments. I hope you will take the opportunity to learn more about how the Company is performing and making a positive impact. The global landscape in which we operate has changed dramatically since the publication of our 2019 Purpose-led Performance (PLP) Progress Report. The global pandemic and the continued negative effects of climate change have caused unprecedented disruptions to international supply chains around the world. McCormick recognizes the important role we play as an industry leader to help solve some of the world's toughest challenges. In this newly released 2021 PLP Report, you will see additional commitments to achieve 1.5°C by 2030 and Net Zero by 2050. We have achieved our Scope 1 and 2 greenhouse gas emissions goals four years early. Like most companies, we have a significant amount of work to do to positively deliver our commitments for Scope 3. We are announcing new goals and programs in this area that will be validated by science-based targets. We're also proud to announce that we have established the position of Chief Sustainability Officer, who is tasked with the responsibility of driving our Purpose-led Performance agenda and delivering on our sustainability imperatives.

In recognition of our work since our last report, McCormick was officially awarded the inaugural 2021 Terra Carta Seal from His Royal Highness the Prince of Wales. The seal recognizes private sector companies who are leading their peers in creating genuinely sustainable markets. The Company was also named a United Nations Global Compact LEAD Company for our ongoing commitment to the UN Global Compact and its Ten Principles for responsible business. McCormick continues to be recognized as one of the most sustainable companies in the world. The Company was ranked the world's 14th most sustainable corporation and 1st in the Food Products sector by the Corporate Knights Global 100 Sustainability Index.

The Company was also recognized on the 2021 Barron's 100 Most Sustainable Companies list for the fourth consecutive year and as a DiversityInc Top 50 Company for Diversity for the fifth year in a row.





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McCormick continues to deliver robust growth and is performing at the top tier of the food and flavor industry. We recently joined the Fortune 500 due to our focus on organic growth and the successful execution of our strategies and additions of our newest acquisitions, Cholula® Hot Sauce and FONA International. We are proud of our sustained performance and being included on this prestigious list. I'd like to thank our 14,000 employees around the world for the focus and dedication to driving our business, even during the global pandemic. Our commitment to improving the lives of people and doing what's right has never been stronger. I'm proud of our progress on our Diversity, Equity and Inclusion initiatives where we've increased the representation of women and ethnically diverse talent throughout the organization. Our focus on Human Rights and ensuring fair Labor practices have also been outlined in this report. The global pandemic has highlighted the need for an increased focus on health and nutrition and we have a commitment to help people live healthier lives and create a healthier world. We will accomplish this by continuing to educate others about the health benefits of culinary herbs and spices and by providing more information about all-natural flavor options that can reduce salt, sugar and fat and positively impact health outcomes.

Throughout the COVID-19 global pandemic and into the future, ensuring the health, safety and financial wellbeing of our employees was our most important priority. McCormick implemented measures ranging from enhanced facility safety protocols to global people care tools and resources, and we're committed to addressing the needs of our people.

Improving the livelihoods of the farmers who grow our iconic ingredients remains a top priority for McCormick. To date, we've been able to increase the resilience of over 22,800 smallholder farmers, putting us over the halfway point to our 2025 goal of positively impacting the lives of 35,000 farmers. We also have a steadfast focus on support for women farmers. McCormick, in partnership with CARE International, has launched the McCormick Women's Empowerment Framework, designed to assess the level of women's empowerment in key sourcing communities and address opportunities to reduce inequality. To ensure the sustainable sourcing of our herbs and spices, we've advanced McCormick's *Grown for Good* framework to include our third-party verified sustainability standard for suppliers in the herbs and spices industry. The *Grown*

for Good framework—the first-of-its-kind in the herb and spice industry—promotes community resilience, economic stability for farmers, gender equality, women's empowerment, biodiversity, conservation and regenerative farming practices. To date, we've also achieved 100% sustainably sourced branded red pepper and have made significant progress toward sustainably sourcing our other branded iconic ingredients (Cinnamon, Oregano, Black Pepper and Vanilla).

McCormick understands the importance of limiting climate change and doing what's right for the planet. We are dramatically increasing the use of renewable energy sources to power our operations and have made large investments in sustainable manufacturing facilities. Since our last report, we've updated our science-based targets to align to 1.5°C by 2030 and to achieve Net Zero by 2050. As a result, we've adjusted our goals to reduce our Scope 1, 2 and 3 greenhouse gas emissions by 42% by 2030.

At McCormick, Purpose-led Performance is more than just about meeting sustainability goals—it's how we operate our business. It's a journey that continuously evolves as our business and the world changes. With each Purpose-led Performance Report, we see that our investments are having real, tangible benefits and we're excited to transparently share our progress and success as we move forward. We remain committed to doing what's right for people, communities where we live, work and source and the planet we all share.

Thank you for being a part of our journey.

Lawrence Kurzius

Chairman, President and CEO

McCormick & Company, Incorporated





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— ABOUT THIS REPORT

McCormick and Company, Incorporated's ("we," "our," "McCormick & Company," "McCormick" or the "Company," each of which includes any McCormick subsidiary and consolidated joint venture where the context requires) 2021 Purpose-led Performance Progress Report ("PLP") outlines our approach to sustainability oversight, management, performance, integration into business strategy and reporting for our fiscal years 2020 ("FY20" or "2020") and 2021 ("FY21" or "2021"), from December 1, 2019, to November 30, 2021, for our global operations unless specified otherwise.

Our approach to sustainability and PLP is rooted in our long history of delivering industry-leading financial performance while doing what's right for people, the communities where we live, work, and source and the planet we all share. The approach outlined in this report was developed based on our longstanding commitment to sustainability, engagement with our stakeholders, ongoing relationships with customers and suppliers and industry best practices. Our stakeholder engagement efforts encompass feedback from key groups including our global leadership team, shareholders, employees, customers, consumers, suppliers, intergovernmental organizations ("IGOs"), non-governmental organizations ("NGOs") and trade bodies.

The report outlines our efforts and performance related to sustainability under our three PLP focus areas: People, Communities and Planet. Topics reported under these areas

are driven by our updated materiality assessment, which includes in-depth internal and external stakeholder interviews, as well as an industry landscape assessment. Within our report sections, topics core to McCormick's sustainability performance are mapped to widely used sustainability reporting frameworks including Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), and the United Nations Sustainable Development Goals (UN SDGs). In addition, we include individual sections describing our engagement with our stakeholders, our PLP governance and our updated materiality assessment matrix and methodology.

Additionally, this report outlines our strategy, along with our formal commitments, to contribute to a sustainable future through global citizenship and responsible business. We employ key performance indicators ("KPIs") and comparisons to previous years' performance to demonstrate McCormick's ongoing efforts to build a sustainable future and create long-term, sustainable value for our employees, customers, consumers, suppliers, business partners and shareholders.

This report and its content are not substitutes for financially material information provided in McCormick's Securities and Exchange ("SEC") filings including, but not limited to, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.





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— ABOUT McCORMICK & COMPANY

McCormick & Company, Incorporated is a global leader in flavor. As a Fortune 500 company with over \$6 billion in annual sales, we're guided by our principles and commitment to our Purpose—To Stand Together for the Future of Flavor. We manufacture, market and distribute spices, seasoning mixes, condiments and other flavorful products through our two main business segments: 1) Consumer and 2) Flavor Solutions. Founded in 1889 and headquartered in Hunt Valley, Maryland, McCormick envisions A World United by Flavor where healthy, sustainable and delicious go hand in hand.

The flavor brands under McCormick's Consumer segment reach nearly 170 countries and territories, bringing great-tasting and trusted flavor to global consumers at every price point, ranging from premium brands to private label.

Our Flavor Solutions segment has a diverse portfolio of product offerings, enabling us to collaborate with a wide range of customers and channels. We provide the flavor for consumer packaged goods manufacturers, restaurants and distributors to deliver great taste to the products they make or sell across the food and beverage industry.

Every day, no matter where or what you eat or drink, you can enjoy food flavored by McCormick. To learn more, visit www.mccormickcorporation.com or follow McCormick on Twitter (@McCormickCorporation.com or follow McCormick on Twitter (@McCormickCorporation.com or follow Instagram (@McCormickCorporation.com or follow McCormick Orpp), and LinkedIn (McCormick & Company).

McCormick's leading brands in the Americas include McCormick®, French's®, Frank's RedHot®, Lawry's®, Club House®, Gourmet Garden®, OLD BAY®, Zatarain's®, Stubb's®, Thai Kitchen® and Simply Asia®, as well as its latest additions, Cholula® Hot Sauce and FONA®. In Europe, the Middle East and Africa (EMEA), some of McCormick's best-known brands include Ducros®, Schwartz®, Kamis®, Drogheria & Alimentari® and an extensive line of Vahiné® brand dessert items. In China, we market our products under the McCormick, DaQiao®, Wei Hao Mei® and Chu Shi Le® brands, and in Australia, you can find our spices, seasonings and other delicious products under the McCormick, Aeroplane®, KEEN'S® and Gourmet Garden® brands.



14,000 global employees and products in nearly 170 countries and territories¹



Top 10 packaged food & beverage and foodservice restaurant chains partner with McCormick





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We're proud of our Purpose-led Performance approach and have been recognized within our industry and beyond.

As McCormick brings its PLP work to life, our teams continue to leverage global resources, in partnership with NGOs, universities and international sustainability organizations, to achieve a range of goals including: improving resilience for farmers around the world, performing risk assessments for key commodities and understanding the nutritional benefits of herbs and spices. We choose our partners carefully, engaging those who share our vision of a healthier, more flavorful world. Many of these partnerships are described in more detail later in this report.



McCormick is one of the inaugural recipients of the Terra Carta Seal, which recognizes private sector companies that are leading their peers in creating genuinely sustainable markets.

The prestigious Terra Carta Seal was launched in November 2021 by His Royal Highness The Prince of Wales through his Sustainable Markets Initiative (SMI). McCormick is one of only 44 companies selected as its first recipients.

- 14th Most Sustainable Corporation globally on Corporate Knights 2022 Global 100 Sustainability Index
- 1st in Food Products
- 2022 DiversityInc Top 50
- No. 1 Most Sustainable Food Company (Barron's 2021 100 Most Sustainable Companies)
- 2021 UN Global Compact LEAD recognition
- Achieved strong ESG ratings & recognition:
- "AA" MSCI Score (leadership status)
- MSCI ESG Leaders Index
- Corporate Equality Index Recognition
- Just Capital

Supplier Diversity

- Women Presidents' Educational Organization (WPEO)
- Women's Business Enterprise National Council (WBENC)
- Canadian Aboriginal & Minority Supplier Council (CAMSC)
- Capital Region Minority Supplier Development Council (CRMSDC)
- Diverse Manufacturing Supply Chain Alliance (DMSCA)
- National Veteran-Owned Business Association (NaVOBA)
- National Minority Supplier Development Council (NMSDC)
- Women's Enterprise Connect International (WEConnect)

• Ethical Sourcing and Sustainable Agriculture

- Sustainable Spices Initiative (SSI)
- Supplier Ethical Data Exchange (SEDEX)
- Roundtable on Sustainable Palm Oil (RSPO)
- Sustainable Vanilla Initiative (SVI)
- Sustainable Agriculture Initiative (SAI)
- Supplier Leadership on Climate Transition (S-LoCT)

Industry Associations:

• Food and Manufacturing Industry Groups

- Consumer Brands Association (CBA)
- Food Marketing Institute (FMI)
- Consumer Goods Forum (CGF)
- The National Association of Manufacturers (NAM)
- USDA Center for Nutrition Policy and Promotion (CNPP)
- Academy of Nutrition and Dietetics (AND)
- American Institute for Packaging and the Environment (AMERIPEN)
- American Spice Trade Association (ASTA)
- Flavour Manufacturers Association of Canada (FMAC)
- Sustainable Brands for Good (SBG)
- European Brands Association (AIM)
- Flavor and Extract Manufacturers Association (FEMA)
- European Spice Association (ESA)













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— OUR GLOBAL PURPOSE-LED PERFORMANCE APPROACH

Our Purpose is "To Stand Together for The Future of Flavor," and we envision a World United by Flavorwhere healthy, sustainable and delicious go hand in hand. We are focused on the needs of all our stakeholders, growing long-term value for our business and positively impacting the world.

Formally launched in 2017, McCormick's PLP approach is embedded throughout our organization and operations around the globe.

Our approach, paired with our global product portfolio, continues to differentiate McCormick and sustainably positions us for long-term growth as our PLP strategy matures, extends its impact and enhances our ability to deliver a more flavorful, healthier future.









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People

McCormick believes in the Power of People. For over 130 years, the Company's people-first culture has worked to ensure all employees feel valued and respected. We prioritize employee wellbeing and have strengthened these efforts throughout the challenges of the ongoing COVID-19 pandemic. From enhanced facility safety protocols and the launch of global people care tools and resources to establishing 18 vaccine clinics in the U.S., McCormick continues to actively listen and respond to the needs of our people.

McCormick also continues progressing toward our diversity, equity and inclusion (DE&I) goals. We have continued to invest in the Global and U.S. Ignite Leadership Programs, focused on developing the next generation of female and ethnically diverse talent. Externally, the Company's efforts include, but are not limited to, increasing the role of Minority/Women Owned Business

Entrepreneurs (MWBEs) across our value chain, working with a multitude of supplier diversity organizations and the Consumer Goods Forum (CGF). In 2021, to ensure employee wellbeing, we introduced *Nourish*, a new global employee wellness program that takes a holistic approach to nutrition, physical and mental health. To benefit consumers, we continue to invest in transparency, empowering the millions of people who trust and enjoy our products every day to make better, more informed choices. Additionally, the safety and quality of our products is paramount, and we are committed to product integrity through designing quality into every product. Through the cutting-edge research funded by the McCormick Science Institute, our strategic acquisitions of clean, healthy and nutritious brands, and responsible marketing, we help people lead happier, healthier lives. When we nourish the people who touch our business, we thrive.







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Communities

McCormick's commitment to doing what's right extends from individuals to entire communities, including those we serve and, just as importantly, those from which we source. McCormick has long worked to steadily build resilience and improve livelihoods in the farming communities where our ingredients are grown, as evidenced by continued progress on our smallholder farmer resilience goal and a wide range of globe-spanning initiatives. Tailored to each specific community where enacted, we've invested in community resilience in Vietnam, Indonesia, Turkey, Madagascar and India, by partnering with non-governmental organizations on training and infrastructure, improving access to financing and income diversification for vanilla farmers in Madagascar.

We also provided COVID-related health and hygiene training to almost 7,000 households, increased the scope of our clean water initiatives and piloted an improved watershed project to increase the water table in a drought-prone area of Tamil Nadu, India, and much more. Whether partnering with Heifer International to help Guatemalan farmers invest in energy-efficient dryers or continuing to provide leadership

on the American Spice Trade Association, McCormick remains steadfast in support of farmers not only through our own actions but those undertaken and made more impactful through collaboration with industry peers and international organizations.

Our work to support farming communities, which has the added benefit of improving the reliability and environmental impact of our business, also includes the newly launched McCormick Women's Empowerment Framework (M-WEF), which is an integrated global approach to gender equality and women's economic empowerment. We continue to advance our human rights and labor practices, adopting a new **Global Human Rights Policy**, increasing Supplier Ethical Data Exchange (Sedex) registered members and completing the Sedex Members Ethical Trade Audit (SMETA) in our supplier base and own facilities.







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McCormick's commitments to people and communities naturally and necessarily extend to the planet we all share, starting in our supply chain, continuing throughout our operations, and going beyond our organization through initiatives like supporting a circular plastics economy. We now source 100% of our branded red pepper sustainably and are steadily progressing toward sustainably sourcing our five iconic branded herbs and spices by 2025. We created Grown for Good, a first-of-its-kind, third-party-verified sustainability standard for herb and spice suppliers. Grown for Good promotes community resilience, social and ethical practices for workers in our suppliers' factories, farmer resilience, biodiversity and regenerative farming practices. And most notably, we have committed to leveraging the Science Based Targets initiative (SBTi) to achieve 1.5°C by 2030 and Net Zero by 2050. Core to this effort are ambitious Scope 3 emissions reductions we're pursuing in partnership with suppliers and industry peers through our Supplier Leadership on Climate Transition (S-LoCT) program.

We also continue to significantly invest in energy-efficient facilities and renewable energy, and have completed construction on McCormick's new manufacturing site in Peterborough, UK, which is on track to become the Company's first Net Zero Carbon building. Additionally, Project Skipjack and Big Star Solar, for example, are providing renewable electricity to power 100% of our North American facilities in Maryland, New Jersey and Texas.

As clearly described in our **Environmental Policy**, we are committed to the continuous improvement of our environmental performance in our day-to-day business activity and to meet or exceed the requirements of all applicable environmental laws and regulations.



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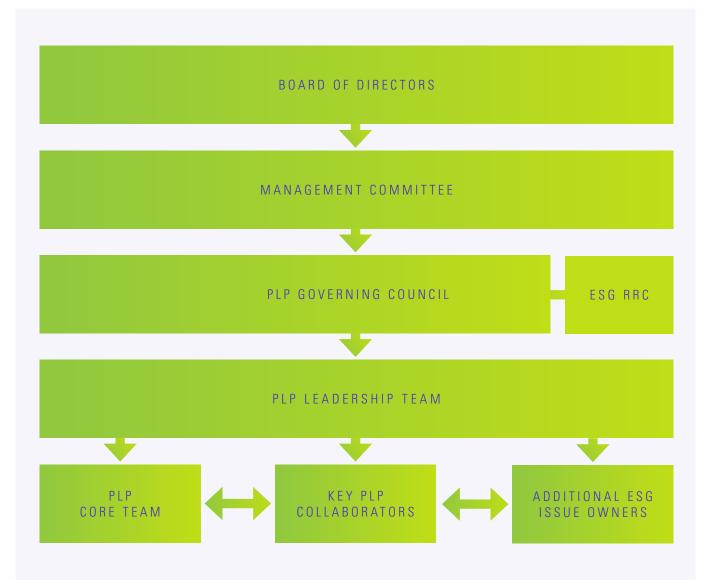
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Purpose-led Performance Governance

McCormick fully recognizes the importance governance and oversight have in driving our PLP and broader business strategy forward. With PLP embedded in all aspects of our organization and business practices, we have dedicated teams who represent our day-to-day governance of People, Communities and Planet.



PLP Governance Structure

Board of Directors

Including Nominating and Corporate Governance Committee oversight of ESG matters and Compensation and Human Capital Committee oversight of people and human capital matters.

Management Committee

McCormick's Management Committee is responsible for the execution of the strategic business plans and budgets approved by the Company's Board of Directors (the "Board"), and for the implementation of policies adopted by the Board. Senior management is responsible for managing and supervising the Company's day-to-day business activities and ensuring the PLP Strategy is integrated throughout the enterprise and is properly aligned with the Company's Growth, Performance and People strategies.

PLP Governing Council

Senior leadership steering committee responsible for integrating the PLP strategy with overall business strategy, including identification and approval of initiatives, investments and resources for PLP goals.

ESG RRC

Oversight committee responsible for certifying completeness and accuracy of all external reporting, including ESG reporting oversight.

PLP Leadership Team

Leadership team responsible for providing guidance and direction from the PLP GC, regularly tracking progress on the PLP goals, identifying key risks to progress and proposing recommendations that address gaps in progress. Includes functional leads accountable for goals.

PLP Core Team

Goal Owners responsible for driving progress on the PLP goals.

Key PLP Collaborators

Advisors and collaborators for targeted efforts (i.e., ESG investor engagement, PLP Reporting, Disclosure requirements).

Additional ESG Issue Owners

Individuals responsible for priority or emerging ESG issues that are not current PLP goals. Five-person management committee with oversight for the Company's ESG-related committees and teams.



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Board of Directors

• While our Board provides general oversight of environmental, social and governance ("ESG") matters, the charter of the Nominating and Corporate Governance Committee requires the committee to directly oversee our corporate responsibility programs relating to ESG matters, except to the extent reserved for the full Board or another committee of the Board. As part of this oversight, our Board and its committees regularly review our material initiatives and policies related to ESG matters and progress with respect to our ESG commitments as it relates to their particular oversight duties.

- As part of the Company's commitment to ensure diversity at all levels, approximately 36% of the Board are women and 27% is made up of ethnically diverse members.
- A summary of the allocation of general oversight of ESG matters among management, the Board and its committees, which we formalized last year, as noted in the 2020 governance highlights within our **2021 Proxy** (pg. 2), is as follows:

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee leads the oversight of corporate responsibility programs relating to ESG matters.

Compensation and Human Capital Committee

The Compensation and Human Capital Committee is responsible for strategies and policies related to key human resource considerations including diversity, equity, and inclusion, workplace, environment and culture and talent development and retention.

Audit Committee

The Audit Committee oversees the Company's risk management processes—including those ESG-related—and regularly reports to the Board.





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Management Committee

Under the direction of the President and CEO, responsible for the execution of the strategic business
plans, budgets and policies adopted by the Board and is responsible for the overall management and
supervision of the Company's business, under a Charter approved by the Board.

PLP Governing Council

- Senior leadership steering committee with direct responsibility for ESG issues, including establishing
 a clear program roadmap of initiatives that will deliver our 2025 commitments, ensuring there
 is strong commercial pull for key program initiatives, overseeing delivery of the initiatives and
 therefore the whole program, and establishing a clear, regular reporting structure and cadence.
- Led by the President, Global Flavor Solutions, International EMEA and Chief Administrative Officer
 and composed of senior executives with direct responsibility for a variety of functional areas,
 including sales and marketing, quality, supply chain, human resources, environment, packaging,
 sourcing, community relations, communications and investor relations.
- Reports to McCormick's Management Committee, which is the top-level senior management committee.
- Reports regularly to the Nominating and Corporate Governance Committee of the Board on strategy, risk, major plans of action, key performance indicators, etc.
- The PLP Governing Council meets monthly.



Michael Okoroafor, Chief Sustainability Officer

Michael Okoroafor is McCormick's first Chief Sustainability Officer, whose key goal is to drive McCormick forward as a leader in sustainability. Working throughout the enterprise, he will develop and execute the Company's sustainability strategy internally and externally, as he partners with McCormick's Purpose-led Performance Governing Council, as well as our commercial and communications teams to ensure continuous promotion of our PLP initiatives. As a leader in the sustainability space, he was recognized as a 2020 honoree for the Environment + Energy Leader (E+E) 100.

Michael has referred to McCormick's PLP work as a "journey" and often draws upon his upbringing in a farming community in Nigeria, which first spurred his interest in sustainability: "When I was growing up, I saw how hard my mother, a subsistence farmer, worked and I saw what it took for her to really make enough money to support her four children after my dad passed away. For me, it was the formative years of my life that really had an impact, and that experience continues to benefit me today, especially in how I approach things and my view of sustainability."

For Michael, sustainability "is really a way of doing the right thing, whether you're talking about our people, our farming communities or the planet we share."



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ESG Reporting Review Committee (ESG RRC)

• Charged with ensuring completeness and accuracy of all external reporting and ESG reporting assurance. The Committee's responsibilities include reviewing and approving PLP definitions, reviewing and approving the adoption of external standards, reviewing the data collection processes, approving the addition or removal of disclosures and escalating any reporting concerns to the PLP Governing Council.

PLP Leadership Team

 Cross-functional team tasked with executing guidance and direction from the PLP Governing Council, serving as a resource for colleagues on updates from the PLP Governing Council and evolving governance and processes, collecting information to track progress on milestones and identifying major roadblocks, and noting risks to goal achievement that should be brought to the Governing Council's attention.

PLP Governing Council



Malcolm Swift, President Global Flavor Solutions. **EMEA & Chief** Administrative Officer



Matt Garmston, VP Global **Business Improvement**



Michael Okoroafor, Chief Sustainability Officer



Lori Robinson, Chief Communications Officer



Andrew Foust, President Americas



Ana Sanchez, President **EMEA**



Ben Lee. President McCormick China



Paris Golden, Managing Director - Australia



lan Dearn, Sr. VP Global Supply Chain



Donald Pratt, Managing Director, McCormick Global Ingredients



Kasey Jenkins, Sr. VP Corporate Strategy & **Investor Relations**



Andy Bennett, Chief Quality Officer



Neddy Perez, VP Global Diversity, Equity & Inclusion



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Materiality Assessment

As the basis of this report, we've conducted an updated materiality assessment to reflect the utmost relevant environmental, social and governance reporting for our stakeholders. As in years past, our materiality assessment has driven forward our approach to sustainability and allows us to prioritize topics most important to our business and external stakeholders, including customers, consumers, employees, communities and shareholders.

Our 2021 materiality assessment engaged a wide variety of external stakeholders, and a number of employees, such as operation leads across teams, including but not limited to, packaging innovation, supply chain, consumer strategy, agriculture and financial planning and analysis, as well as members from our PLP Leadership Team and Governing Council, and senior management.

External stakeholder engagement included interviews and surveys of IGOs, NGOs and trade bodies as well as investors, industry analysts, customers and suppliers. As part of the external engagement, we surveyed over 1,000 consumers.

The materiality assessment sourced topics and their relevancy from stakeholder engagement including surveys and interviews, and leading third-party ESG frameworks, standard-setters, rating agencies and providers. Specifically, as noted in our **GRI** index, we have aligned our materiality assessment with the Global Reporting Initiative.

As demonstrated in our materiality assessment matrix and corresponding definitions chart at right, we have identified 24 material topics, which are stratified across three tiers of materiality. While we have tiered material topics, we recognize all areas are material and drive forward our success and strategy. However, the Strategic tier reflects topics where we can show leadership and differentiate ourselves, the Priority tier reflects priority material topics and the Material tier reflects generally material topics.

Additionally, we have aligned our materiality matrix with our PLP reporting structure and designated topic categorization under People, Communities, Planet and Governance.

McCormick ESG Materiality Matrix













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In our 2017 PLP report, we outlined a series of commitments and 14 clear PLP goals, which align with and support the UN SDGs. Since then, we've added two additional performance targets to our set of goals. Our PLP approach recognizes that sustainability is a journey, allowing us to continuously build on our success and raise our ambitions as our business and operating landscapes change.

In line with our focus on doing what's right for the planet, we are excited to announce a new commitment to limit overall warming to 1.5°C, an elevation of our existing 2 degree goal, pending approval of the Science Based Target initiative (SBTi), which is part of our long-term commitment to achieve Net Zero by 2050. More on this target update and others follows. To demonstrate stakeholder transparency, we have formally contextualized our commitment to the 13 UN SDGs directly supported by our PLP goals.







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United Nations Sustainable Development Goal Alignment



No Poverty

In line with our Purpose-led Performance goals, we work in a variety of ways to improve the resilience and livelihoods of the farming communities that grow our key raw materials. This has included **distributing personal protective equipment (PPE) during the COVID-19 pandemic** and **training farmers to improve agricultural practices in ways that will increase income**. We also **announced** a partnership in August 2021 with Citigroup, World Bank and IFC to provide suppliers with **financial incentives linked to improvements in measures of social and environmental sustainability**. The program has started with suppliers in Indonesia and Vietnam and will soon be launched in other countries. McCormick has a long legacy of supporting communities where we live, work and operate and, through numerous initiatives, including charitable donations, we've demonstrated our commitment to strengthening their wellbeing.



Zero Hunger

As a global leader in flavor, we are **uniquely positioned to aid in the effort to achieve zero hunger**. Among our many commitments to farming communities, we are teaching farmers sustainable and effective growing techniques through our *Grown for Good* program, which supports farmer and community resilience.

We aim to increase the resilience of 90% of smallholder farmers that grow our key iconic herbs and spices, as measured by increasing skills and capacity, income, access to financial services, education, nutrition and health. Additionally in 2020, we donated more than \$10 million across 22 countries to organizations addressing issues like healthcare access, racial injustice and food security, including more than \$3 million to food banks, and in 2021, we donated over \$8.2 million around the world.



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United Nations Sustainable Development Goal Alignment (Continued)



Good Health & Wellbeing

We are committed to ensuring the health and wellbeing of our global workforce, in particular protecting our frontline workers during and beyond the COVID-19 pandemic. We have various initiatives to promote employee health and have set the goal of having 80% of employees participating in voluntary health and wellbeing programs. We are committed to protecting the health and safety of our employees by providing an environment free of risks and hazards and we're currently developing a new occupational health and safety program that will be fully standardized across the organization. We also aim to have 80% of our global employees participating in our main corporate giving initiative, the Power of Giving. Additionally, the core of our business is providing healthy and safe products to consumers worldwide. We remain steadfast in our pursuit of increased visibility into our products for customers, as evidenced by our goal to have **90% of sales from products** that enable health, nutrition or natural consumer choices.



Quality Education

We are intent on achieving inclusive and quality **education for all**, evident through our extensive training and development offerings for employees and corporate initiatives such as having active development goals in our HR system for 95% of all connected global employees. Our support of quality education includes **investments** in local communities in Madagascar to restore primary schools and increase access to learning. We are proud to have exceeded our goal of a 50% increase in the number of McCormick Science Institute citations in professional literature. Founded in 1940, our Unsung Heroes scholarship, which recognizes athletes for unselfish team play and highlights the efforts of those who contribute to the success of their teams without acclaim, has awarded over \$1.7 million to deserving student-athletes. We also offer scholarships to dependents of U.S. employees who have completed a minimum of two years' service with McCormick, and offer partial tuition reimbursement for employees.



Gender Equality

McCormick is proud to demonstrate **our commitment** to gender equality through women's empowerment initiatives and tangible corporate goals like 50% of women in leadership positions globally. We have implemented an integrated global approach to gender equality and women's economic empowerment in our iconic raw material supply chains and remain committed to our diversity and inclusion efforts companywide. We have partnered with the National Association of Manufacturing (NAM) on the STEP Ahead Initiative to recognize and highlight women at McCormick. Additionally, we have expanded our external partnerships with organizations like the Women's Foodservice Forum and LEAD UK to increase the development and hiring of female talent. In 2018, we made a commitment to expand our pay equity and increase transparency around our discussions of the topic.



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United Nations Sustainable Development Goal Alignment (Continued)



Clean Water & Sanitation

We partner with third-party experts to identify opportunities to reduce our water use at targeted facilities around the world, helping achieve our goal of a 20% reduction in water use per ton of product produced from our facilities. McCormick is also working to facilitate access to safe drinking water for communities through various means such as investing in reverse osmosis water purification facilities in nine villages in India, benefiting an estimated 30,000 individuals. McCormick also supports watershed improvement and drip irrigation implementation projects in India, saving up to 9,200 million liters of water annually.



Affordable & Clean Energy

McCormick is aggressively pursuing the use of clean energy throughout its operations. In 2021, we joined the leading global corporations committed to limiting climate warming to 1.5°C by 2030 and to achieving Net Zero by 2050. We're also increasing the share of renewable energy in the global energy mix through initiatives such as the development of our Peterborough Net Zero facility. We use 100% renewable electricity to power all three of our UK facilities and have contracts to do the same in Poland and Italy. Through projects with the Skipjack and Big Star solar facilities, we also use 100% renewable electricity to power our Maryland and New Jersey facilities, as well as our Dallas, Texas, manufacturing plant and distribution center. While we've achieved our 2025 Scope 1 and 2 goals four years early, our new corporate goals include a 42% absolute reduction in greenhouse gas emissions (Scope 1 and Scope 2) from our facilities by 2030. We are also targeting a 42% absolute reduction in greenhouse gas emissions (Scope 3) by 2030. Furthermore, we are educating our suppliers on greenhouse gas emissions and how they can set their own reduction targets. McCormick continues to grow our significant use of renewable electricity in North America and Europe. We have a dedicated Environmental Policy and support the Paris Agreement and other national, regional and local solutions to address climate change and make renewable energy more accessible.



Decent Work & Economic Growth

McCormick has recently been recognized as a UN Global **Compact LEAD company** for our ongoing commitment to the UN Global Compact and its Ten Principles for responsible business. As a member of the UN Global Compact, we have joined the <u>Decent Work in Global Supply Chains</u> action **platform** and are committed to implementing universal sustainability principles that meet fundamental responsibilities in the areas of human rights, labor, environment and anticorruption. In addition to aligning with basic working conditions and human rights concepts advanced by international organizations such as the International Labor Organization and the United Nations Global Compact on Human Rights, McCormick's new Global Human Rights Policy represents our own minimum standards for working conditions and human rights that applies to our employees, customers, **communities and business partners**. These include standards of nondiscrimination and harassment; freedom of association, work environment and compensation; protecting employee privacy; prohibiting forced labor and child labor; and promoting safety and health. Additionally, as part of our commitment to our farming communities, we work with our **suppliers** to increase the direct economic benefits generated by farmers through improved farming practices and other value-added activities.



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United Nations Sustainable Development Goal Alignment (Continued)



Reduced Inequalities

We champion equality throughout our business, advocating parity for women and underrepresented groups through our Employee Ambassador Groups and our Ignite programs.

Our goal is to have women in 50% of leadership positions globally and ethnically diverse talent (EDT) in 30% of leadership positions in the U.S. Furthermore, our position in the global food industry value chain allows us to have an impact on reducing inequality in the communities where we operate. We empower our farming communities by developing knowledge, skills and talent, and improving access to financing. Our funding of vanilla processing centers in Madagascar communities, which help farmer cooperatives reap additional economic benefits, is just one example.



Sustainable Cities & Communities

We strive to increase the sustainability of cities and communities through various efforts, including reducing energy consumption in our facilities. McCormick has completed three LEED Certification projects to help us use resources more efficiently, waste less and reduce our impact on the planet. Our global headquarters in Hunt Valley, Maryland, is LEED Gold-certified, our new distribution center in Sparrows Point, Maryland, will soon be Net Zero and LEED Gold-certified, our manufacturing facility in Thailand is LEED Silver-certified, and our Shanghai Plant is LEED Silver-certified. Additionally, our new manufacturing site in Peterborough, UK, is on track to become McCormick's first **Net Zero Carbon facility** and we're constructing a new headquarters and warehouse in Australia, which has been built to achieve the 5-Star Green Star Rating. We also have corporate goals in place for a 42% absolute reduction in greenhouse gas emissions (Scope 1 & Scope 2) from our facilities by 2030. We are also targeting a 42% absolute reduction in greenhouse gas emissions (Scope 3) by 2030. Additionally, we are aiming for 80% recycling and recovery of solid waste from our facilities.



Responsible Consumption & Production

McCormick is committed to promoting sustainable consumption and production, which is evident in our innovative approach to developing sustainable packaging across geographies. Our goals include a reduction of our carbon footprint from packaging by 25% and 100% circular plastics packaging (reused, recycled or repurposed) by 2025. We have also signed the New Plastics Economy Global Commitment, led by the Ellen MacArthur Foundation, to underscore our role in promoting a circular economy. We are removing all problematic plastics within our products and developing more sustainable packaging. This includes the use of recycled content into PET bottles and HPDPE mustard bottles. Additionally, we are aiming for 80% recycling and recovery of solid waste from our facilities. We have worked with NGOs and donor partners to design comprehensive development programs in Madagascar and Indonesia to help farmers diversify their income sources, maintain forests, improve biodiversity and protect soil health. We are also committed to sourcing all herbs and spices in our portfolio sustainability, beginning with 100% of our branded iconic ingredients.



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United Nations Sustainable Development Goal Alignment (Continued)



Climate Action

A core piece of our sustainability work is <u>addressing climate change</u> with numerous initiatives underway across our organization and raising our ambition with 1.5°C-aligned targets by 2030 and Net Zero by 2050 in support of the <u>UN Global Compact Action Platform</u> which supports the race to zero. These efforts include partnering with humanitarian aid organizations to build resilience in climate-change-vulnerable farming communities and collaborating with peers like Mars and PepsiCo and our suppliers to reduce Scope 3 emissions. We know our actions alone cannot prevent climate change, but we work across our value chain, with suppliers, policy makers and other stakeholders to find ways to collaboratively develop new climate change solutions. We also have various climate change goals in place to support the UN SDGs, including a 25% reduction in carbon footprint from packaging and 100% circular plastics packaging.



Life on Land

Our *Grown for Good* sustainable sourcing standard embodies our commitment to protect, restore and promote the sustainable use of land. This standard is the first of its kind in the herbs and spices industry and illustrates our dedication to advancing accountability and performance in the sustainability space. Under *Grown for Good* we also take measures to reduce water use, improve soil health, avoid habitat degradation, and optimize energy efficiency where possible. We <u>committed</u> to ensuring all palm oil used within our supply chain would be sustainability sourced through the Roundtable on Sustainable Palm Oil (RSPO) by 2025 and, in 2020, we achieved that goal.





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Purpose-led Performance Goals

We're excited to share the progress we've made toward our goals, which clearly demonstrates our continued focus on advancing sustainability. While we're proud of our accomplishments, we recognize sustainability is a journey and there's always work to be done. As such, we hold ourselves accountable to continuous improvement through a series of goals, organized by People, Communities and Planet pillars, to ensure an all-encompassing impact.

We have a global database for all our PLP goals, which expands our ability to review project status by region, priority and start and end dates. The database also helps us create global and regional dashboard reports, which track project priorities, status, complexity and monthly progress, in addition to a Roadmap Report, which identifies annual targets toward our goals, tracks progress and risks, and is used by our PLP Governing Council in global decision-making.

We have provided progress updates on all goals in the table that follows, but first wish to highlight several notable developments:

Notable Developments

COMMITMENT

First, we have surpassed our goal of a 50% increase in the number of McCormick Science Institute citations in professional literature, four years ahead of schedule.

While we have achieved our 2025 Scope 1 and 2 goal four years early, we are also elevating our greenhouse gas emissions targets from 2°C to 1.5°C. With the submission of our 1.5°C target, we will join the UN Science-Based Targets initiatives Business Ambition for 1.5°C, a global, cross-sector coalition of companies that have acknowledged the critical importance of limiting the impacts of climate change. The elevated goal also represents our commitment to achieving Net Zero by 2050.

To reflect our increased ambition to reduce water use and increase our recycling and recovery of solid waste across our facilities, we have introduced new goals to reduce water use by 25% and to recycle or recover 85% of solid waste throughout our operations by 2030.

We are also revising our product transparency goal to better align with sustainability standards. Our newly stated goal is: 90% of our sales are from products that enable health, nutrition or natural consumer choices. Our response will provide a detailed breakdown by additives, fat, saturated fat, sodium, and cholesterol, beneficial nutrients, relative claims, containing GMOs and containing non-GMO. Previously the goal had been 90% of products with improved transparency (non-GMO, BPA-free, Organic).

Finally, we are introducing McCormick's new global Power of Giving umbrella brand to help us tell the full story about how McCormick and our employees give back to communities. Through the Power of Giving, our corporate, regional and country-specific initiatives come together under one unified global program to inspire and engage employees to support the causes they care about through matching gifts, volunteer time off and community service. We now aim to have 80% of our employees globally participate in our Power of Giving program globally instead of the singular Charity Day event.



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TOPIC	COMMITMENTS	UN SDGs ALIGNMENT	OUR 2025 GOALS		
People The cornerstone of McCormick's approach is helping people live better lives. We champion equality and are committed to the education, development, and wellbeing of our employees, while working to create better health outcomes.	Champion equality educate and develop employees	5 ; 10	Women in 50% of leadership positions globally		
			Ethnically Diverse Talent (EDT) in 30% of leadership positions in the U.S.		
	Educate and develop employees 3; 4; 5; 10		95% of MySuccess connected exempt employees globally with active development goals in the HR system		
	Drive better health outcomes	3; 4; 12	50% increase in number of McCormick Science Institute citations in profession literature		
			80% of employees participating in voluntary health & wellbeing programs global		
			NEW 90% of sales from products that enable health, nutrition, or natural consumer choices		



A Closer Look at Our 2025 Goals — Communities

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TOPIC	COMMITMENTS	UN SDGs ALIGNMENT	OUR 2025 GOALS	
Communities The communities where we live, work	Increase resilience and improve livelihoods of communities & small farmers—especially women	1;2;5;8;10;12;15	Increase resilience of 90% of smallholder farmers that grow our key iconic herbs and spices, as measured by increasing skills and capacity, income, access to financial services, education, and nutrition and health	
and source are the bedrock of our operational success. We are dedicated to improving lives across our supply chain, whether it's helping farming communities build and adapt to change or encouraging our employees to get involved to make our world a better place through charitable giving efforts and volunteerism.	Increase employee volunteering and giving through corporate programs	3	80% of global employees participating in Power of Giving globally	



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A Closer Look at our 2025 - 2030 Goals — Planet

TOPIC	COMMITMENTS	UN SDGs ALIGNMENT	OUR 2025 - 2030 GOALS		
Planet We are committed to lessening the effects of climate change by adhering to Science -Based Targets that help reduce our carbon emissions, energy consumption, waste, and water use. To achieve these goals, we've increased the use of renewable energy, invested in improved technologies and are in the process of embedding sustainable practices across the enterprise.	Increase use of branded, sustainably grown herbs & spices		Source all herbs and spices sustainably, beginning with the top five branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) by 2025.		
	Reduce GHG emissions		20% absolute reduction in greenhouse gas emissions (Scope 1 & 2) from our facilities to be met by 2025		
		7 ; 11 ; 13	NEW 42% absolute reduction in greenhouse gas emissions (Scope 1 & 2) from our facilities to be met by 2030		
			16% absolute reduction in greenhouse gas emissions (Scope 3) to be met by 2030		
			NEW 42% absolute reduction in greenhouse gas emissions (Scope 3) to be met by 2030		
	Reduce water use	6	20% reduction in water use from our facilities to be met by 2025*		
			NEW 25% reduction in water use from our facilities to be met by 2030*		
			80% recycling and recovery of solid waste from our facilities to be met by 202		
	Solid waste recycling	12	NEW 85% recycling and recovery of solid waste from our facilities to be met by 2030		
	Reduce packaging carbon footprint through the lifecycle	12 ; 13	Reduce packaging carbon footprint by 25%		
			100% of plastics packaging that can be reused, recycled or repurposed		

^{*}Adjusted for product mix effects, production volume and excludes water used in products.



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— ETHICS & COMPLIANCE

McCormick's **Business Ethics Policy** (BEP) is the anchor of our ethics and compliance program. We have multiple policies and procedures that address specific aspects of our BEP, including insider trading, antitrust, bribery and conflicts of interest.

Ethics and compliance is the cornerstone of our commitment to integrity, honesty and transparency, allowing our Company to continuously advance as the global leader in flavor. We're continuing along our path of improvement through increased and new employee communications, activities, trainings, policies and procedures to ensure ethical decision-making and practices permeate our organization and the ecosystems where we operate.

In 2021, we established our new Global Human **Rights Policy.** We hope it will set a new industry standard as we look to support our employees, business partners, customers and communities. Additionally, our Enterprise Compliance Group, established in 2019, oversees a dedicated Ethics and Compliance team, which seeks to further build our global ethics and compliance program. Its work includes oversight of assessing third parties for corruption risk, training employees to identify and report potential ethics and compliance violations, tracking and responding to incidents and monitoring and auditing compliance risks of the program. Additionally, we've further invested in our global ethics and compliance program by supporting employees on the team to become Certified Compliance and Ethics Professionals, both in the U.S. and internationally.





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Corporate Governance & Responsibilities Allocation

While ethics and compliance is ingrained in our Company culture and every individual is expected to act responsibly and in accordance with our Company policies, guidelines, and laws and regulations, our ethics and compliance program is directed by our Corporate Legal department and senior management, under the oversight of the CEO and the Audit Committee, with the Enterprise Compliance Group being responsible for its day-to-day operations and execution.





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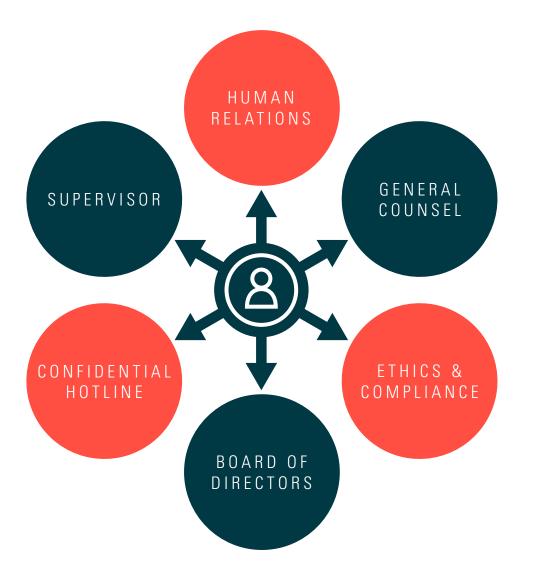
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Reporting Framework

McCormick provides internal and external mechanisms for seeking advice about ethical and lawful behavior; organizational integrity; and reporting concerns about unethical or unlawful behavior as described in its **Business Ethics Policy.** Specifically, any employee with reason to believe in good faith that an actual or potential ethics or compliance violation has occurred can report

it to one of several qualified parties, including his or her supervisor, an HR representative, our General Counsel, the Ethics and Compliance team, or the Chair of the Audit Committee, without fear of retaliation. Reports can also be made through our **confidential hotline** that is staffed by an independent organization.







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Third-Party Monitoring & Risk Management We utilize an automated third-party risk-based management

We utilize an automated third-party risk-based management program, called RiskRate, which drives strong efficiency and efficacy when mitigating the risk of transactions with third parties through identifying red-flags and other risk factors. When applicable, we may drive forward further risk-based assessments as deemed appropriate. RiskRate and our broad third-party risk management efforts ensure we are evaluating the extent to which our partners act ethically, conduct business in compliance with applicable laws and regulations and embrace our Company's values. RiskRate is a cross-functional effort, including support from our Legal, Internal Audit and Ethics and Compliance departments.

Political Activity Policy

McCormick believes it's important to educate policymakers and participate in public dialogue around issues to which we can positively contribute, but is careful to maintain our independence, as evidenced in our policies. We do not contribute to political action committees (PACs), political campaign committees, whether candidate-controlled or independent, or ballot initiatives. Employees at all levels must comply with applicable laws and internal policies.





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— GROWN FOR GOOD FRAMEWORK: THE SUSTAINABLE TASTE OF McCORMICK



McCormick is leading its own sustainability journey

To deliver our vision of holistic development, we refined our interpretation of sustainability, strengthening what's most important to McCormick. The result, *Grown for Good*, stands for a vision in which the lives and livelihoods of farmers and farming communities are not just protected but enhanced. It is a system that conserves and enriches the local and global environment and builds resiliency at every stage of the supply chain.

The *Grown for Good* framework was launched in the 2019 Purpose-led Performance Report and outlines our theory of change to drive impact through sustainable sourcing. Unlike other sustainability programs that are generally focused on a single tier in the supply chain (either farm or supplier facility), *Grown for Good* delivers impact across the entire supply chain, embedding the current processes and procedures around supplier responsibility and ethics into the model, as well as compliance to a third-party audited standard, while aligning with our PLP commitments.





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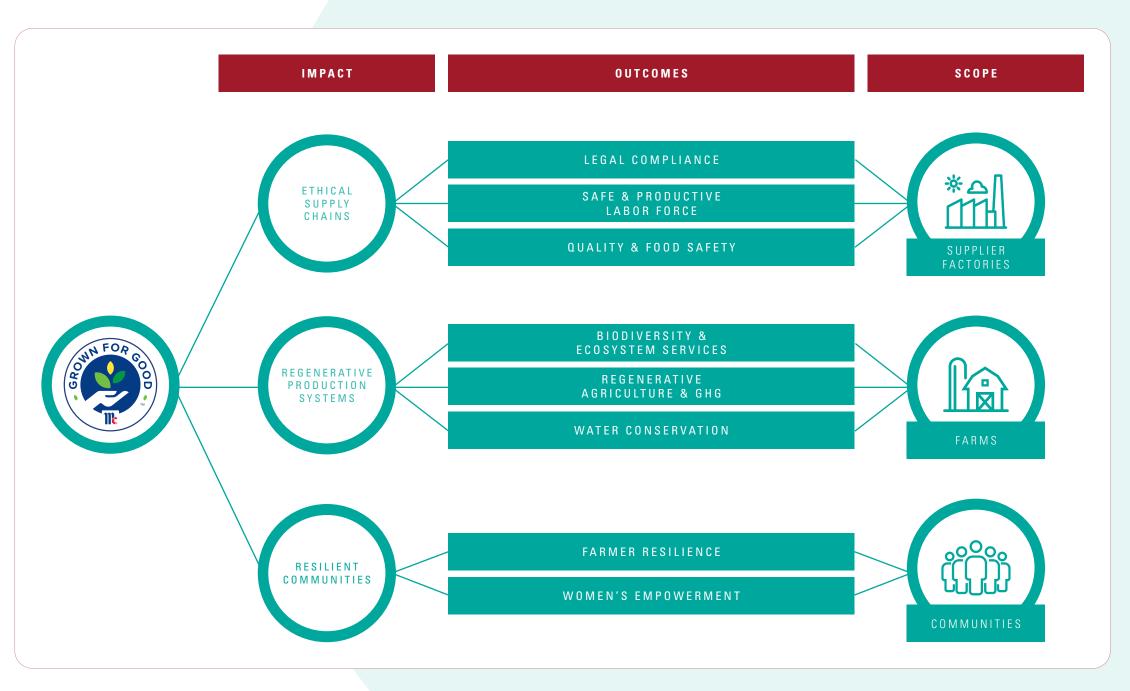
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Grown for Good Framework: The Sustainable Taste of McCormick





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Setting the rules with our own sustainability standard

An essential component to underpinning the framework was the creation of McCormick's own, industry-leading sustainability standard, specifically tailored for herbs and spices. We partnered with Peterson Control Union, experts in customized certification programs, whose experience included working with other large corporations on their sustainability journeys.

The creation of the *Grown for Good* standard took approximately one year from engagement to piloting the program. McCormick built upon our combined knowledge of the sector and related sustainability challenges, while capitalizing on strategic partnerships with suppliers at origin. The *Grown for Good* toolkit includes a step-by-step Implementation Guide and adapted surveys to gather data for developing a greater understanding. One of the most significant benefits of the program is the focus on group-level compliance, which alleviates some of the burden from individual farmers in terms of documentation and management practices. It is also founded upon the philosophy of continuous improvement, with the flexibility of allowing low-risk, highly motivated suppliers to focus their efforts on impact-oriented programs. While critical compliance criteria focus on fair labor practices, both on farms and in factories, and on sustainable farming practices, it also includes continuous improvement criteria focused on contributing to farmer resilience and women's economic empowerment.



The top five iconics are just the beginning

The toolkit developed for herbs and spices provides step-by-step guides for implementers and auditors, enabling the *Grown for Good* standard to be replicated in any agricultural supply chain in McCormick's portfolio, with the possibility of being extended to the wider industry. Our strategic partnerships will also facilitate the in-country training of trainers and auditors to ensure that standard implementation is efficient and independently verified.







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Grown for Good: Credible & recognized by the industry

One of the greatest challenges for customized certification programs is credibility and industry-wide recognition. The cornerstone of the framework is the third-party verified standard and, with this in mind, we underwent the process of benchmarking the *Grown for Good* standard against other leading industry standards, achieving the equivalent of FSA Silver-level in 2021. This benchmarking was completed independently by the Sustainable Agriculture Initiative Platform and is therefore recognized across the food and beverage industry, allowing our customers to make verified sustainability claims on the certified raw materials we sell them. It is also the first private

sustainability standard focused on herbs and spices to reach the FSA Silver equivalency level. While the standard focuses on farming practices and supply chain compliance, the *Grown for Good* framework outlines McCormick's commitment to holistically support the landscapes we source from, encompassing people, communities and planet, to ensure supply continuity as well as long-term resiliency for all. *Grown for Good* puts McCormick in the driver seat of our own sustainability journey, to deliver on our vision for "doing well while doing good."

The *Grown for Good* Framework is comprised of three pillars:



ETHICAL SUPPLY CHAIN

Suppliers must be registered on Sedex® and high-risk suppliers undergo a SMETA® audit



REGENERATIVE PRODUCTION SYSTEMS

Farms must be certified under a standard benchmarked at FSA-Silver level or above



RESILIENT COMMUNITIES

Need assessment completion and programming implemented to improve community resilience

The *Grown for Good* standard is the main tool used to implement the framework. The Sustainable Agriculture pillar can be satisfied through third-party certification programs such as FSA or Rainforest Alliance, or through McCormick's *Grown for Good* standard.



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— OUR COMMITMENT TO PEOPLE

At the heart of McCormick's Purpose and progress is the Power of People. Our shared values and commitment to each other help us bring global flavors and perspectives to life. We impact thousands of lives every day for the better – from providing healthy and nutritious products to consumers around the world to actively listening and supporting the needs of our global teams as

we've worked to protect each other during the COVID-19 global health crisis. We're championing a diverse and inclusive people-first culture by building strong networks to uplift each other and we're proud to be a place where all people can thrive.









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People

We believe in our people. Standing together with our employees, we strive to create a great place to work that is engaging and rewarding. The development and wellness of our 14,000 global employees are critical components of how we do business and these efforts are part of how we measure success. During the COVID-19 pandemic, we took an employee-focused approach to prioritizing the health and safety of our employees – this was McCormick's primary concern. We engaged our Employee Ambassadors Groups to provide feedback on policies and practices that were being considered for implementation. The discussions resulted in a number of innovative

suggestions that involved opportunities with flexible work arrangements, technology and solutions for both child and elder care challenges. Beyond the pandemic, McCormick continues to invest in our people to ensure a culture of wellbeing among all employees. After two acquisitions and countless new hires during the past year, our team is still growing and working to meet the sustained demand for our products while executing our long-term business growth and sustainability strategies.

TOPIC	COMMITMENTS	UN SDGs ALIGNMENT	OUR 2025 GOALS	BASELINE	2020 PROGRESS	2021 PROGRESS
People The cornerstone of McCormick's approach is helping people live better lives. We champion equality and are committed to the education, development, and wellbeing of our employees, while working to create better health outcomes.	Champion equality educate and develop employees	5 ; 10	Women in 50% of leadership positions globally	2015	40%	42%
			Ethnically Diverse Talent (EDT) in 30% of leadership positions in the U.S.	2015	23%	25%
	Educate and develop employees	3 ; 4; 5; 10	95% of MySuccess connected exempt employees globally with active development goals in the HR system	2015	A new global HR system to track our progress toward our 95% goal launched in 2021.	66%
	Drive better health outcomes	3; 4; 12	50% increase in number of McCormick Science Institute citations in professional literature	2015	ACHIEVED 120%	ACHIEVED 158%
			80% of employees participating in voluntary health & wellbeing programs globally	2015	We are redefining our approach to have a formal global structure & strategy in place for 2022.	We are redefining our approach to have a formal global structure & strategy in place for 2022
			NEW 90% of sales from products that enable health, nutrition, or natural consumer choices	2015	N/A	Data will be available in 2H 2022



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Growth & Development at McCormick

McCormick has made significant investments in building a learning and development platform for all connected employees that are interested in expanding their professional leadership skills. The platform allows employees to customize their experience.

Development

At McCormick, employee development is a top priority and highlights our commitment to bettering our employees. Our professional development platform–MySuccess–offers a space where employees can build individual development plans, evaluate their performance and take virtual and in-person courses. We've set a goal to have 95% of MySuccess-connected exempt employees globally with active development goals in the HR system.

In 2021, we expanded MySuccess connectivity as we continue to expand access for McCormick employees throughout the Company. This will support our continued journey toward a global, one-stop experience for employee self-service, career development and learning and HR information and processes.

Key features on the platform include a mix of new and enhanced capabilities, such as:

- Visibility to organization charts across all levels of the Company
- Talent and succession planning
- Reward planning
- HR reporting and analytics
- Employee and manager self-service



We've set a goal to have 95% of MySuccess connected exempt employees globally with active development goals in the HR system.

Through the platform, employees can also update their personal information and interact with their managers through goal-setting, development discussions, performance review processes and planning. Organizationally, MySuccess drives increased visibility and enables our people-focused strategy to attract, develop and retain the best workforce in the industry.

Employees also have access to MySuccess' online learning platform, which includes a curated series of programs referred to as "McCormick's Leadership Academy." These courses include virtual, live instructor-led and ondemand classes. The curriculum is developed by level and is tailored to the issues and decisions each employee is required to make daily.

A few of the specific courses we offer include:

- Individualized Leadership Styles
- Unconscious Bias
- Financial Acumen
- Leading Virtually
- Informal Leadership Program, in which we have 1,460 enrolled
- Strategic Leadership Program, in which 568 are enrolled
- Executive Leadership Program, in which 192 are enrolled

Our aim is to ensure employees have all the tools they need to succeed while meeting our high ethical standards. As part of our ethics and compliance program, we regularly communicate and train our employees and others with whom we conduct business on our various ethics and compliance policies and procedures, including those addressing compliance with applicable anti-corruption and bribery laws. In line with our Business Ethics Policy and Supplier Code of Conduct, we provide employees and suppliers alike with effective compliance practices through a variety of methods, including regular messaging from senior management, online and instructor-led training, and ensuring adherence to our robust third-party due diligence program. This is supplemented with annual compliance training and certification requirements in this area.



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It has been great to connect with so many global colleagues.

It has been eye-opening for me to see that although we physically sit across the globe from one another, we share so many similarities, thoughts and experiences. It is great to be involved with so many like-minded women who are ambitious, driven and determined to succeed. If these are the future leaders of McCormick, our future looks bright!

— Molly Willcox







Employee Development Programs

Through our long-standing commitment to diversity, equity and inclusion as well as our partnership with Korn Ferry, an industry-leading organizational consultant, we continue investing in the Global Women's Ignite Program, an initiative geared toward helping female talent advance within the Company. This is an investment in the long-term success of these women, and long-term growth for our business. Even during the COVID-19 pandemic, McCormick adapted the program to a virtual classroom environment to ensure its continuation.

The program, previously conducted over two, three-day, in-person sessions, was converted to an all-virtual, nine-session experience. Members of the 22-woman cohort responded positively to the reimagined program, praising its highly organized structure and extended timeline. Completing the program gradually over nine months instead of a tightly scheduled week allowed participants to spend more time preparing for the sessions and building relationships with one another outside the program.

Participants said they hoped the program will continue to be offered in a virtual format in the future. As of 2021, 100 women have graduated from the program.

Similarly, our U.S. Ignite Program, also in partnership with Korn Ferry for ethnically diverse talent, cultivates talent through a competitive nomination process that helps identify and partner participants with managers in an intense three-day curriculum designed to help manage headwinds in careers. As with Global Women's Ignite, U.S. Ignite was reformatted during the pandemic, to an eight-month, eight-session virtual experience. Participants have praised the opportunity to connect with colleagues and gain the tools to think through their career progression.

Since 2017, McCormick's Journey to Excellence global supply chain operational excellence program has leveraged engagement surveys, leadership and development training, and skill toolsets to improve employees' capabilities, both individually and as teams, to eliminate losses. Our Journey to Total Employee Ownership program provides employees the equipment and processes to make decisions that impact their everyday work.



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Listening to Employees and Recruiting Talent

Listening to Employees

McCormick recognizes the importance of retaining our people and, beyond our wide range of financial, physical and mental wellbeing benefits packages, McCormick actively listens to its employees in order to truly understand and address their needs. Therefore, just as we encourage our employees to continuously learn from each other, we are leading by example and learning from them. McCormick's Global Supply Chain employees participate in quarterly pulse surveys that are tailored to the concerns of each location. Survey questions are locally driven and so, in turn, are any resulting actions. McCormick's Pulse Survey Tool is designed to deliver fast, frequent and measurable insight into the health of a site.

These pulse surveys yield several key benefits, including:

- Near real-time measurement of employee engagement and satisfaction
- An accurate and comprehensive insight into employee attitude and engagement
- Allowance for analysis of improvements over time
- Direction for future employee engagement activities
- \bullet Frequent reminder that our leaders value employee feedback
- Promotion of culture of continuous improvement

Most importantly, our employees feel listened to and are encouraged to engage in open communication. As part of our continuous listening efforts, in 2021, McCormick launched its first DE&I survey to ensure we are looking at diversity, equity and inclusion factors that may be on the minds of our employees.

We also leverage VIBE, our annual engagement survey, as part of our overall Continuous Listening Strategy. Launched in 2019 and expanded in 2020, the annual survey consists of 26 questions plus an open-ended response to measure engagement and enablement while generating new insights that fuel actions to drive improved results.





In 2020, we conducted three COVID-19 surveys to understand how employees were feeling and what they wanted communications, tools to manage stress, health and safety protocols and other topics important to them.

As a result of their feedback, we prioritized actions around strengthening culture at McCormick with clear and regular coaching and feedback from managers. We expanded INNOVATE.ALL and introduced Leadership Cafes and then Leadership Academy to invest in developing feedback, coaching and other skills for managers.

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and needed as we navigated the pandemic. We asked our employees for their thoughts on topics like leadership

In 2021, our global participation rate was 79%-two percentage points higher than 2020. And our survey takeaways were exciting:



Overall Favorable Score

The average of all the favorable scores for the 26-question survey questions-76%



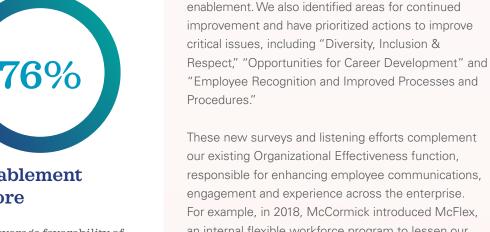
Engagement Score

The average favorability of questions related to pride in, and commitment to, McCormick-79%, which is three percentage points higher than last year



Enablement Score

The average favorability of questions related to being supported and able to succeed-76%



an internal flexible workforce program to lessen our reliance on staffing agencies and better engage with employees directly. This program continues to foster a more productive and better-compensated flexible workforce that serves as a pool for potential full-time recruitment. In 2021, we introduced a new global working model called MyFlex, enabling employees in eligible roles the ability to work remotely up to 50% of their time over the course of a month. This approach will enable us to have work location flexibility and the opportunity to co-locate with colleagues either in our offices or at customer sites, leveraging coming together as collective and cross-functional teams.

These strong results rank McCormick above best-in-

class global benchmarks for both engagement and

We're always working to improve our ability to retain talent in our business. We recently launched our Retention Initiative, designed to identify root causes and create action plans to address the challenges. Below is a summary of the activities to date. While the focus for this initiative was on ethnically diverse talent in the U.S., we now have a tested methodology and tools that can be used for other groups globally in the future.

- We partnered with an external consultant to facilitate several listening sessions focused on the reasons why people stay at or leave McCormick. Employees participating in the sessions represented a broad group of employees and were selected randomly.
- A group of internal leaders from Human Relations participated in a brainstorming session to identify potential solutions to improve retention.
- The external consultant is now working with our Talent Management organization to complete final recommendations that will be presented to the Management Committee, as well as the Human Relations Strategic Leadership Council (HRSLC), for discussion and prioritization.
- In addition to the Retention Initiative, Exit Interviews with individuals leaving the organization voluntarily who are ethnically diverse and/or women in positions Grade 63 and above have also been conducted at or by senior levels to better understand the reasons for departure. These, too, are a critical component of the data collection, analysis and solution identification.





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Recruiting New Employees

McCormick employs a number of recruiting strategies to attract diverse talent and remain a competitive and attractive employer. In 2021, 54% of new hires into professional level roles globally were female and, within the U.S., 42% identified as Ethnically Diverse Talent. Annually, McCormick conducts a pay equity review to ensure that it remains competitive in the global marketplace. Project COMPETE is an example of how we're working to create more competitive wage rates for our non-exempt employees. As part of this initiative, we've aligned our new hire pay rates to updated market data and have made salary adjustment recommendations to leadership to ensure existing employees are competitively aligned to the market. To date, we've also elevated manufacturing and distribution center wages by 12% to 15% in the U.S. and we continue to increase wages each year through our annual merit cycle. In our expansion efforts we've also built new plants, like the one we've recently unveiled in Peterborough, UK, and have accelerated our hiring to support our distribution center, hiring over 200 more employees in three months to ship and meet our record sales volume.

When it comes to recruitment, our DE&I Office has established key relationships with national professional associations including:

- Women in Manufacturing ("WiM")
- Association of Latino Professionals for All ("ALPFA")
- National Black MBA Association ("NBMBAA")
- The National Organization on Disability ("NOD")

These groups provide opportunities for further leadership development for the members of our Employee Ambassador Groups ("EAGs") while also providing opportunities for our Company to post jobs and recruit from the national networks.

In 2019, McCormick's Talent Acquisition and Talent Management Centers of Expertise partnered to develop and launch a new global employee brand and recruiting initiative called **My McCormick, My Flavor, designed to proactively attract diverse early, mid-career and senior level talent**. McCormick has since launched two sponsorship programs, one for the Americas region and another at the Corporate level, with the purpose of increasing more diverse candidates in our prospective employee talent pool. **More than 30 people are participating in the program, with 16 participants in the corporate program and the rest in the Americas**.

Our partnership with the NOD officially launches in Q1 2022 and includes a \$40,000 commitment to increase the hiring of people with disabilities. The NBMBAA partnership was established in 2019 and has continued to grow as we attract ethnically diverse and Black talent for managerial and leadership roles.







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Health & Safety

At McCormick, our first priority is our employees, and we are committed to their health and safety. We have a special responsibility to ensure our employees are protected and feel supported–particularly during the pandemic. The majority of our workforce continues to work on-site. To ensure these employees are protected while on the job, we have implemented a multitude of new initiatives as outlined in the COVID-19 section of this report.

Our belief is that an environment free of risks and hazards drives our forward-looking and mitigative approach to provide a safe workplace, which promotes the health of all employees as we look to drive real actions to attain our zero-injuries goal.

The health and safety of our employees and business partners is a pillar of our business success and we adhere to the following safety principles:

- 1 SAFETY IS EVERYONE'S RESPONSIBILITY
- 2 WE CARE FOR EACH OTHER
- 3 ALL ACCIDENTS ARE PREVENTABLE
- NOTHING WE DO IS WORTH GETTING HURT FOR





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Occupational Health & Safety Management System

Looking forward, the Company is currently developing a world-class occupational health and safety management system that will standardize programs across the organization. The Occupational Health & Safety Management System section shares more information about the core pillars of the current program as well as those that are still in development.



System Overview

We are making strong progress in the development of our Occupational Health & Safety Management System and corresponding framework and standards. The systems and programs will be completed in the 2022 to 2023 timeframe, with global implementation following shortly thereafter and all worksites will meet the expectations set within the system. Additionally, it will cover all McCormick employees and contractors that perform work at our sites. Highlights include:

- Identifying hazards, assessing risk work-related injuries and ill health, and investigating incidents. We are developing a robust hazards, risks, and incidents program leveraging the foundation of our McCormick Incident Rate (MIR) system, which is our global system used to measure all medical and lost time incidents, including those that require more than just first aid. Our processes allow any employee to privately raise risks and hazard identifications through formal communication channels.
- Further, we encourage all employees to stop work if they deem the situation hazardous. Currently, each site investigates any incidents internally, using root cause analysis, and we ensure any resulting corrective actions are managed to closure. The future system will further formalize incident investigation processes across the organization.
- We currently manage employee health services, communication channels, training, promotion of employee Health, reduced exposure of chronic health risks, and mitigation of health & safety risks within our value chain.
- We maintain these employee programs and services at the facility level and will formalize the processes across the organization upon launch of the new system.



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COVID-19

In response to the COVID-19 pandemic, McCormick established critical benefits and safety protocols to ensure the health and wellbeing of our employees. These efforts were investments in essential employees across our supply chain. We increased hourly wages, extended sick leave to support family members and maintained salaries globally even if operations were suspended. We also immediately implemented remote working practices and tools for our office teams. All efforts provided employees with support and the ability to effectively manage the pandemic for themselves and their families.



Investing in Our Employees

As an essential business, McCormick's factory and distribution center locations have continued to operate during all stages of the pandemic.

In addition to the premium pay for front-line workers, in the U.S., McCormick provided added flexibility for all employees to care for dependents, such as children unable to attend school or aging parents unable to access care facilities due to COVID-19. In the U.S., this included up to 5 days of 100% paid leave, followed by up to 11 weeks at 2/3 pay, as well as support and flexibility through our new Caring Conversations initiative and benefit arrangements with care providers. Further, McCormick manufactured masks in China and sent them to the U.S. to be used as PPE. We hosted multiple vaccine clinics for employees and their families. As we emerge stronger from the pandemic, we know our success is a testament to the investments we've made in prioritizing the health and wellness of our employees. Notably, per a Pulse Survey, 76% of employees view the Company favorably and believe they have been supported during the pandemic.







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Wellness & Mental Health

Our Global Wellbeing program for employees outlines McCormick's commitment to having 80% of our global employees participating in wellness initiatives and programs by 2025. In 2020, we reinforced our commitment to employee wellness by building it into our organizational structure and hiring our first Global Wellbeing Lead, a new position charged with providing additional resources and support around mental health. Since then, we've launched Nourish, McCormick's first global wellbeing program. Nourish is meant to define and broaden the definition of wellbeing for our entire global workforce and prioritize programs that support personal wellbeing for our employees. Programs within Nourish include those aimed at improving physical health and fitness, supporting work-life balance and ensuring personal growth. As we continue focusing on building sustainable engagement and measuring our employees' motivations and energies to deliver their best performances, our 2022 roadmap includes a plan to capture participation rates over time.

Over the past two years, many of our employees experienced outside stressors caused by the pandemic and other events. To address these new challenges, we implemented our Caring Conversations initiative,

which equips managers with tools and resources to connect with, better understand and support employees. Additionally, McCormick locations in Europe, the Middle East and Africa host Free Fruit Wednesdays to provide employees with healthy snack options and celebrate Mental Health Awareness Week each year.

October 10th is World Mental Health Day, and in 2021, McCormick hosted a robust, month-long series of mental health-focused events for employees around the world. The programming consisted of a live Tai Chi class, a guided Happiness Meditation and a live presentation from renowned speaker and TED Talk alum Mike Veny. Each hosted at three different time options to encourage participation across the globe.

We have also developed a mental health toolkit for our non-corporate, front-line workers, to ensure company-wide access and participation. Regular wellness screenings remain a priority as well. Through McCormick's new wellness investments and long-held commitments, we're demonstrating that wellness programs are not just benefits—they are an integral part of how we care for our employees.



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Benefits

McCormick provides programs aligned to each of the markets in which we operate to provide competitive and relative benefits to our employees. Some of the great benefits available in some of our markets include:

Health & Insurance

- Medical
- Dental
- Vision
- · Health and Flexible Accounts
- Life Insurance
- Fertility Assistance
- Disability Coverage

Wellbeing

- · Paid vacation
- Paid sick leave
- Paid time to volunteer
- Healthy living programs
- Financial wellness

Work-life Benefits

- Paid family leave (maternity and paternity)
- Adoption assistance
- Back-up child/elder care
- Flexible work schedules
- Tuition reimbursement for employees
- Scholarship programs for children
- Employee giving and matching programs



Retirement

Along with our benefits programs, we have robust retirement practices. Company-funded retirement programs in some of our markets include:

Pre-Retirement Planning Sessions

Full day session for employees and spouses/partners. Topics covered include: McCormick Retirement Plans and benefits offered to retirees, investment risk and strategies and how to prepare before retirement to generate income during retirement, Estate Planning and Social Security.

One-on-one Retirement Planning Meeting

During this confidential, one-hour meeting with the Retirement Counselor, we review the employee's individual retirement plans and benefits and discuss each benefit in detail as they plan for immediate or retirement in the near future.

Retirement Programs and Handbook

McCormick offers market-competitive retirement programs, including company-funded retirement offerings and retirement financial planning, which are available to all employees. Our handbook includes general information on the McCormick retirement process, benefits and resources available at retirement.

Outplacement Services

This service is offered to an employee who is retiring as a result of a position elimination and in some cases, for performance. If initiated by the retiree, this service includes a career coach, tools and resources to develop a plan to rapidly transition into the next phase of their career.

Aetna RHA

Aetna Customer Service Representatives are available to provide eligible employees with detailed information on the Aetna medical plans available to McCormick retirees, including monthly cost, deductibles, participating doctors and hospitals, pharmacy coverage, as well as enrolling them in the plan they select.



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Financial Planning

AYCO

This service is available to all employees. Financial coaches are available to answer questions about cash flow and debt management, estate planning, social security, investment planning, life insurance and retirement planning.

The Principal

In the U.S., customer service representatives and online resources are available to provide employees with details on their current pension and 401(k) benefits. Resources are available on the various 401(k) investment options, investment performance, making 401(k) contribution changes, adding/updating beneficiaries, loans/withdrawals, obtaining pension estimates and initiating their pension distribution at retirement.





Holistic Wellness

We have also worked to build our holistic approach to wellness into the foundations of our benefit programs. In some markets, we are proud to offer:

Fertility Benefits

Progyny fertility benefits help support employees with fertility treatment. This benefit is available immediately to new employees, with no waiting period. The program is inclusive of anyone looking for fertility treatment regardless of marital status.

Care.com Membership

The cost of a Care.com membership and up to 10 emergency backup care days for childcare and/or support for the care of aging family members.

Wellness & Fitness Platforms

 $Company-sponsored\ memberships\ to\ online\ on-demand\ wellness\ and\ fitness\ platforms\ such\ as\ BurnAlong\ for\ all\ employees\ and\ their\ families.$

MyFlex Program

The MyFlex Program provides the flexibility for hybrid work for eligible roles, enabling employees in certain participating regions with the choice of working both on-site and remotely.

Nourish Wellness Campaign

The *Nourish* wellness campaign, which was recently introduced to provide a robust wellness program that offers resources and classes to employees on mental and financial wellbeing, time management and healthy eating tips. This program, an evolution of the Together McCormick program, helps us formalize participation data within the organization while addressing top-of-mind issues.



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Inclusion at McCormick

Part of our purpose-led mission centers around providing our people with the tools and resources they need to feel validated, supported and welcomed at McCormick. McCormick is committed to a diverse, equitable and inclusive culture, and building that culture in ways that bring tangible, positive outcomes for our employees and partners all over the world. Simply put, we are fostering diversity, equity and inclusion holistically throughout our business.

Following the murder of George Floyd in 2020, the Black Employee Advisory Group (BEAG) partnered with the Global Diversity & Inclusion Council (GDIC) and the Global DE&I Center of Expertise to engage in a series of transparent conversations about potential improvements to internal systems, talent processes, and Company culture for all ethnically diverse employees. Among the twenty commitments developed as a result, this year we've also created specific goals regarding the hiring and advancement of talent at the Senior Leadership level (positions Grade 63 and above) by ethnicity and gender.

Diversity, Equity & Inclusion Focus Areas:

1 WORKFORCE:

Focuses on attracting, developing and retaining top talent through leadership development opportunities, networking and external professional associations.

WORK ENVIRONMENT:

Ensuring our policies and processes are designed to create a more inclusive environment that encourages people to share their perspectives. Provide opportunities for employees to value and appreciate each other's culture through workshops and programs or activities designed to raise awareness of the various dimensions of diversity.

MARKETPLACE:

Our diversity equity, and inclusion initiatives extend beyond our walls and work to engage diverse suppliers, supporting business resilience and customer engagement as well as consumer market connections.

4 COMMUNITY:

We have aligned our corporate outreach efforts to support local, regional, national and global activities by identifying social issues that could potentially impact the Company and our employees to proactively address challenges.



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Celebrating Diversity

As a global flavor company, we are in pursuit of authentic and rich experiences. This starts with enabling people to bring their whole selves to work to share what inspires them. The unique perspectives our more than 14,000 employees bring to every part of our business is invaluable and irreplaceable.

In 2021, McCormick was recognized on **DiversityInc's 2021 Top 50 list of Companies for Diversity** for the fifth year in a row. We are proud to also be recognized by *Latina Style Magazine* as a **Top Employer for Latinas in 2020 and 2021** and we have received a **90% ranking on the Human Rights Campaign's Corporate Equality Index (CPI)².**

Our nine Employee Ambassador Groups (EAGs) provide an opportunity for all employees at every level of the Company to join as members and/or actively participate in learning workshops and cultural activities in an open environment.

These groups provide a supportive, collaborative space for employees to come together to promote inclusion, strengthen communities, learn new skills, advance in the workplace and network with colleagues across the Company. All EAGs have executive sponsors, which rotate on a regular basis, and operate as an extension of our Diversity, Equity and Inclusion office.

Our EAGs, which include the Asian Diversity Group (ADG), African American Ambassador Group, US Veterans, Young Professionals, Sabor Latino, SAGE (Seasoned Ambassador Group of Experience), WIN (Women's International Network) and PRISM, a group for LGBTQ+ employees or allies, are an integral part of our culture. SAGE, which focuses on older employees, was instrumental in the discussions around COVID and helped the organization understand needs for employees who are also caregivers.

The U.S. Veterans' Employee Ambassador Group

has been critical in helping McCormick build an external presence as a military-friendly employer at a national level in the U.S. This group has worked very closely with the Talent Acquisition team to help attract veterans to the Company. The group annually has played a role in awarding scholarship dollars to students at the various military academies. They have been critical in educating and raising awareness about career opportunities as well as onboarding new hires who are military veterans.

We also continue expanding our resources for underrepresented groups, including those with disabilities. We have partnered with the National Organization on Disability to launch our new disabilities awareness employee ambassador group, ADAPT (Abled and Disabled Associates Partnering Together). Our newest EAG, which launched in November 2021, focuses on providing a voice to employees who have visible and nonvisible disabilities as well as to the caregivers of family members with disabilities. Prior to its launch, several McCormick project teams were commissioned to research and recommend action steps for ADAPT to ensure that the group would support employee needs and align with McCormick's core values













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Meet Our Employee Ambassadors



ALEXANDRA
WOMEN'S INTERNATIONAL NETWORK

I joined WIN within days of starting out at McCormick, and I am so happy that I did, because it opened a door to a huge network outside of my day-to-day role. Throughout the events I've attended, I have formed relationships with other women that I might not have met cross-functionally through my role. I became connected to plant managers, data scientists at the Technical Innovation Center, as well as others in HQ that may have worked on a different floor that I had never seen before. WIN mentoring circles in 2019 and

2020 not only strengthened those connections with others, but also helped with my personal and professional development. Since joining the leadership team last year, I've loved being involved with creating engaging events, whether it's a self-defense class, being part of a speaker series, or even partnering with other EAGs. My favorite parts of being involved in an EAG at McCormick is expanding my network, and learning more about the Company and the community outside of my direct line of work.



PATRICK
AFRICAN AMERICAN AMBASSADOR NETWORK

Being a part of the AAAN EAG has afforded me the opportunity to engage collaboratively with colleagues who I may not have met otherwise. I've been fortunate to cultivate many relationships with a number of people as a result. Being actively involved has been a rewarding experience. I've enjoyed playing a part in various functions in the organization from serving as a regular standing member, to a committee chair, to current co-chair. Serving in these roles has coincided with some pivotal events that have occurred in our society.

My experience at McCormick has been enhanced by my ability to make a difference during these societal moments. I am able to touch and help so many with the platform I'm given and for that I am truly grateful. I have been given an awesome opportunity to work with a terrific team who is driven and passionate about making a difference. This has made and continues to make my experience a very proud one!



DANIELLE
McCORMICK YOUNG PROFESSIONALS

As I reflect on my time at McCormick and my involvement in our employee ambassador groups, I am grateful that I have had the opportunity to become connected with so many colleagues outside of my standard line function that I can learn and grow from. Not only is the expansive network a great benefit of the EAGs, but the ability to develop new skills and provide a platform for members to be valued and heard, is extremely rewarding. I am proud to be an active member of numerous EAGs within McCormick as it has truly helped me develop both professionally and personally. Specifically as a leader

for McCormick Young Professionals ("McYP"), I am proud to help foster an inclusive environment for our interns through a formal Intern Mentoring program. I am also proud to positively give back to our community through our partnership with Future Business Leaders of America–Maryland Chapter. I look forward to continuing to positively impact members of McYP and encourage strong retention and engagement, which in turn provides value to McCormick. The EAGs are a true reflection of McCormick's commitment to keep this a great place to work!



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Meet Our Employee Ambassadors (continued)



GABBY ASIAN DIVERSITY GROUP

My time with the Asian Diversity Group has been filled with absolutely priceless memories and a phenomenal opportunity to interact with leadership not found anywhere else in the Company. Because of my time with the EAGs, I've gained trusted friends, two amazing mentors and the opportunity to be part of a group that helped our plant and essential workers feel cared for and included, not only here but in all plants and DCs across North America. We have helped school children in India through our donations. And finally, since

I'm always going to be Chef Gabby regardless of my other roles, we get to experience food from all across Asia together. My experience with the EAGs has been nothing short of amazing and I'm thankful to be part of the changes that have helped McCormick be the great company that it is for now and for the next 130 years and beyond.



DENISE U.S. VETERANS

The reason I enlisted in the United States Air Force was patriotism, my family, my love of God and country, plus my desire to see the world. While serving, I was fortunate enough to travel around the world and live in many different countries, which really started my diversity and inclusion education-something that wasn't a term 40 years ago. Travelling and experiencing different cultures gives Veterans a unique perspective and provides McCormick with the opportunity to utilize your experiences to strengthen our Company. The military is really a family that you have for life, and this is similar to how I feel about

the EAGs. Leading the U.S. Veterans EAG has allowed me to build a network and make connections with others I might not have met. I'm amazed by the expertise of our members, and I have been able to reach out and learn new processes and ways of working at McCormick from them. This EAG also allows me to help in recruiting, mentoring and retaining Veteran employees at McCormick, which I know will have a positive business impact to help build a vibrant and more diverse company.





















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In the last few years, we've seen how these EAGs have become an important, safe space for employees within our walls. In response to Asian hate crimes and violence across the country, members of ADG not only created a safe space internally for managers and employees to talk about what was happening externally, they also partnered with Ascend, a national professional association, to bring together more than 20 other major companies in the Maryland area to engage in learning about the Asian community.

In the wake of the murders of George Floyd, Breonna Taylor, and Ahmaud Arbury, the AAAN hosted a series of coffee chats with McCormick employees and leaders to share their perspectives and engage in open discussions with Black employees to determine how colleagues and leaders could help support them during a difficult

time. The conversations from AAAN ultimately led to the creation of a Black Employee Advisory Group (BEAG), a group of McCormick's senior leaders tasked with finding ways for the Company to support Black employees through the commitments we made to support Black lives. This group organized ongoing discussions to share in our commitment to racial equity and made recommendations for modifications to the internal job application process to promote equity. This group was also influential in the development of a Sponsorship Program for ethnically diverse talent and in championing for an organizational dashboard on diversity metrics. These conversations also led to focus group discussions with employees, which have been supported by the CEO and Executive Leadership Team. Overall, these groups have proven to be a lifeline for our employees during times when they needed the support the most.

Our EAGs in Action

- McCormick's African American Ambassador Network's "High on the Hog" discussion series has had up to 150 attendees participate in discussions and cultural exchanges around the Netflix series.
- The Asian Diversity Group launched a mentoring program and partnered with 20 companies across D.C. and Baltimore to form an external alliance that shares best practices, compiles resources and discusses topics including how to help Asian businesses impacted by discrimination and how to deal with hate crimes.
- PRISM launched learning sessions on pronouns and learning workshops on intersectionality.

McCormick has also found success with the Manufacturing Institute in expanding their diversity and inclusion-focused partnership. We have helped build industry-wide best practice guidelines and participated in panels focused on diversity.

Neddy Perez, our Vice President, Global Diversity, Equity and Inclusion, was inducted into the Women in Manufacturing Hall of Fame for her work in building diversity leadership programs for women in finance and manufacturing and advancing discussions on diversity in STEM fields.



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Cultivating Inclusivity

McCormick is committed to creating and fostering inclusive workplaces and cultures in its operations around the world. In 2020, McCormick formed a committee of executive leaders who would help address and respond to social issues as they arise in the news and in our neighborhoods. This Social Issues Committee has come together during times of tension and unease to reaffirm our commitments to our people. Several pieces of work were moved forward and addressed, from signing an agreement to stand with the Asian and Black communities against hate to supporting Marriage Equality, among other causes.

Notably, McCormick took a stand against systemic racism, committed to supporting our Black employees and continues making a difference in the communities where we live and work.



- Signed the Ascend Compact with 100+ other companies to address racial bias by making charitable donations and honoring the commitments we have made in Diversity, Equity and Inclusion.
- Donated an additional \$500,000 to organizations nominated by employees to combat racial injustice and/or provide critical food, healthcare or other essential services to Black communities impacted by police brutality.
- Affirmed our publicly stated diversity goals of 30% for ethnically diverse talent in the U.S. and renewed leadership accountability to these goals. This means undertaking a comprehensive review of our talent pipeline and turnover statistics to better take advantage of opportunities to attract and develop ethnically diverse talent and understand attrition.
- Renewed our commitment to require Talent Acquisition and hiring managers to have ethnically diverse slates for all positions posted internally and externally, and ensure we hold leaders accountable throughout the organization.
- Accelerated Unconscious Bias awareness training and other diversity, equity and inclusion programs for leaders and employees across the entire organization.
- Evaluated our existing learning and development programs for ethnically diverse talent in the U.S. to ensure equal access to include sponsorship and mentoring initiatives.
- Reviewed and developed specific goals for hiring and advancement of ethnically diverse talent and women to ensure equitable practices with regard to all employees. These goals were made in partnership with the Company's Operating Committee and Board of Directors.



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Cultivating Inclusivity (continued)

- Prioritized investments in Diversity, Equity and Inclusion initiatives to ensure we have the optimal level of funding and resources to aid in the attraction of ethnically diverse talent, including strengthening our relationships with Historically Black Colleges and Universities (HBCUs) and investments in new ethnically diverse talent pipelines in the communities we serve.
- Formally established an advisory committee of senior Black leaders, who work with our Vice President, Global Diversity, Equity & Inclusion, CEO, and SVP, Global Human Relations to identify other opportunities for us to better support our Black employees.
- Biannually update our Corporate Board of Directors on our Diversity, Equity and Inclusion goals and progress related to the commitments made here.
- Increase awareness of existing Company resources that provide McCormick employees with the opportunity to raise questions and concerns related to harassment and workplace bullying through our Business Ethics Hotline.









DE&I Councils Around The World

We know that needs and resources vary country-by-country, so we also leverage unique local programs as much as possible.

- The Global DE&I Council consists of senior leaders from around the globe who are committed to advancing and creating an equitable and inclusive workplace where people of all races, nationalities, gender orientation, etc. are valued.
- The EMEA Diversity Council launched a sub-committee called Embrace, to explore the racial inequities that may be present in Europe. The committee then created a series of local podcasts designed to raise awareness about racial inequality in Europe.
- A Sage Group was launched in China.
- Our WIN program launched new chapters in Mexico, El Salvador and Poland.
- In Canada, our employees are focusing on how they can support the local Indigenous communities, engaging in dialogue on disabilities and a variety of other activities.



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Building Equity

We are constantly evaluating our programs with equity in mind, evolving to meet the needs of today's workforce.

Our belief in the Power of People enables us to create programs that empower women. This year, we also launched a pilot program in EMEA specifically focused on developing Women in Supply Chain by providing specific training, coaching, mentoring and sponsorship opportunities with increased visibility for our women leaders. The program will be expanded to other regions in 2022. Members of this group will be linked to other external professional associations and their activities to support the development of women.

McCormick has continued to partner with the National Association of Manufacturing (NAM) on the STEP Ahead Initiative to recognize and highlight and develop women. The Company has also been working with Women in Manufacturing to deliver access to workshops and programs specifically for early career and middle management women. Additionally, we have established new external partnerships with organizations like the Women's Food Forum and LEAD UK to increase the development of senior level women and increase hiring of top females.

McCormick has also made several commitments to help attract, retain and develop ethnically diverse talent by establishing external diversity partnerships with groups like Ascend, which focuses on Asian Business Professionals, The Association of Latino Professionals for All, the National Organization on Disabilities, and the National Association of Black MBAs. These partnerships provide an opportunity to develop existing talent while also building relationships with future talent. Additionally, we have built external partnerships with historically Black colleges and universities that specialize in the Food Science space or that have engineering and technology programs that connect to our internship talent needs.

We have also continued to invest in are the Company's Global and U.S. Ignite Programs, which have helped to support the advancement of women and ethnically diverse talent throughout the organization.



Ensuring Pay Equity

Since 2018, we've remained committed to our pay equity work and increasing transparency around this topic. Pay analysis shows that when controlling for grade representation in management and professional populations, women globally earn 98 cents on the dollar. In the U.S., that number is 97 cents on the dollar, and in some countries, the number is higher than one dollar. When analyzing metrics for ethnicity, within the U.S., ethnically diverse talent earns more than one dollar. We're committed to regular reviews of pay levels and pay equity to ensure that our processes and procedures are working as intended and are consistent across geographies. To date, we have completed our 2021 pay equity surveys and will further communicate our findings to employees within the first half of 2022.

Women - Global

 98^{c} on the dollar

Women - U.S.

97¢ on the dollar

U.S. Ethnically Diverse Talent (EDT)

\$1.01



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Nutrition & Health

Our Products

McCormick is committed to producing and distributing high-quality, nutritious products for use by our consumers across the world. Our continued innovation is driven forward by the McCormick Science Institute ("MSI"), which funds research partnerships with leading research institutions and universities across North America and Europe to study food science and human nutrition to enhance the understanding of potential health benefits of culinary herbs and spices.

ABOUT THE McCORMICK SCIENCE INSTITUTE:

Studies funded by the McCormick Science Institute regularly evaluate the health benefits of our herbs and spices. The Institute, an independent research-driven organization, supports scientific research and disseminates information on these health benefits to consumers, health professionals and other stakeholders. Led by nutrition scientists, the Institute's work is guided by a Scientific Advisory Council consisting of internationally renowned scientists and health professionals from leading research institutions.

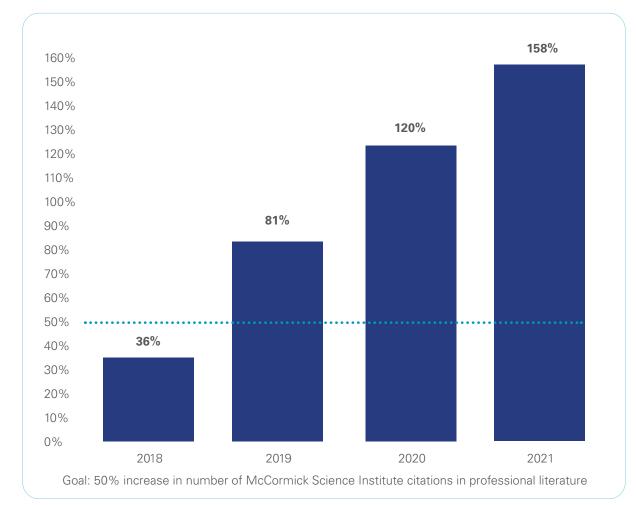
While MSI's initial goal focused on gaining a basic understanding of herb and spice absorption, the Institute has now progressed to examine the metabolic effects of herbs and spices with relation to diabetes, pain and other ailments, in addition to learning more about diet quality for children, the military and elderly people.

An example MSI project is the exploration of the role of herbs and spices in the average American diet alongside four major universities—Penn State University, the University of Alabama, Illinois Institute of Technology and the University of California at Los Angeles—with the purpose of developing a greater understanding of the impact of herbs and spices on the health of the general population and the potential to reduce medical costs.

MSI is also working with Penn State University and the Commonwealth of Pennsylvania Extension Group, along with consumers and citizens, to improve diet quality through flavorful eating—teaching consumers that when used as a substitute for salt, sugar and fat flavorings, herbs and spices add flavor while making meals healthier.

Fulfilling our MSI citation goal speaks to our efforts to promote the health benefits of herbs and spices to reduce salt, sugar and fat intake to create healthy diets and better lives.

MSI Citations in Professional Literature







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At McCormick, we believe in the continuous improvement of our products and are leading the pursuit of what's next in great-tasting, healthy food choices. We source highquality ingredients to provide optimal color, flavor and aroma, remove artificial ingredients wherever possible and design packaging of the future through technological and ergonomic improvements.

Our Flavor Solutions segment allows us to create exclusive flavors that intersect with an unforgettable consumer eating experience. Enabled by leading natural science and technology programs, our broad portfolio of patented technology delivers flavors that not only taste good, but that are also better for you.













- When consumers demand low-sodium, low-calorie and no added sugar, McCormick's FlavorReal™ suite of natural taste solutions allows our partners to deliver delicious flavors with clean label in mind, all thanks to natural flavors, extracts, herbs, spices and technologies.
- How can sugar free still taste so sweet? Our proprietary modulation technology FlavorFull™ means "good-for-you" can taste great. By leveraging this advanced flavor technology, our customers can successfully meet "low" and "no" challenges without sacrificing taste.
- And while delivering a superior flavor experience is what makes good brands great, preserving flavor integrity through the rigors of manufacturing is essential. Our differentiated Flavor Cell® encapsulation technology delivers flavor where, when and how it's needed.
- Our customizable FlavorSpice™ increases concentration and solubility, providing flexible, natural replacements for ground herbs and spices, so our partners can deliver an amazing eating experience to consumers.

In 2019, we launched our first artificial intelligence-enabled consumer product platform, "ONE," a line of one-dish Recipe Mix flavors. Through the ONE platform and other initiatives, our product developers are using AI to unlock creativity, access new insights and share data with peers

around the world. This cutting-edge technology sets McCormick apart in our ability to develop creative and flavorful products across both our Consumer and Flavor Solutions business segments.











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Acquiring Nutrition & Health Opportunities

As a global leader in flavor, our focus on creating products to enable healthier lives has led us to acquire companies that further our nutrition and health goals, including the iconic French's®, Cholula® and Frank's RedHot® brands. Frank's RedHot® Sauce uses clean ingredients and inspires social interactions as consumers share among family and friends.

We also acquired FONA International, a leading manufacturer of clean and natural flavors. The integration of FONA's highly complementary portfolio into our business has provided our customers with an even more comprehensive product offering to meet the growing demand for clean and flavorful eating, drinking and

nutrition experiences. We recognize that clean labels are not a trend, but rather a movement that's here to stay. Therefore, we work with our customers to deliver a clean, complete flavor solution through our FONA brand. FONA also offers Performance Nutrition. Our customers can count on taste that performs, whether it's muscle recovery or meal replacements, protein-packed, or vitamin-rich. Our consumer and market experts understand what performance nutrition customers want, whether they're fitness fanatics or subtle spectators, and we're ready to share what we know. We're committed to high quality at a breakneck pace to keep our customers ahead of the competition.

Functional Foods Accelerator

At McCormick, we understand firsthand the benefits of our herbs and spices, and we are passionate about sharing our knowledge and passing along those health benefits to everyone. We created our Functional Foods Accelerator to improve consumer wellbeing, through digitally native, purpose-driven brands, offering nutritive product solutions that harness the health properties and benefits of herbs, spices and botanicals.







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Transparency

Transparency is a core pillar of our focus on nutrition and health. Our goal is to empower consumers to make more informed purchasing decisions to drive better health outcomes. Consumers are increasingly interested in what goes into their food and where it comes from and we are firmly committed to increasing the transparency of our products.

We have revised our product transparency goal to better promote consumer health. **Our newly stated goal is: 90% of our sales are from products that enable health, nutrition or natural consumer choices.** We will track and report a detailed breakdown by additives; fat, saturated fat, sodium and cholesterol; beneficial nutrients; relative claims; products containing GMOs; and those that are labeled as non-GMO.

We are implementing a **holistic review across our entire portfolio** against these criteria and will provide progress on the goal once the review is completed.

In addition to our new goal, our Technically Advantaged Supply Chain ("TASC") is working to deliver consumer and customer preference by applying science to the supply chain. In 2020, we launched TASC 3.0, which leverages state-of-the-art science, technology, digitalization and a culture of innovation to create competitive advantage and value across the supply chain.

One of TASC's key programs is focused on Total Transparency, which aims to fulfill rising consumer demand for field-to-fork knowledge by rapidly disseminating data collected through

distributed sensor technology across our value chain.

We will provide customers and consumers with claims, stories and differentiation that highlight farmers, communities, quality, sustainability, certification and more. Instead of merely telling customers and consumers about our supply chain, we will take them along on the journey and show them why it's important.

Total Transparency also allows for greater supply chain visibility and risk management, given the detailed and comprehensive look it allows us into our supply chain. We use various technologies such as sensor and molecular to ensure quality and excellence, further bolstering our commitment to PLP.

Not only is greater transparency beneficial to our consumers, but we are eager to showcase the value of our products. As we gather increasing amounts of research about our products, much of our work centers around gaining a better understanding of our consumers, with the goal of providing them with more meaningful information about our products. We have found that claims that are linked to a consumer benefit, such as flavor, resonate with customers, as well as claims that are linked to an environmental impact, like water conservation and sustainability. We work to achieve organic accreditation where possible, as well as third-party verified sustainability certification.



We have revised our product transparency goal to better promote consumer health as demonstrated by our newly stated goal: 90% of our sales are from products that enable health, nutrition or natural consumer choices.









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Kooking with a Koori

McCormick found a logical partner in Nathan Lyons late last year when his TikTok videos began to go viral. Lyons, a father of six living in Western Sydney, posts on his social media pages recipes that use affordable pantry ingredients like tinned meat, Devon sausage and Keen's curry. The recipes pay homage to his upbringing and to Koori culture. His recipes originally started as a way for Lyons to show his kids more about his Wiradjuri experience, having descended from the indigenous peoples and original inhabitants of the New South Wales region in Australia.

Lyons demonstrates that cooking can be easy and affordable to encourage more people to get into the kitchen and cook healthy meals for their families. Lyons' videos showcase ideas from after-school snacks and budget dinners to fun and more complicated dinner ideas. Lyons' Kooking with a Koori page now features more than 100 recipes, and he released a cookbook in July. McCormick is proud to support Lyons' excitement for traditional foods and flavors that honor cultural and family traditions.







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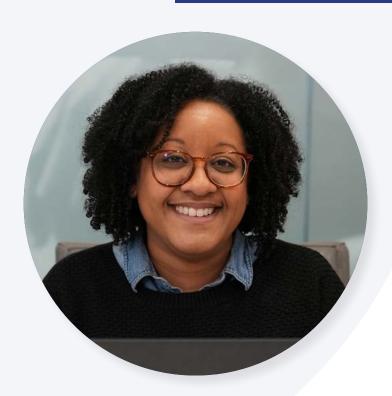
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Food Safety



Quality has been of paramount importance to McCormick since our beginning in 1889. Our founder, Willoughby M. McCormick, coined the motto "Make the best, someone will buy it." This is the earliest mention of a philosophy and guiding principle for our Company. McCormick is committed to product integrity – providing high quality products, with world class food safety standards, which are in full compliance with all legal and regulatory requirements in the markets in which they are sold. This obligation is captured in our "Taste You Trust®" principle.

At McCormick, we know that delivering on this commitment will ensure we satisfy the expectations of our consumers and our customers. This is the accountability all McCormick employees, regardless of role, demonstrate every day through their behaviors. It's the standard we expect from all others who work in and for our business. Our exacting standards start in the communities around the world from which we source and continue all the way until our flavors reach the table. McCormick leaders commit to creating a culture that demands excellence and continuous improvement in quality performance, provides the governance, systems and tools for enablement, and the opportunity for all to contribute the best of themselves in our best-in-class quality pursuit.





Taste You Trust[®]:

We are relentlessly focused on quality from source to table. We have an unmatched track record in safety and integrity. We strive to be transparent in what we do, make and say.





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— The Five Pillars of "Taste You Trust""

QUALITY, SAFETY AND COMPLIANCE BY DESIGN

SOURCING EXCELLENCE

INSIGHT AND INFLUENCE

EVERYDAY GREAT EXECUTION

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Quality, Safety and Compliance by Design

We take a proactive and preventative approach to ensure we deliver our quality commitment by designing quality into any production process at its conception. This applies equally to the work of our product developers designing our foods, the engineers developing our manufacturing footprint across the globe and the quality professionals driving our Quality Management System. Our Flavor Solutions formulas are certified and registered, along with Product Specifications and Safety Data Sheets, to ensure our products are safe.

Sourcing Excellence

Expertise in Supplier Quality Management is foundational to our ingredients and packaging sourcing activity. Our risk assessment processes enable us to understand the challenges that might be faced in assuring the integrity of all materials procured for use

in McCormick products. To pre-empt risk and implement effective control strategies, we pursue strategic alliances with key suppliers, enabling us to source ingredients free from contaminants and mitigating risk of food fraud. Through stringent supplier expectations including compliance to third party certification schemes, targeted auditing activities and high frequency testing through sophisticated analytical techniques, we guarantee the integrity of the materials that go into McCormick products. We leverage strong capabilities related to food science to test products for quality and safety regularly. We conduct extensive ingredient and product analyses to assure they meet our exacting quality standards. In addition, we use steam pasteurization processes at our strategic suppliers and within our own manufacturing plants to ensure the safety of our herbs and spices.



We continually work to improve our capability to anticipate risks, developing regulatory requirements and modifying our quality management system accordingly. Additionally, we readily adopt the latest developments in technology to supplement our internal team of industryleading experts in quality, food safety and regulatory affairs to keep abreast of the emerging issues before they impact our business. We often take leadership roles in industry consortia and trade associations, which serves to both inform our horizon-scanning activities and enable McCormick to apply its expertise to the industrywide pursuit of excellence in Food Safety and regulatory compliance. For example, we currently hold the position of President of both the America Spice Trade Association (ASTA) and US Flavor Extract Manufacturers Association (FEMA). Active partnerships help us to collaborate at an industry level to uphold the safety and integrity of our products and ingredients.

Everyday Great Execution

We deploy the practices to assure quality, food safety and regulatory excellence through the McCormick One QMS quality management system. In addition to the deployment of our policies, standards and best practices, this management system provides a governance infrastructure that facilitates performance oversight and drives continuous improvement in all we do. The Vice President, Global Quality Assurance has accountability to drive this governance process, including guarterly reviews with the CEO and

Management Committee and, at minimum, annual reviews with the Board of Directors. Quality is a critical element of the Enterprise Risk Management process. All McCormick facilities worldwide are certified to a third-party food safety management standard recognized by the Global Food Safety Initiative (GFSI). Among our ingredient suppliers to the Americas and EMEA. 85% are certified to a GFSI food safety standard. Further, we have created a culture that supports every employee in McCormick's everyday execution through our introduction of training on food fraud in 2021 as well as a whistleblower process for food fraud to further achieve food safety excellence. As an additional commitment focused on the threat of food fraud, we have introduced a training program and a whistleblower process to enable our employees to protect McCormick against this specific risk.

OUR COMMITMENT TO PEOPLE

We are committed to keeping McCormick a great place to work, where exceptional people continue to develop their skills and capabilities and demonstrate their passion for the products we supply. This, above all else, is the foundational pillar in our commitment to Quality and creates a culture that assures our product integrity. We are partnering with the Culture Excellence initiative to run a program that measures our Food Safety & Quality culture across all our operations, enabling us to drive global and localized activities, promoting continuous improvement and keeping the quality of our products our number one priority.





















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— OUR COMMITMENT TO COMMUNITIES

Through our expansive supply chain, we source over 14,000 raw materials from more than 85 countries and we are committed to giving back to the communities where we live, work and operate, and increasing the resilience of farming communities where we source our raw materials.







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Supporting Our Farming & Local Communities

TOPIC	COMMITMENTS	UN SDGs ALIGNMENT	OUR 2025 GOALS	BASELINE	2020 PROGRESS	2021 PROGRESS
Communities The communities where we live, work and source are the bedrock of our operational success. We are dedicated to improving lives across our supply chain, whether it's helping farming communities build and adapt to change or encouraging our employees to get involved to make our world a better place through charitable giving efforts and volunteerism.	Increase resilience and improve livelihoods of communities & small farmers—especially women	1;2;5;8;10;12;15	Increase resilience of 90% of smallholder farmers that grow our key iconic herbs and spices, as measured by increasing skills and capacity, income, access to financial services, education, and nutrition and health	2015	52%	65%
	Increase employee volunteering and giving through corporate programs	3	80% of global employees participating in Power of Giving globally	2015	12%	We introduced a new online giving platform in 2021 to track US employee participation and we plan to implement the solution globally by 2025. Progress will be reported beginning in 2022.



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Farmer Communities and Livelihoods

McCormick is deeply engaged with the farming communities where our ingredients are grown. These strong ties allow us to improve the reliability and environmental impact of our business while supporting farming communities and their livelihoods. Our efforts are tailored to the communities where our main ingredients are sourced, allowing us to be active partners in the value chain.

Our goal is to increase the resilience of 90% of smallholder farmers that grow our key iconic herbs and spices, as measured by increasing skills and capacity, income, access to financial services, education and nutrition and health. Currently, we're working with nearly 23,000 farmers to improve livelihoods, with a goal of increasing resilience for 35,000 farmers by 2025. Our impact is also far greater as we consider how our programming has positively affected sourcing community members, rather than just farmers.









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Grown for Good: Communities

From the Company's inception, McCormick has committed to making a difference in the communities we serve, and this ethos has been carried through to the communities from which we source. Our *Grown for Good* framework is founded upon the principle of continuous improvement, encouraging suppliers to support resilience-building and women's empowerment projects in the communities with whom they have implemented sustainable agriculture projects.

The key to driving impact is a fundamental understanding of the unique challenges and opportunities needed to conduct needs analyses in the main countries of origin for our top 5 branded iconic raw materials. These insights, along with the on-the-ground knowledge from our sourcing partners, has enabled us to implement targeted programming in each of these origins.

To date, our investments in communities include:

- Water filters and medical kits distributed to black pepper farmers in Vietnam, impacting over 1,300 direct and 12,500 indirect beneficiaries.
- Renovation of six health centers for communities on the Indonesian island of Sulawesi, creating improved health care facilities for approximately 10,000 residents
- Provision of water and sanitation facilities for seasonal workers in the oregano supply chain, as well as access to education and safe spaces for their children
- Construction or rehabilitation of seven schools in vanilla farming communities
- Provision of health insurance to over 12,000 vanilla farming household members



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Collaborating with Purpose

McCormick has set ambitious targets to build resilient, sustainable farming communities and we recognize that to create long-lasting change we must collaborate with multiple stakeholders to leverage their experience and expertise to achieve our goals. We often partner with non-governmental organizations to provide assessments, training, infrastructure development and project management assistance in origin countries. Our major collaborations include those with IFC, NCBA CLUSA, CARE International, Heifer International and WWF.

To create impact at scale, a number of McCormick's initiatives have been awarded funding from international development agencies such as USAID, USDA and GIZ, and to date have benefited nearly 23,000 farmers, their families and the wider farming communities. These relationships are vital to our ongoing success, driving greater impact at source, and delivering on our commitment to increase the resilience of 90% of smallholder farmers that grow our key iconic herbs and spices.





























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Protecting Sichuan Green Pepper

The distinct flavor of Sichuan Green Pepper has played an important role in Chinese cuisine for over 2,000 years. Unfortunately, the future of the Sichuan Green Pepper and its traditional farming processes have increasingly come under threat. Poor transportation connections with Sichuan's remote mountains have limited direct selling and worsened the impact of a long distribution chain through which the peppers are sold at low prices.

McCormick China's work to protect the Chinese Green Sichuan Pepper is an apt illustration of our Purpose.

Our teams in China have played an active role in developing a sustainable ecosystem to preserve this great flavor and the local livelihood around it, collaborating with local governments, industry bodies and university professors. McCormick's action has involved educating local farmers on agricultural practices and cooperating with experts to provide them with training and guidance on how they can maximize yields while ensuring the pepper's high quality.

To better equip the farmers with the ability to expand their distribution networks, we plan to donate saplings and provide training on how to use e-commerce to increase direct sales. Additionally, the McCormick China team is developing new products leveraging Jin Yang Green Sichuan Pepper, promoting its story as it offers high-quality Sichuan Green Pepper products.

Program Highlights



County officer seminar to discuss protection program



Agriculture professor in field to train local farmers how to preserve flavor authenticity



Organic fertilizer training at Sichuan Agriculture University



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Farmer Engagement with GIZ in Madagascar

As part of our commitment to address social and economic issues in the vanilla supply chain, we have set a goal to work with 4,000 farmers in the Sava region of Madagascar. McCormick is partnering with the German Corporation for International Cooperation GmbH (GIZ) to engage farmer cooperatives in Sava and identify ways to improve the structure and governance of the supply chain to benefit the region. By assessing the community's needs, GIZ and McCormick have identified challenges and have been able to launch interventions.

Since then, the organizations have worked to increase access to basic services through a health insurance program, clean drinking water projects and interest-free loans. Additionally, an initiative encompassing 2,500 farmers has increased access to extension services and provided training on the vanilla curing process and third-party verified sustainability certification to help farmers capture more added value while better managing waste and natural resources to preserve ecosystems.

Program Highlights



2,500 farming households from over 50 villages reached by 400 farmer training sessions



7 schools built or renovated in farming communities and 15,000 school kits provided to children



1,400 hectares of vanilla fields certified under Organic or third-party verified sustainability standards



Over 250,000 trees planted since 2019 to support biodiversity.





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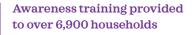
Navigating a Global Pandemic with CARE in India

Building community resiliency includes reducing the impact of shocks caused by human or natural disasters. With the onset of the COVID-19 pandemic, McCormick worked with CARE Impact Partners, CARE India and the AVT McCormick team to limit the impact on red pepper communities. AVT McCormick is a 50:50 joint venture between A.V. Thomas & Company and McCormick. The AVT McCormick team has been working with red pepper farmers and villagers in India for nearly 25 years. Connections to

the community allowed McCormick to act quickly as concerns around COVID-19 grew. The objectives were to build community-wide awareness on proper health and hygiene practices, which support long-term behavior change, and distribute PPE supplies to households to kick-start household use and encourage local market responses. Interventions also included wall murals, street plays and information checklists with all PPE kits.

Program Highlights







PPE kit provided for each household, benefitting around 25,000 household members



Over 60 (socially distanced) events held to enhance knowledge and dispel myths





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Supporting Vanilla Suppliers Through the Pandemic

McCormick's partnership with the Sustainable Vanilla Initiative (SVI) has advanced the interests of vanilla farmers in Madagascar critical to biodiversity. In 2020, in Madagascar, as vanilla growers made plans to aggregate and sell their beans through local markets across the country, the historically busy markets raised concerns due to the growing effects of COVID-19 in the country. Lockdowns prevented travel by road and air, adding logistical complications to the growing public health concerns. McCormick worked closely with the Sustainable Vanilla Initiative, along with the Madagascar Vanilla Exporters Group (GEVM), GIZ and the SAVABE Project, to form a strategy to put protective measures into place so the markets could continue to function.

Through a quick response, McCormick, SVI and its partners took action to ensure large buyers could continue to connect with the many vanilla farmers across Madagascar. McCormick, along with the coalition of organizations, supplied face masks, hand-washing stations and public service posters to prevent the spread of COVID-19. Through the collective effort and fundraising of McCormick, along with local and international groups, obstacles were addressed in a short time period to protect the health and livelihoods of farmers and local communities.

Program Highlights



100,000 masks provided by the organizations



2,500 washing stations provided



5,000 orange vests provided for the security committees tasked with supervising foot traffic and public safety



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McCormick France Employees Send Donations to Vanilla Farming Communities

In 2020, employees from McCormick mobilized over 6 metric tons of supplies intended for children in vanilla farming communities. They were distributed during the Christmas holidays and complemented other investments by McCormick to restore schools and provide access to

education in these communities. This initiative strengthens McCormick's program with these communities and also galvanizes McCormick employees at home by providing meaning to their work and increasing their sense of ownership in the Company.

Program Highlights



5,000 children from 6 villages received donations



9,000 books distributed



11,000 school supplies distributed



3,500 pieces of clothing distributed



700 toys distributed



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Driving Impact Across Multiple Supply Chains with USDA and NCBA CLUSA

This five-year project was initiated in 2019 in collaboration with the USDA Food for Progress Indonesia Spice

Trade Alliance (ISTA), NGO partner NCBA CLUSA and cinnamon consultant PT Collins Higgins Consulting.

The initiative aims to improve the quality of black pepper, cinnamon and vanilla in Indonesia and spans the regions

of Jambi, N. Sumatra, Papua, Sulawesi, and Lampung. Productivity and efficiency will be increased through strengthening the capacities of farmers and cooperatives while building environmental resiliency and providing training in third-party verified sustainability standards.





Program Highlights



14,000 farmers targeted across five regions of Indonesia to receive training in good agricultural practices and post-harvest processing



Over 550 farmer groups created, allowing for long-term strategic partnerships and access to markets



125 nurseries established producing an estimated 5 million seedlings to be distributed to farmers



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Providing Water Access to Red Pepper Communities with AVT McCormick

In 2019, we reported on our project to provide reverse osmosis clean drinking water facilities to four communities growing red pepper in India. Since then, we have expanded this program to nine villages, benefiting an estimated 30,000 household members. In addition, we have supported a pilot watershed project in Tamil

Nadu aimed at increasing the water table to recharge water sources and mitigate the impact of water scarcity. The project was completed by World Vision India in 2020 and facilitated an increase in the acreage under crop cultivation, including crop diversification.

Program Highlights



Provided RO systems to 30,000 household members with access to clean drinking water



Watershed project: 10% increase in areas under cultivation from 343 acres to 379 acres



Watershed project: Increase in water storage capacity of nearly 58%, recharging 20 irrigation wells





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Utilizing Technology with IDH and IFC in Vietnam

McCormick and IDH, the Sustainable Trade Initiative, partnered in 2018 to engage 1,500 farmers on good agricultural practices and sustainability certification. As the programs expanded, the International Finance Corporation, IFC, joined the program, providing funding and advisory services. The project included the development of an e-learning mobile app to provide training

directly to farmers on the use of agrochemicals, integrated pest management, sustainable pepper farming, harvest and post-harvest practices and export market requirements. The Vietpepper app launched in 2020 and was piloted with approximately 1,266 farmers.

Program Highlights



Support of over 2,000 black pepper farmers, at least 30% of whom are women



2,992 hectares of black pepper farms managed sustainably and under certification



Improving capacity of suppliers' team to provide agronomic and post-harvest trainings to farmers



Farmer learning incentivized through awards for 10 most successful learners each quarter



Ask the Experts feature introduced, providing updated information with video clips from the project agronomist



Additional focus on the inclusion of women farmers



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Sustainable Supply Chain Finance Initiative

McCormick partnered with IFC, a member of the World Bank Group, and Citi to provide McCormick suppliers with financial incentives linked to improvements in measures of social and environmental sustainability. The program began with suppliers in Indonesia and Vietnam. Through this program, our suppliers become eligible for discounted interest rates on short-term working capital financing by meeting *Grown for Good* criteria,

and measuring performance on labor conditions, health and safety practices, crop management, environmental impact, farmer resilience and women's empowerment. The higher the supplier's performance level, the more they potentially save. Overall, the program provides incentive for suppliers to help McCormick achieve our Purpose-led Performance goals.

Cardaforestry in Guatemala

In partnership with Heifer International, a development organization committed to ending hunger and poverty around the world, McCormick is sourcing cardamom and allspice directly from farmer cooperatives through Guatemalan spice supplier Nueva Kerala. Heifer International's impact investing arm provides financing for Nueva Kerala to purchase spices from 500 farmers in Alta Verapaz, Guatemala. In addition to financing, McCormick and Heifer International have partnered to implement the Cardaforestry project. We are working with smallholder farmers to support investments in energy-efficient dryers using electricity and solar

energy instead of firewood. The dryers reduce the need for firewood, which leads to improved forest management and carbon-sequestration in the soil while reducing deforestation. By working directly with spice farmers, we are strengthening our cardamom and allspice supply chain, increasing farmer incomes and resilience and protecting forests in Guatemala. In collaboration with the Inter-American Development Bank, these cardamom farmer cooperatives will also access working capital to be able to purchase and process products from their member farmers.

Supplier Diversity

As a global company, we recognize that diversity helps drive the unique flavors behind our products. As such, we actively incorporate diversity, equity and inclusion into programs with our suppliers.

We seek to empower women and minority groups in our supply chain and support a diverse network of suppliers. Our supplier diversity program helps ensure our ingredients are sourced from a mix of suppliers while providing opportunities and access to underrepresented groups. We have a formal program to grow our spend with diverse suppliers. In an effort to increase transparency with our stakeholders, we continue to evolve our program to better serve our supply chain needs and are committed to providing quarterly supplier diversity spend reports to customers looking to understand the impact of the goods provided to them.

As part of this commitment, we work with major supplier diversity organizations:

- Women Presidents' Educational Organization (WPEO)
- Women's Business Enterprise National Council (WBENC)
- Canadian Aboriginal & Minority Supplier Council (CAMSC)
- Capital Region Minority Supplier Development Council (CRMSDC)
- Diverse Manufacturing Supply Chain Alliance (DMSCA)
- National Veteran-Owned Business Association (NaVOBA)
- National Minority Supplier Development Council (NMSDC)
- Women's Enterprise Connect International (WEConnect)

Furthermore, McCormick seeks to provide sustainability leadership across the industry and holds seats on the Steering Committee and impact committees of the Sustainable Spice Initiative (SSI) and the Sustainable Vanilla Initiative (SVI), which enables us to inform the agenda of these organizations and push for industry-wide changes that address challenges linked to human rights, climate change, and other critical issues. These collaborations help to drive impact at scale.

We are also an active member of the **Consumer Goods Forum,** a group that brings together consumer goods retailers and manufacturers from all over the world to drive positive change.

Strong relationships helped insulate our supply chains from the external shocks associated with COVID-19, but these relationships also helped McCormick quickly identify how to react to the pandemic in other ways and support our global community. Interventions at vanilla markets in Madagascar and technical trainings to help boost farmers' income helped preserve the health and wellbeing of the communities responsible for growing our ingredients. Once again, our PLP approach illustrated the connection between our community engagement and positive results for our business.



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Empowering Women

In addition to McCormick's efforts to advance women in the workplace, we are committed to helping women thrive across our broader supply chain. We measure increased farmer resilience through increased skills and capacity, greater income, more access to financial

services, education and better nutrition and health outcomes. Under this goal, we're also piloting an integrated global approach to gender equality and women's economic empowerment in our farming communities.

Uplifting Communities with CARE

Women play a critical role in agricultural supply chains, yet often have unequal access to opportunities, assets and resources. Women are disproportionately affected by poverty, which in turn affects their levels of hunger, health and access to clean water and sanitation. However, research has shown that when women have control of their income, it is more likely to be spent on healthcare, improved nutrition for their children and investments in their child's education. In addition, the COVID-19 pandemic has exacerbated the gender gap, according to estimations by the World Economic Forum.

Partners ("CIP"), a division of CARE International that supports companies in building resilient enterprises and delivering social impact, to map the roles of women in the farming communities from which we source. These analyses reinforced our belief that women are involved in every aspect of herbs and spices cultivation, while also maintaining responsibility for the majority of unpaid work such as childcare and household responsibilities. It was clear that opportunities existed for programming to address the gender imbalance; however, the challenge remained of how to measure the impact these initiatives would have on women's empowerment.

Since 2018, we have partnered with CARE Impact

Over the past two years, CIP and McCormick have developed and launched the McCormick Women's Empowerment Framework ("M-WEF"). Our approach is simple:

- ASSESS THE LEVEL OF WOMEN'S EMPOWERMENT IN KEY SOURCING COMMUNITIES
- DESIGN PROGRAMMING TO ADDRESS THE OPPORTUNITIES TO REDUCE INEQUALITY
- CONTINUOUSLY TRACK THE LEVEL OF WOMEN'S EMPOWERMENT WITHIN THE COMMUNITY, ADJUSTING PROGRAMMING AS NEEDED







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Identifying Opportunities

The M-WEF is structured around survey-based analysis, the results of which enable McCormick to identify targeted programming and track impact. The surveys generate an Empowerment Score (E-Score) from multiple key performance indicators ("KPIs") linked to four desired outcomes.

All E-scores are on a scale between 0 and 10. A value below 5 identifies a significant risk, 5.1-7.5 provides room for improvement and over 7.5 is considered resilient or empowered. Women's empowerment is a complex challenge requiring sensitivity and a local understanding of cultural nuances. We work with our partners to address opportunities in a thoughtful and respectful manner, with the understanding that shifts in attitude can take years to achieve. However, by focusing on the areas

where we can create the greatest impact, and through continuous review and adjustments to our programming, our vision is to create positive change for the women working across our agricultural supply chains.

In addition to an overall E-Score, the model provides a score for each KPI. These scores can vary significantly between communities and allow us to design community-level initiatives that address their specific needs. These may include income-diversification training, improving access to healthcare, and supporting access to resources through mechanisms such as Village Savings and Loan Associations (VSLAs). The framework also allows us to normalize E-Scores across our supply chains, which supports decision-making in allocating resources.

Outcomes:

- Reliable access to financing, markets and systems
- Reliable inclusion in household and on-farm decisions
- Better nutrition and access to health
- Improved resilience and income

M-WEF E-Score Key Performance Indicators and Outcomes

0 U T C 0 M E	RELIABLE ACCESS TO MARKETS & SYSTEMS		RELIABLE INCLUSION IN HH & ON-FARM DECISIONS		BETTER NUTRITION & ACCESS TO HEALTH			RESILIENCE					
KPI	% of women accessing agricultural inputs	% of women farmers accessing output markets	Involvement in farm, input and output decision- making	% of women who are active users of formal financial services	Average # of hours, per day, spent by women on unpaid work	Involvement in household decision making	Minimum Dietary Diversity for Women	% of women with access to primary healthcare facility	% of respondents with access to improved drinking water sources	% of women taking at least one action to increase future resilience	% of women applying improved agricultural practices to increase resilience	Annual Shocks & Strategies Index	GEM Scale aggregate score



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Women's Empowerment in Action

The M-WEF baseline survey was piloted in late 2020 with red pepper communities in India and cinnamon communities in Indonesia. This provided us with the opportunity to refine the model and identify a partner to digitize data-collection and analysis. It is now being

rolled out across our key supply chains, starting with our other iconic raw materials. While deploying the M-WEF, we are engaging with our suppliers to run projects focused on improving women's resiliency and that of their communities.

We have partnered on multiple social projects under our *Grown for Good* framework including:

- Improving nursery and primary school facilities for over 3,000 children in Vietnam by installing water filtration systems
- Financial management training reaching approximately 400 female farmers in Vietnam
- Village Savings and Loans Associations have been set up in 11 villages in Madagascar with over 250 female members
- Programs across India, Indonesia, Vietnam and Madagascar to provide a reliable source of clean drinking water to farming communities

We will continue committing to community support starting in 2022 by funding the following initiatives:

- Installation of gender specific sanitation facilities on 36 farms benefiting nearly 3,000 red pepper field workers
- Business and financial literacy training for 100
 women in Indonesia, providing linkages to financial
 institutions and supporting the top graduates with
 resources to set up cinnamon nurseries
- Development of four daycare centers across red pepper growing regions of India

- Providing tractor license training for women and agricultural scholarships for young women in Turkey
- Income diversification workshops for women and the establishment of nurseries in two schools to teach children good agricultural practices and provide healthy food in Brazil





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Human Rights

As a global leader in flavor, McCormick recognizes the important role we play in protecting those who work within our supply chain. Our approach is disciplined, anchored by a new Global Human Rights Policy, upkept through rigorous supplier certification and enforced through strict oversight.

This approach is both internal, ensuring safe and fair working conditions for our employees and partners, extending to our memberships in the United Nations Global Compact and the Consumer Goods Forum ("CGF").

New Global Policy

McCormick is committed to uncompromising integrity in all that we do. As such, we have significantly strengthened our commitments to Human Rights in recent years, leading efforts that culminated in the adoption of a new **Global Human Rights Policy.** McCormick is a member of the UN Global Compact and, in September 2021, was named a Global Compact LEAD company by the United Nations for its ongoing commitment to the UN Global Compact and its Ten Principles for responsible business. As such, we are committed to implementing universal sustainability principles that meet fundamental responsibilities in the areas of human rights, labor, environment and anti-corruption. McCormick's new Global Human Rights Policy aligns with these commitments as well as basic working conditions and human rights concepts advanced by international organizations such as the International Labor Organization and the United Nations Global Compact on Human Rights. The policy represents McCormick's own minimum standards for working conditions and human rights that applies to our employees, suppliers and business partners. The policy was developed through a collaborative process that included our Global Head of Diversity, Equity and Inclusion; Human Resources; Senior Leadership Council; Legal; Chief Sustainability Officer; Purpose led Performance Leadership Team, and was promoted through a variety of internal communications.

We believe that our values-driven culture is a formidable competitive advantage—one we must foster and protect. We embrace and value the diverse backgrounds of all our employees and seek to create an atmosphere in which ideas can be expressed freely in an environment of mutual respect, trust and honesty. As such, the policy sets forth clear guidelines around nondiscrimination, harassment, freedom of association, work environment, compensation, employee privacy, forced labor, child labor, safety, health and protecting the environment.

The policy also sets forth expectations of suppliers and McCormick's commitment to engaging in reasonable due diligence and screening of customers and distributors to ensure compliance with laws that regulate international trade. Because McCormick believes that the ability to enforce a policy is as critical as the adoption of the policy, we have worked to regularly inform employees of the new policy and have encouraged those with questions on the policy to contact the Company's Ethics Hotline.

McCormick also continues to enforce a workplace violence prevention policy and conducts annual Safety & Wellness Day educational sessions and trainings.



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Ethical Supply Chains

Many of McCormick's agricultural products are acquired from suppliers who ultimately source raw materials from farming communities. It has always been important that materials used in our products are obtained through ethical and fair labor conditions.

McCormick's Global Supplier Code of Conduct makes clear the Company's commitment to fair labor standards and helps ensure that the Company aligns itself with suppliers that share this commitment and expects the same of their own suppliers. In order to comply with the *Grown for Good* standard, suppliers are also required to sign a code of conduct with their supplying farmers. McCormick ensures that quality, safety and employment standards are maintained throughout the Company's supply chain and the Company reviews its supplier base to determine if corrective actions are needed. Moreover, McCormick maintains an anonymous hotline staffed by an independent organization for employees to report actual or potential violations of McCormick's policies and codes of conduct without fear of retaliation.

The Company also uses a supplier scorecard process that includes the number of suppliers targeted by region and risk level, determined by an assessment and audit score, as a key performance indicator to measure the Company's effectiveness in ensuring that forced labor and human trafficking is not taking place in the Company's business or supply chains. This process uses formal assessments and audits to verify that high-risk suppliers in the supply chain are in compliance with International Labor Organization regulations and McCormick's own requirements regarding forced labor and human trafficking. McCormick will remain transparent and report on the Company's evolving efforts to combat forced labor and human trafficking in the Company's business and supply chains.

McCormick requires suppliers to sign up to the Sedex platform, one of the world's leading ethical trade membership organizations. which works with businesses to improve working conditions in their global supply chains. As a Sedex member, suppliers complete a supplier assessment questionnaire, which scores suppliers based on the risk of their supply chains. High-risk suppliers are required to undergo Sedex's social auditing methodology, called a Sedex Members Ethical Trade Audit ("SMETA"), which is conducted by an independent third-party auditor. The SMETA process enables businesses to assess their sites and suppliers to understand working conditions in their supply chain. A social audit is one of the best ways to understand the working conditions at a supplier site. An auditor physically attends the site – or workplace – of a business, enabling the auditor to assess the conditions on the ground. Once an audit is complete, buyer and supplier businesses can work together to address any issues, based on a Corrective Action Plan (CAPR). McCormick requires such suppliers to undergo the SMETA a minimum of every three years. Suppliers that are part of McCormick's Grown for Good are required to be both Sedex members and SMETA audited, which helps the Company ensure that child or forced labor isn't present.





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Looking Internally & Working with Peers

McCormick has continued these certifications throughout the COVID-19 pandemic, has completed SEDEX SAQs and SMETA audits for a number of its own factories, and is moving toward performing audits at all facilities in the coming years.

We are also dedicated to using our size and reputation to push for good on a greater scale. We do this as a member of the United Nations Global Compact and the CGF, a global organization whose objective is to bring together consumer goods manufacturers and retailers to provide practical help to implement global standards and best practices for efficiency and positive change.

In many cases, McCormick is not the only food company working with a given supplier. One of the reasons McCormick is transparent about our suppliers is because it affords us the ability to reach out to other food brands and organizations to see how companies can work together. By getting the rest of the industry involved, companies are able to send a stronger message to suppliers about the importance of operating a responsible workplace.

Through this combination of efforts, McCormick champions Human Rights, improving conditions for our own employees and communities around the world. Notably, McCormick was recognized as a United Nations Global Compact 2021 LEAD Company and the Company's alignment is outlined in the Indices & Data section of the report.





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Philanthropy & Charitable Donations

McCormick and its 14,000 global employees embody a spirit of giving and volunteerism, which serves as the backbone of the Company's charitable efforts to support thriving, healthy communities where we live, work and operate.

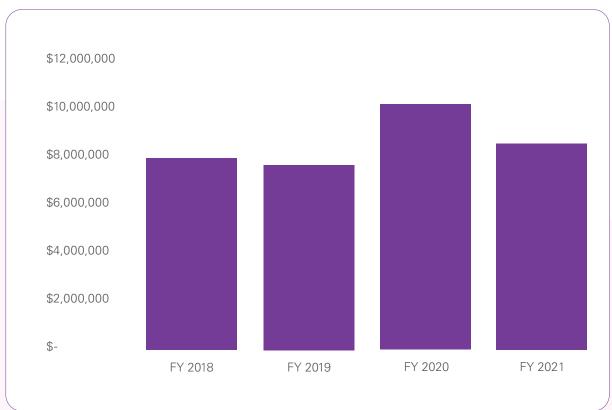
This year, we introduced McCormick's new global Power of Giving umbrella brand in the U.S. to help us tell the full story about how McCormick and our employees give back to communities. We are broadening our 80% of employees participating in Charity Day goal to 80% of our employees participating in our Power of Giving program globally. To date, we've launched a new online giving platform that is currently being implemented in the U.S. As a result, fewer U.S. employees participated in 2021. However, we fully expect to achieve our 2025 target as we roll out additional online giving solutions globally.

Through the Power of Giving, our corporate, regional and country-specific initiatives come together under one unified global program to inspire and engage employees to support the causes they care about through matching gifts, volunteer time off and community service. Other programs include our Community Service Awards, Flavor for LifeTM

and others. In the U.S., Charity Day remains one of McCormick's longest-standing traditions. Every year for the last 80 years, McCormick employees have donated their time and monetary support to non-profit organizations in the communities where we live and work. Throughout our month-long campaign, 15 U.S. McCormick facilities across the country also hosted their own Charity Day events.

In 2020, McCormick donated more than \$10 million, which reflects increased support for the pandemic, across 22 countries. As part of our global response to COVID-19, we committed \$3 million to supporting food banks in nearly 20 countries where we operate, as well as local restaurants and hospitality workers amid the pandemic. In 2021, we donated \$8.2 million to causes around the world, which is in line with our typical annual giving.

Corporate Giving





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Disaster Relief

McCormick is also committed to providing disaster relief to benefit the communities where we live, work and operate, and since 2016, we've donated nearly \$4 million.

In an effort to support our employees in Dallas and Austin, and all who were affected by the winter storms in Texas, we donated to the Red Cross and the North Texas Food Bank to help distribute resources across the state. We also committed to matching employee donations dollar for dollar.

In response to concern for people and wildlife being affected by the Australian bushfires in early 2020, McCormick supported regional disaster relief. McCormick Foods Australia coordinated a stock donation to the Australian Foodbank to distribute food and supplies to stricken areas. Meanwhile, McCormick contributed to the World Wildlife Fund (WWF) Australia to help care for animals and restore their habitat and donated to the Australian Red Cross to support recovery programs for emergency assistance in the region. Finally, McCormick again matched employee donations to the Australian Red Cross and WFF dollar-for-dollar.

To benefit those impacted by the earthquake in Haiti in August 2021, McCormick donated financially to our partner, CARE, who was on the ground aiding in disaster relief efforts. Again, employee donations to CARE were matched dollar for dollar by McCormick.

COVID-19 Relief Effort

McCormick has a long legacy of supporting the communities where we live, work and source. During the unprecedented COVID-19 pandemic, it became more important than ever to do our part to help provide for the critical needs of our communities.

As part of our global response to COVID-19, we committed \$3 million to supporting food banks in the countries where we operate, as well as local restaurants and hospitality workers. We also called upon our communities and other organizations to join us in providing critical financial assistance. McCormick's support for food banks continues following an initiative in 2019 which provided 1.3 million meals for our 130th anniversary milestone.







In the U.S., we also teamed up with COREcares in partnership with OLD BAY and McCormick for Chefs businesses to establish the Maryland Restaurant Relief Fund, which provided grants to local restaurant operators, as well as the Hospitality Cares Pandemic Response Fund in partnership with its Zatarain's and McCormick for Chefs brands to help support hospitality workers and restaurants in New Orleans.

Within the U.S. and internationally, McCormick made multiple product donations directly to hospitals and those providing meals to healthcare workers. And several of our U.S. and international business units provided financial and product donations to help local healthcare workers and start up organizations producing much-needed hand sanitizer.



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Social Justice Support

The Social Justice protests around the globe sparked numerous listening sessions and conversations with employees throughout McCormick. In response, we stood in support of Black employees to make a difference in the communities where we live, work and operate around the world.

In addition to signing the Ascend Compact with more than 100 other companies to address racial bias, we have made recent charitable donations and have honored the commitments we have made in the Diversity, Equity and Inclusion space. McCormick donated an additional \$500,000 to employeenominated organizations in the U.S. that combat social injustice or provide critical food, healthcare or other essential services to Black communities impacted by police brutality.

The organizations selected were reviewed and approved by McCormick's Black Advisory Group and Charitable Donations Committee and included over 30 organizations like Equal Justice Initiative, the NAACP Legal Defense and Education Fund, the National Urban League and The Thurgood Marshall College Fund.

These donations represent just one of the steps McCormick is taking to help break down the structural barriers that stand in the way of a more just and equal society. McCormick will continue to support Black communities, affirm our commitment to the Power of People and continue our commitment to fighting racial inequality.

McCormick also donated \$100,000 to organizations working to combat social injustice across 14 countries and territories in EMEA. We supported 19 partners in the region, including **Show Racism**The Red Card in the United Kingdom, Sport

Dans La Ville in France, COSPE in Italy and Cohesion Collective in South Africa.

The organizations were nominated by McCormick EMEA employees, and approved by EMEA's Employee advisory group, **EmbRACE**, which stands for "embrace race" and was formed to help advance diversity, equity and inclusion efforts across the region.

Following its effort to support Black communities worldwide, McCormick supported causes working to address anti-Asian hate crimes as Asian-Americans faced increased violence against their communities. McCormick's **Asian Diversity Group (ADG)** created and shared an Asian-owned Restaurant Guide to help support businesses. The ADG also continues to share anti-hate community resources, which provide information on bystander intervention, how to report a hate incident and understanding the right to be fairly treated in public.

In response to anti-Asian sentiments,
McCormick's Office of Diversity, Equity
& Inclusion donated \$10,000 towards the
2021 Lotus Leadership Awards Gala,
supporting The Asia Foundation's Women's
Empowerment Program, which benefits
women and girls across Asia.





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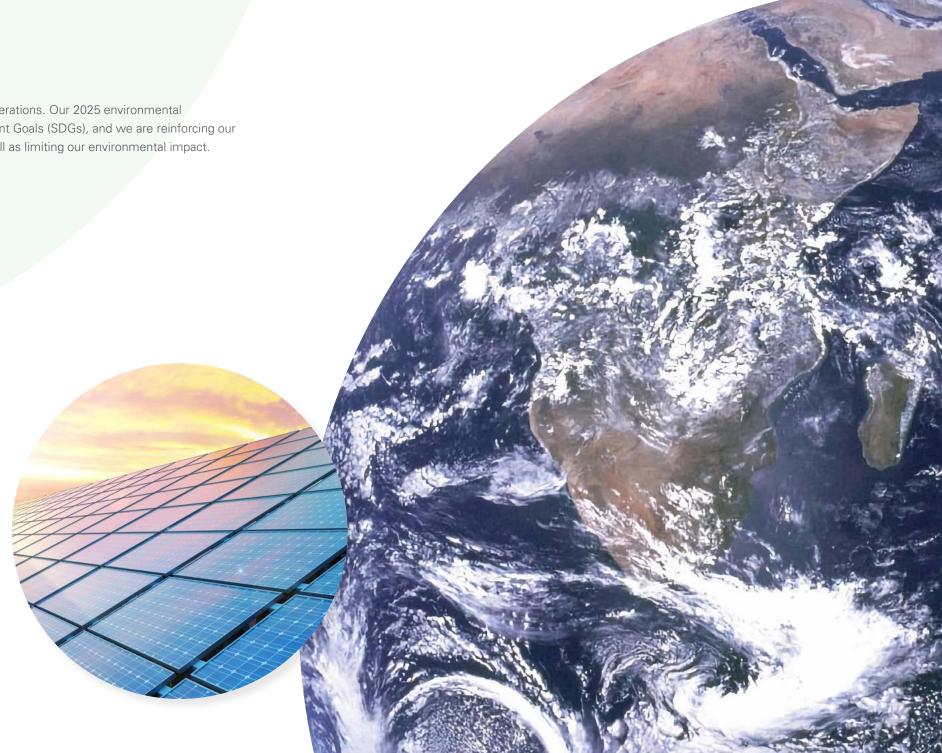
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— OUR COMMITMENT TO THE PLANET

At McCormick, we're committed to reducing the impact of our collective operations. Our 2025 environmental sustainability targets are aligned with the global UN Sustainable Development Goals (SDGs), and we are reinforcing our commitments to sustainable sourcing and raw material procurement, as well as limiting our environmental impact.







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Our 2025 - 2030 Environmental Sustainability Targets

TOPIC	COMMITMENTS	UN SDGs ALIGNMENT			2020 PROGRESS	2021 PROGRESS	
	Increase use of branded, sustainably grown herbs & spices	12	Source all herbs and spices sustainably, beginning with the top five branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) by 2025.	2015	47% - details by iconic below Black Pepper- 51% Cinnamon- 17% Oregano- 35% Red Pepper- 64% Vanilla- 53%	63% - details by iconic below Black Pepper- 62% Cinnamon- 33% Oregano- 50% Red Pepper- 100% Vanilla- 70%	
	Reduce GHG emissions	7 ; 11 ; 13	20% absolute reduction in greenhouse gas emissions (Scope 1 & 2) from our facilities to be met by 2025	2015	4% decrease	ACHIEVED 22% decrease	
Planet We are committed to lessening the effects			NEW 42% absolute reduction in greenhouse gas emissions (Scope 1 & 2) from our facilities to be met by 2030	2020	N/A	We are in the process of increasing our ambition for GHG Scope 1 and 2 with new goals for 2030 at 42% and will report toward them in the coming years.	
of climate change by adhering to Science -Based Targets that help reduce our carbon emissions, energy consumption, waste, and water use. To achieve these goals,			16% absolute reduction in greenhouse gas emissions (Scope 3) to be met by 2030	2017	1.7% increase	We are in the process of increasing our ambition for GHG Scope 3 in alignment with our 1.5°C target. We have set a new goal for 2030 at 42%, which includes packaging, and we report against it below.	
we've increased the use of renewable energy, invested in improved technologies			NEW 42% absolute reduction in greenhouse gas emissions (Scope 3) to be met by 2030	2020	N/A	6.9% decrease	
and are in the process of embedding sustainable practices across the enterprise.		6	20% reduction in water use from our facilities to be met by 2025*	2015	0%	1% increase	
	Reduce water use		NEW 25% reduction in water use from our facilities to be met by 2030*	2020	N/A	We are in the process of increasing our ambition for our water and waste goals and will report toward them in the coming years	
	Solid waste recycling	12	'80% recycling and recovery of solid waste from our facilities to be met by 2025	2015	66%	62%	
			NEW 85% recycling and recovery of solid waste from our facilities to be met by 2030	2020	N/A	We are in the process of increasing our ambition for our water and waste goals and will report toward them in the coming years	
	Reduce packaging carbon footprint	12 ; 13	Reduce packaging carbon footprint by 25%	2015	7.5% decrease	10.4% decrease	

100% of plastics packaging that can be reused,

recycled or repurposed

2015

84%

84%

through the

lifecycle

^{*}Adjusted for product mix effects, production volume and excludes water used in products.



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Sustainable Supply Chain

Our responsibility as a leader in the global food industry is to ensure our investments have tangible benefits, especially for farmers and customers, which we see most clearly in our own supply chain. We work to eliminate intermediaries so we can establish direct relationships with our suppliers and farmers. We also work with farmers and suppliers to implement risk oversight initiatives and promote our commitment to sustainable sourcing.

McCormick's steadfast commitment to creating a sustainable supply chain for all of our stakeholders across people, communities and planet is secured by the principles outlined in our Sustainable Agriculture Policy, which ensures the agricultural raw materials in our products are produced responsibly through enhancing the environmental and social sustainability of our agricultural supply chain partners and local impacted communities.





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Grown for Good: Sourcing with Purpose

As a global leader in flavor, we pride ourselves in our ability to bring authentic flavors to people all over the world. McCormick's complex supply chain helps us meet consumer demand without compromising our environmental goals. We understand the growing desire of customers and consumers to not only understand where our products are sourced, but also to have visibility to how they impact our planet.

McCormick has committed to sourcing all herbs and spices in our portfolio sustainably, beginning with the top five branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) by 2025. As outlined earlier in the report, we have defined "sustainably grown" as equivalent to SAI Platform's Farm Sustainability Assessment 2.1 (FSA) Silver level or above, at which the *Grown for Good* standard has been benchmarked.

One key step toward compliance to the standard is the risk assessment, identifying gaps and mandatory improvements. We commissioned the World Wildlife Fund (WWF) and Verisk Maplecroft to conduct specific country and commodity supply risk analysis and mapping across multiple herb and spice supply chains. We review the analysis with in-country suppliers, working with them to proactively evaluate the risks and opportunities in their specific supply chains, and request that they provide evidence of how the risk is mitigated or plans for future-state mitigation strategies.

Sourcing with purpose not only positively impacts the planet and our stakeholders, it also supports our business and benefits the industry. Our *Grown for Good* standard has been specifically designed for the herbs and spices sector, which sources the vast majority of crops from smallholder farmers. It focuses on building resilient production systems through regenerative agriculture, biodiversity and ecosystem services, and water conservation. The implementation of the standard is verified through third-party audits and has been designed to ease the administrative burden on farmers, instead concentrating time and resources on continuous improvement.





First *Grown for Good*-certified
Black Pepper
received in 2021.

In February 2021, black pepper grown across 100 hectares of farmland in Brazil became the first raw material to be certified under the *Grown for Good* standard. Later in the year, vanilla from Indonesia was certified, demonstrating the flexibility of the standard across regions and raw materials. With an increasing number of suppliers discovering the benefits of the *Grown for Good* standard, programs are being rolled out for red pepper in India, vanilla in Madagascar and black pepper in Vietnam in 2022, with the expectation that other supply chains will follow.

The *Grown for Good* standard covers the basics of all three pillars of the *Grown for Good* framework, which enables continuous improvement. To provide more flexibility to our suppliers while ensuring similar sustainable expectations in meeting our targets, McCormick allows the suppliers to implement the most suitable third-party verified sustainability standard on farm that is benchmarked FSA Silver-level and above. Such farm-level certification needs to be complemented by Sedex and SMETA at the factory level, and continuous improvement for community resilience.

For example, for cinnamon in Indonesia, our partner determined that the FSA standard itself was most suitable for this particular supply chain and, in 2020, we received the world's first Farm Sustainability Assessment (FSA) verification in Indonesia for more than 1,000 acres of cinnamon gardens. The restrictions in place due to the COVID-19 pandemic made the achievement all the more impressive, with significant effort required to ensure a qualified auditor could be trained locally, as travel restrictions prevented international travel for auditors. Since then, two more groups have been verified, bringing the total verified area to nearly 3,000 acres.





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Vanilla Transparency for Consumers

Vanilla is one of the five branded iconic ingredients on a journey to be sourced sustainably and ethically by McCormick. As part of this effort, we are launching a new vanilla blockchain initiative under our Vahiné® brand for further control and transparency for consumers, in partnership with Wholechain. The blockchain approach will allow consumers to scan a QR code on Vahiné® vanilla

product packaging, which launches Vahiné®'s commitment landing page. It allows consumers to trace the product back to its initial cultivation zone and provides details including when the vanilla had been sold to the co-op. This is the first blockchain project for McCormick, and Vahiné® is among the first brands to implement a blockchain approach on vanilla in France.

















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Meeting our Sustainable Sourcing Goals

McCormick has committed to sourcing all herbs and spices in its portfolio sustainably, beginning with the top five branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) by 2025.

Many of our purpose-led efforts are taking place on the ground in the farming communities where we source our five iconic ingredients. These herbs and spices are significant drivers of our business, which is why we see the opportunity to make the most impact in our supply chain.

Erratic weather patterns, natural disasters and other shocks can and have impacted the origin countries of our raw agricultural materials. In 2021, bush fires in southern Turkey impacted bay leaf growing areas. Severe floods

in India in 2018 increased the outbreak of disease in the materials sourced from those regions, including turmeric and red pepper, thus reducing the yield in 2019 and impacting market price of commodities. To manage risk, McCormick implements dual or multi-origin sourcing of its agricultural raw materials where possible. For example, black pepper is sourced from Vietnam, Brazil, Indonesia, India, etc. to reduce the impact of a poor harvest in a particular region. In addition, our farm-level sustainability programs include training on climate-smart agriculture and resilience to shocks.

ICONIC INGREDIENTS	2018	2019	2020	2021
BLACK PEPPER	12%	2 4 %	51%	6 2 %
CINNAMON	0 %	0 %	17%	3 3 %
0 R E G A N 0	0 %	4 %	35%	50%
RED PEPPER	3 2 %	60%	6 4 %	100%
VANILLA	7 %	3 4 %	53%	70%





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McCormick Achieves 100% Sustainable Sourcing for Branded Red Pepper

For the last 25 years, we have partnered with our joint venture company, AVT McCormick, on the backwards integration of our red pepper supply chain. With the announcement of our sustainable sourcing goal in 2017, we began the process of expanding training to third-party verified sustainability standards, and this year, achieved our 2025 volume target, four years ahead of schedule. In addition to this outstanding milestone, the team has also completed the following:

 During the 2020-21 season, AVT McCormick assisted farmers in implementing drip and mulch irrigation systems across 2,753 acres of Indian red pepper fields, which ultimately saved approximately 9,200 million liters of water

- AVT McCormick is the only spice company in India that has used the Biodiversity Monitoring Tool (BDMT), which was co-developed by GIZ, Union for Ethical BioTrade (UEBT) and Global Nature Fund (GNF) for monitoring biodiversity. The BDMT helps the team set seasonal targets on key biodiversity aspects and assess annual improvements in biodiversity management
- $^{\bullet}$ In 2022, AVT McCormick will transition all red pepper supplied to McCormick to the $Grown for\,Good$ standard
- AVT McCormick has won a National Award for Sustainable Agriculture based on the programs we run in red pepper



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Expanding the Scope of our Programs

We are currently fully focused on sustainably sourcing all five of our branded iconic products by 2025. However, as we begin to reach our targets, additional focus will be given to the next seven ingredients on our priority list: turmeric, cumin (and other Indian seeds), ginger, sage, cardamom, cloves and thyme.

In addition to our herbs and spices supply chains, we have evaluated the risk of a number of ingredients we use in small quantities and, where required, taken measures to source them in a less resource-intensive, sustainable manner.

Palm Oil

McCormick does not produce or use significant volumes of palm oil; however, due to our 2017 acquisition of the French's® Food Company, we use palm oil in the production of specific French's® products. Despite the relatively low volumes of palm oil we use, we identified it as a priority raw material due to its potential impact on deforestation. As part of our PLP program, a crossfunctional task force on palm oil sustainability carries out an annual palm oil supply chain assessment and reviews progress toward a 2025 commitment roadmap. The roadmap captures McCormick's global uses of palm oil along with availability of sustainable palm oil to help prioritize its use.

To mitigate the use of palm oil in our products, McCormick has joined the Roundtable on Sustainable Palm Oil (RSPO) program, an organization that implements global standards for sustainable palm oil. In 2020, we met our 2025 goal to sustainability source 100% of the palm oil within our supply chain through the RSPO. Additionally, we're working with other organizations, like the Consumer Goods Forum (CGF) to establish programs and processes to reduce risk surrounding palm oil and its sustainable production.

Soy

Our risk around deforestation related to soy is very low as a large majority of our soy is sourced in North America. Our Global Supplier Code of Conduct covers our first-tier suppliers and requires our suppliers to be responsible for any deforestation and environmental impacts as well as the impacts of their own suppliers. Our supplier code of conduct allows us to audit our suppliers and inspect records related to their own upstream suppliers.



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Regenerative Agriculture

McCormick promotes implementation of regenerative agricultural practices, which are a conservation and rehabilitation approach to farming systems. It promotes practices focusing on topsoil regeneration, increasing above and below ground soil health while maximizing water efficiency, enhancing the ecosystem and carbon sequestering. The overall objective is to strengthen the health and vitality of topsoil to improve farm resilience to climate change. As with all our farm and farming community programs, the first step was to

conduct a baseline study of soil health. In 2020, we began rolling out soil testing on farms growing our five iconic raw materials, completing our key suppliers' baseline in 2021. The results of the testing enabled us to identify areas for improvement in soil health and provide recommendations to suppliers and farmers on inputs and practices. As these are implemented, we will be tracking impact both on yield and soil health improvements.

Calculating Carbon on Farm

McCormick has committed to ambitious goals to reduce our GHG emissions, in an effort to combat climate change. These include targets for Scope 3 emissions, including the impact of agricultural activities in our supply chains. We have therefore partnered with

Winrock Solutions to adapt existing carbon calculator tools for McCormick supply chains, which will measure the positive impact our sustainable sourcing programs have on GHG emissions reduction.



Accounting criteria will include:

- 1 IMPLEMENTATION OR AUGMENTATION OF AGROFORESTRY PRACTICES
- 2 IMPROVED CROPLAND MANAGEMENT PRACTICES
- 3 FUEL REPLACEMENTS IN COMMODITY-PROCESSING OPERATIONS
- FOREST LANDSCAPE RESTORATION WITHIN THE BORDERS OF FARMS SUPPLYING TO McCORMICK



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Restoring Ecosystems with McCormick Employees

In honor of the 2021 World Environment Day theme, "Ecosystem Restoration," employees globally were invited to help combat deforestation and sponsor a tree in Madagascar, where 80% of the world's supply of vanilla is produced. Deforestation has impacted over 94% of Madagascar forest lands, which provide critical shade cover for growing vanilla.

To help, McCormick employees opted in to have the Company plant one tree per employee, a total of 13,000 trees around the Marojejy National Park to increase impact and support the livelihoods of farmers and communities in Madagascar. In collaboration with USAID and other suppliers, McCormick has supported the planting of 200,000 trees in this region to date.







American Spice Trade Association

McCormick is a founding member of the American Spice Trade Association ("ASTA"), which represents the U.S. spice industry in the global market. The highest priority of ASTA and its members is ensuring the supply of pure, safe spice to American consumers. ASTA also works to shape public policy on behalf of the global industry and advance the business interests of our members. ASTA creates value through execution of a dynamic strategic plan built to deliver on goals of advocacy, food safety and collaboration in a precompetitive environment.

As the market leader in herbs and spices, McCormick is an active leader at ASTA, seeking to drive industry-wide excellence in compliance, safety and sustainability. Our engagement enables McCormick to collaborate with industry peers, governmental agencies on a global scale and other parties to influence public policy and regulations in the U.S. and around the world. At ASTA,

McCormick advocates for continuous improvement in agricultural, processing and laboratory practices across the globally dispersed and diverse spice and herb supply chains. Our leadership engagement also allows McCormick to influence the prioritization of investments and the creation and dissemination of guidance and standards for source country growers and processors to drive food safety and regulatory compliance.

McCormick is also able to influence growing investments in sustainability programs as a Steering Committee member through ongoing collaboration with of the Sustainable Vanilla Initiative (SVI) Trade Initiative ("IDH"), Sustainable Spices Initiative ("SSI"), the Ecological Society of America ("ESA") and the Vietnamese Pepper Association. This multi-party sustainability initiative is designed to deliver safe and compliant supply, improve farmer livelihood and assure sustainable supply.

Utilizing Technology to Track Impact

McCormick's agricultural supply chains are complex and varied, and as our sustainable sourcing programs increase in scale and reach, it's important to ensure efficient and reliable data collection to monitor compliance as well as tracking impact. We have incorporated a suite of technical solutions, including Sourcemap and Farmforce, into our programs, to provide suppliers, farmer groups and other partners with the ability to collect data and report progress. In

2021, we integrated innovative functionalities such as carbon benefit assessment and baseline calculations for the McCormick Women's Empowerment Framework (MWEF). Live dashboards allow us to aggregate and compare data across raw materials and regions, and provide insights for finetuning our interventions to maximize our impact. Moving forward, data integration will be instrumental in reporting progress towards our 2025 goals and beyond.



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Operational Impact

At McCormick, we are committed to continued improvement of our environmental processes through our Purpose-led Performance approach, particularly through improvements to our operational efficiency. Environmental resources underpin the ingredients and relationships at the center of McCormick's business. As such, aggressive environmental goals and a strategy for value creation that aligns with responsible management and protection of environmental resources is good for McCormick's stakeholders and good for business.

In 2019 we set ambitious science-based goals to reduce emissions in our operations (Scope 1 & 2) by 20% and in our supply chain (Scope 3) by 16% from a 2015 baseline. The latest science stresses the importance of limiting the rise of global temperatures to 1.5°C to avoid the most catastrophic effects of climate change. In response to our environmental imperative and scientific

consensus, we have elevated our existing goal and are committed to achieving a target of 1.5°C in alignment with the Science Based Targets initiative and to achieve Net Zero by 2050. We must protect the natural balance that sustains our environment, farmers and customers, and as a result, nothing but the highest level of ambition should inform our emission reduction goals.

With the submission of our 1.5°C target, we will join the UN Science Based Targets initiative's Business Ambition for 1.5°C, a global coalition of companies across sectors and geographies that have acknowledged the critical importance of limiting the impacts of climate change.

We plan to submit our new goals for approval through the Science Based Targets initiative. The new reduction goal will use our 2020 emissions as a baseline year and from there, we are targeting a reduction of 42% in our Scope 1 and 2 emissions along with a 42% reduction in our Scope 3 emissions by 2030. Increases in the amount of renewable electricity sourced for our operations will be central in meeting our goal. We have developed and supported large-scale renewable energy projects in regions where we operate, and we will pursue increased reliance on renewable energy. In tandem, we will continue to address energy use through efficiency, continual improvement and innovations in processing and distribution.

Our Scope 3 emissions reduction efforts will rely heavily on our Supplier Leadership on Climate Transition (S-LoCT) program, which engages our suppliers to reduce emissions and set science-based targets.

We actively partner with our suppliers to improve our environmental performance, and continued participation within our supply chain will be critical to support our suppliers and achieve our Scope 3 target.

Emissions associated with our operations and energy consumption are in our direct control, and we are pursuing partnerships across our supply chain to help reduce emissions outside of our direct control.

Emissions (CO2eq)(Mt)

SCOPE	2018	2019	2020	2021	
SCOPE 1*	31,830	32,552	31,853	WE HAVE ACHIEVED OUR SCOPE 1 AND 2 GOALS	
SCOPE 2*	93,662	92,755	87,427		
SCOPE 3	2,463,035	2,587,752	2,632,627	3,121,649**	
TOTAL	2,588,527	2,713,059	2,751,907	N A	

^{*} FONA has been included for Scope 1 and 2 emissions.



^{**}FONA and Cholula acquisitions have been included for Scope 3 emissions.



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Reducing our Carbon Footprint

Renewable energy has allowed us to make significant improvement in our Scope 2 emissions. Our strategy to manage Scope 1 emissions is similar to our strategy for managing consumption of purchased electricity. We audit our facilities for energy efficiency opportunities to reduce both on-site fuel consumption and purchased electricity and capture opportunities in our capital plan, staying up to date on best practices and the latest technology. Scope 1 emissions are about 30% of our total Scope 1 and 2 emissions. We have introduced efficiencies along with creative measures to reduce Scope 1 emissions. At our Dallas plant, we capture waste heat from air compressors to heat water used in changeovers to reduce our reliance on the plant's natural gas-burning heating system.

Our U.S. Spice Mill is in the process of upgrading to a more efficient boiler that will also use less natural gas to produce the same amount of steam for its steam system. We continue to investigate projects to reduce Scope 1 emissions with additional projects planned for 2022.

Renewable energy purchases for two sites in the UK stretching back to October 2019 and three sites in Italy since April 2021 has contributed to a 50% reduction in emissions in our EMEA operations compared to 2015 levels. We are investing additional renewable energy purchases to improve our emissions in Europe and continue to shrink the footprint associated with the energy we consume.

In addition to purchasing renewable energy, McCormick has directly supported the development of several climate-friendly renewable energy and building projects. In addition to the construction of McCormick's flagship Net Zero Carbon Building in Peterborough, UK, McCormick has helped to develop renewable energy resources to support our facilities

globally. In El Salvador, we've installed a rooftop solar project, which will enable us to power our manufacturing facility with approximately 10% renewable electricity. Also, the Skipjack Solar Center, an off-site solar array, is providing renewable electricity to McCormick facilities in Maryland and New Jersey, including four manufacturing plants, two distribution centers and our corporate headquarters. Additionally, planning and studies are underway for an additional 1.8 million square foot on-site distributed solar project for our Northeast Distribution Center in Maryland, along with an agreement to purchase energy from the 200MW Big Star Solar project currently under development to power our operations in Texas.

A new facility built with purpose in mind in Melbourne, Australia, designed for sustainability, will serve as a warehouse and headquarters. The facility was designed and built to a 5-Star Green Star Rating under the Green Star sustainability rating system developed by the Green Building Council of Australia (GBCA) and will feature a technical innovation center along with a 600kW rooftop solar system and electric car charging stations.

In 2021, McCormick joined WWF's Climate Business Network (CBN). The CBN is a procompetitive community of companies committed to dramatically reducing their emissions throughout the entire value chain. Each partner works both with WWF climate experts and with other CBN members to accelerate action in areas such as the setting and implementing of Science-Based Targets, supply chain engagement and investing

in emissions reductions and nature-based

solutions beyond the value chain.



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Reducing our Carbon Footprint (continued)

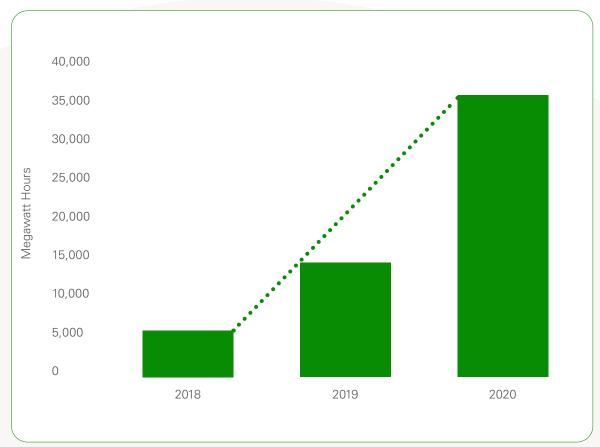
Of note, McCormick's Peterborough facility is set to become the Company's first Net Zero Carbon Building. The 93,000 square meter (approximately 1 million square feet) facility adheres to the highest level of the UK Green Building Council's (UKGBC) Net Zero Buildings Framework, delivering Net Zero Carbon in both construction and operations. We applied a "build less, build clever and build efficiently" methodology to reduce carbon emissions from construction by an estimated 30%. Achieving Net Zero Carbon in construction and operations marks a major achievement for our Company. The landmark facility and design process represents a major advancement for sustainable construction and operations as well as the future of our business. Measures like on-site, low-carbon concrete mixing capabilities and reuse of excavated soil helped us reduce emissions and limit the environmental impact of construction. The remaining construction emissions were offset through our investment in wind power in Turkey. In

addition to McCormick's wind offsets, the Company has gone a step further by supporting long-term reforestation efforts through the Woodland Carbon Code (WCC) at The Lowther Whale initiative in the Lake District National Park.

McCormick pursued immediate impacts through responsible construction practices and high-quality carbon offsets, while building a long-term approach through support for reforestation and a commitment to Net Zero operations at the Peterborough facility. Electricity at the Peterborough site will come from renewable sources, and the facility's air-line cleaning system, water measurement and monitoring, solar panels and efficient refrigeration will advance the Company's sustainability best practices. The Peterborough facility represents a blueprint for sustainable manufacturing for the firm's global operations.

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Total Renewable Energy Purchased or Generated





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Supporting Biodiversity and Forest Conservation in Madagascar

As part of McCormick's sustainable vanilla sourcing program, McCormick has partnered with USAID Biodiversity and Sustainable Landscape Conservation and Communities Projects in two regions of Madagascar to encourage biodiversity, improve farmer livelihoods and prevent deforestation. By supporting responsible vanilla production that is free from deforestation, improving farmer livelihoods and curbing other deforestation drivers

in these communities, McCormick aims to slow the clearing of forests, which sequester carbon from the atmosphere, an important resource that regulates our climate and provides essential environmental benefits. These projects currently support over 3,000 vanilla farmers in Madagascar.





Supplier Leadership on Climate Transition (S-LoCT)

With the help of Guidehouse, we provide our suppliers access to financial support and monthly training to understand how to establish Scope 1, 2, and 3 footprints, how to set science-based targets, and how to abate emissions throughout their operations. McCormick has engaged more than 90 of our suppliers through this program, including suppliers who form a significant portion of our Scope 3 greenhouse gas footprint. In April 2021, together with our partners, we launched the inaugural training season of S-LoCT and 25

of our suppliers participated in the 6-month training. The program was so successful that in October 2021, five additional food industry and packaging companies joined S-LoCT as brand sponsors and more than 180 supplier companies enrolled in the program, including more than 40 McCormick suppliers. In 2022 more training tracks are being added and the brand sponsors continue to grow. S-LoCT will offer two 6-month trainings each year.

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Protecting Bees Around the World

With a changing climate comes threats to biodiversity and ecosystems that are critical to our suppliers and their ability to produce our ingredients profitably and reliably. McCormick supports bee populations around the world. We partner with the True Source HoneyTM Certification program to ensure the suppliers in our honey supply chain use transparent and ethical practices.

L'Observatoire Francais d'Apidologie (L'OFA) protects bees' vital ecosystems in Provence and is located near our facilities in Avignon, France. Through our "Local Herbs" line for Ducros, L'OFA tends beehives at a manufacturing cooperative in Provence to further their efforts to preserve healthy black bee populations in the region. Our French employees plant seed flowers and our sales team distributes L'OFA honey to support our "plant flowers for bees" campaign.

In Canada, McCormick's Billy Bee Honey brand provides funding for the Honeybee Research Center at the University of Guelph. The research center supports funding and research related to the health of honeybee populations in Canada and worldwide. McCormick has also funded and participated in efforts to foster collaborative action within the Canadian honeybee industry through associations like the Canadian Honey Council.





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Waste Management

McCormick has identified opportunities to reduce its operational impact through waste management.

Reuse, waste diversion and circular products all provide opportunities to optimize costs and environmental performance.

McCormick's waste management goal seeks to recycle and recover 80% of solid waste from our facilities by 2025. We recognize that we haven't made the progress expected and we are identifying additional opportunities to improve our waste recycling and management processes. We're also strengthening our governance process to ensure we're making the progress needed to reach our goal. To date, we've implemented programs to monitor our solid waste streams for all facilities in the Americas. Waste management draws on the logistical expertise of our staff to design site-specific plans to manage waste appropriately for individual geographies and municipal waste systems.

In Thailand, McCormick has partnered with a waste supplier to transform unused pepper, flour and water into fertilizer for local farmers. The initiative diverts solid waste and provides organic fertilizer to support the livelihood and resilience of farmers. More information on McCormick's efforts to support farmers is included in the **Farmer Communities and Livelihoods** section of this report.

Our partnership with Used Cardboard Boxes (UCB) has helped to divert significant waste from our manufacturing operations. Used Cardboard Boxes manages waste at over 15 McCormick sites, implementing a solution to divert cardboard boxes to secondary markets resulting in cost savings and environmental benefits. Additionally, in Dallas, we divert organic waste from the landfill to a compost facility and in Atlanta, we recycle fiber drums by mixing them in with cardboard recycling. At our Springfield, Missouri, distribution center, we work with a third party to break down any unsold products into compostable material and packaging.





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Water

Although McCormick isn't a large user of water, we monitor water use in both our operations and supply chain. Our goal is to reduce water use in our facilities by 20% by 2025. Despite a 1% increase in water use in 2021 against our 2015 baseline, we have shown improvement. Additionally, we have identified several areas of focus to make progress toward our 2025 goal. We are also working to align our water baseline and target years to be consistent with our new 1.5°C GHG goals. Given our acquisition activity and the complexity of changeovers during operations, it will take focus and creativity to reach our goal. We will continue to devote resources to identify water savings and manage our water use efficiently to reduce our water within our facilities and reach our target.

McCormick uses the World Resource Institute's
Aqueduct Water Risk tool to understand water stress
in the geographies where the Company operates.
McCormick also engages third parties with robust
capabilities for identifying water savings and efficiency.
These parties have identified a number of water
saving opportunities we are currently working to

implement. Notably, our Springfield, Missouri, facility has reduced water used in its processes based on the recommendations. A new wastewater treatment systems installed at our Peterborough, UK facility will help us to manage our wastewater more effectively. We have comprehensive wastewater effluent monitoring programs at our McKutas facility in Izmir, Turkey; McPesa in Mexico City, Mexico; Stefanowo, Poland; Wuhan, Shanghai and Guangzhou, China; Hunt Valley, Maryland, U.S., and Clayton, Australia, ensure compliance and result in efficient and proper operation of our wastewater treatment systems. Our McCormick facility at Palmwoods in Queensland, Australia, has been fitted to capture and reuse rainwater.

Outside of our facilities, we have been working with our farmers and suppliers to integrate water conservation measures into their farming practices. In India, McCormick demonstrated water savings through drip irrigation on 2,573 acres of red pepper fields, which helped save approximately 9.200 million liters of water.

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Commitment and Rigor

Our greenhouse gas, waste and water data is subject to a rigorous audit process and we also seek verification of our GHG and water data through a third party.

Through CDP (formerly the Carbon Disclosure Project), a not-for-profit global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts, we provide detailed information on our operations and impact. We provide detailed information on GHG emissions and water use.

Our Environmental Policy demonstrates our commitment to preventing pollution and environmental compliance, promoting the sustainability of the natural resources central to our products, and complying with environmental laws and regulations. At the same time, we are committed to providing

quality products and positively impacting the communities in which we operate. The policy places leadership and responsibility for environmental management in the hands of all employees and encourages our staff to report any environmental concerns.

Our Environmental Management System (EMS) uses a global recognition scoring system to inform the controls and monitoring of our facilities. In 2021, our Clayton site achieved our highly protected environmental compliance management status. Our goal is to ensure that required management practices are fully implemented. Our focus on sophisticated effluent monitoring programs, new wastewater treatment systems and continued improvements to our EMS elements have contributed to the success of our environmental management.





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Sustainable Packaging

Approach

McCormick is committed to taking a multi-pronged and disruptive approach to reduce the environmental impact from its plastic packaging by decreasing its associated carbon footprint and eliminating plastic packaging that cannot be recycled, reused or repurposed.

By 2025, we're aiming to reduce the carbon footprint from our packaging by 25% and achieve 100% circular plastics packaging (reused, recycled or repurposed) in consumer products.

Our progress is tracked using a life cycle assessment tool that determines the equivalent carbon dioxide emissions for each packaging format. In addition, 84% of our plastic packaging is able to be reused, recycled or repurposed. To underscore our commitment to a circular plastics economy, we signed the New Plastics Economy Commitment led by the Ellen MacArthur Foundation to commit to creating circular plastic packaging to eliminate plastic pollution.



84% of our plastic packaging can be reused, recycled or repurposed.



We've reduced McCormick's packaging carbon footprint through packaging optimization.





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Global Packaging Initiatives

At McCormick, we've introduced sustainable packaging to select product lines over time and have learned firsthand how sustainable packaging drives profitability. For example, our packaging commitments are partially underpinned by ongoing light-weighting efforts, which reduces both the packaging carbon footprint and direct costs to the business. Now, when a new product design is called for, our packaging team ensures that sustainability is embedded in the decision-making process.

We completed an audit of our existing portfolio to determine problematic plastics and ultimately eliminated 95% of BPA (Bisphenol A) from all of our packaging in order to achieve 100% circular plastics packaging (reused, recycled or repurposed). We also identified problematic multilayer plastics (13%), those typically used to make sachets, as the main barrier. Our intention is to replace this with a mono-polymer or fiber-based film that is recyclable by 2025. We will also remove the 3% multicomponent rigid packaging, which will then make all of our plastic packaging recyclable.

Since then, we've introduced upwards of 146 initiatives across all geographies to help us meet our sustainable packaging goals. We've also replicated successful initiatives across our global regions. Not only will these initiatives propel us towards achieving our goals, but new product innovation also strengthens our relevance with consumers and differentiates our brand.

Our global packaging team identifies targets utilizing our global packaging PLP database to demonstrate progress and risks. All regions have agreed to use a Comparative Packaging Assessment software tool, which is used calculate sustainability impact decisions as we consider packaging material and process choices.





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North and Central America

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- We've evaluated the barrier properties of several potential monopolyethylene laminate (mono-PE) structures, which is a type of barrier film that is both flexible and recycle-ready.
- We are trialing a mono-PE recipe mix structure and have begun a shelf-life study with proposed mono-PE recipe mix structures.

EMEA

- We launched the spin grinder design for recyclability, which has led to a 7% reduction in our carbon footprint.
- We switched to 100% mono-material PP to improve packaging waste sorting.
- We completed first trial lines on "Première Saveur" new lightweight glass bottle design.
- We're continuing the roll out of our First Choice glass bottle into the Eastern European market with its consumer-preferred transparent and functional design, modern looks and reinforcement of fresh flavor. So far, this has led to a 7% reduction in our carbon footprint.
- The switch to 100% recyclable recipe mix sachets will mean that compared to its original packaging, Schwartz is using 61% less plastic, and there will be a 30% reduction in the brand's recipe mixes' carbon footprint.

APZ

- In 2021, we joined the Redcycle™ Product Stewardship Program, established by the RED Group, which is designed to provide an innovative recovery and recycling solution for post-consumer flexible plastic packaging through a national network of retail drop off points. McCormick Foods packaging can now be diverted from landfill and returned for recycling into Australian-made outdoor products and roads infrastructure for Australian communities.
- In China, we've started to develop mono-material film and we have an ongoing project to reduce plastic and glass use.

















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Global Disruptive Innovation Team

McCormick's new Global Disruptive Innovation Team has been created to look internally and externally for category-wide disruptive packaging and technical innovations. Staffed cross-functionally, including representation from packaging, marketing, product R&D and supply chain, this team works together to harness innovative thinking and heighten its impact.

While we've made strides to meet our packaging goals, our Global Disruptive Team has challenged to search for new materials, technologies, and processes to capture incremental environmental benefits from our package design process.

A key area of focus for the team is finding new solutions to improve our packaging formats. For instance, packaging recyclability is a key consumer concern and working with leading packaging suppliers has allowed McCormick to develop recyclable solutions for our products, including fully recyclable packaging for our recipe mix line in the UK.

In April 2021, McCormick Australia joined the Redcycle™ Product Stewardship Program, a sustainable packaging initiative designed to provide an innovative recovery and recycling solution for post-consumer flexible plastic packaging through a national network of retail drop-off points. As a result, all McCormick Foods packaging can now be diverted from landfills and recycled to build roads to support Australia's infrastructure, as well as numerous outdoor products.

At McCormick, we're innovating with the consumer in mind, which has led our Global Disruptive Innovation Team to explore broad sustainability experiences inclusive of agricultural technology, vertical farming and controlled growing, as well as novel processing methods to ensure consumers are cooking with flavors that they enjoy.



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SUBJECT	DISCLOSURE	UNIT OF MEASURE	2018	2019	2020	2021	3 R D P A R T Y R E F E R E N C E
	Total assets	USD	\$10,256,400,000	\$10,362,100,000	\$12,089,700,000	\$12,905,800,000	GRI 102-7-a
	Beneficial ownership, including the identity and percentage of ownership of the largest shareholders	Percentage	2018 Proxy	2019 Proxy	2020 Proxy	2021 Proxy	GRI 102-7-b
	Net sales or net revenues by countries or regions that make up five percent or more of total revenues	USD	\$5,302,800,000	\$5,347,400,000	\$5,601,300,000	\$6,317,900,000	GRI 102-7-c
	Costs by countries or regions that make up five percent or more of total costs	USD	\$4,411,700,000	\$4,389,700,000	\$4,601,800,000	\$5,302,800,000	GRI 101-7-d
	Total number of employees by country or region	Number	11,600	12,400	Approx. 13,000	Approx. 14,000	GRI 101-7-e
	Direct economic value generated and distributed (EVG&D on an accruals basis	USD	\$5,042,300,000	\$4,993,600,000	\$5,253,600,000	\$5,959,400,000	GRI 201-1-a
	Name of largest supplier	Name	Dairy Farmers of America	Dairy Farmers of America	Dairy Farmers of America	Dairy Farmers of America	
Company Profile	Name of largest publicly listed supplier	Name	OLAM International	OLAM International	OLAM International	OLAM International	
	Production by reportable segment	Metric tonnes	1,086,286	1,134,775	1,118,035	1,216,256	SASB RT-CH-000.A
	"Green/Clean revenue (Non-GMO, organic or sustainably sourced as a % of total revenue)"	Percentage	52%	52%	51%	49%	
	Standardized clean revenue segment	Name	Organic and Sustainably Harvested: Food and Beverages				
	Amount from clean revenue segment	USD	\$2,759,108,419	\$2,756,543,800	\$2,840,625,194	\$3,118,873,971	
	Total clean capital expenditures	USD	NC	\$10,628,467	\$36,019,122	FY 21 Data will be available early 2022	



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SUBJECT	DISCLOSURE	UNIT OF MEASURE	2018	2019	2020	2021	3 R D PARTY REFERENCE
	Percentage of operations assessed for risks related to corruption	Percentage	NC	NC	NC	100%	GRI 205-1-a
	Percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region	Percentage	NC	NC	NC	100%	GRI 205-2-a
Anti-Corruption	Percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region	Percentage	NC	NC	NC	100%	GRI 205-2-b
	Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases	Number	0	0	0	0	GRI 205-3-d
Political Contributions	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary	USD	\$0	\$0	\$0	\$0	GRI 415-1-a
	Significant fines and non-monetary sanctions for non- compliance with environmental laws and/or regulations in terms of total monetary value of significant fines ¹	USD	NC	NC	NC	0	GRI 307-1-a
Sanctions and Fines	Significant fines and non-monetary sanctions for non- compliance with environmental laws and/or regulations in terms of total number of non-monetary sanctions ¹	Number	NC	NC	NC	1	GRI 307-1-b
	Significant fines and non-monetary sanctions for non- compliance with environmental laws and/or regulations in terms of cases brought through dispute resolution mechanisms ¹	Number	NC	NC	NC	0	GRI 307-1-c

¹ Data not yet available for FY2021



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SUBJECT	DISCLOSURE	UNIT OF MEASURE	2018	2019	2020	2021	3RD PARTY REFERENCE
	Women in executive management (direct reports to the CEO)	Percentage	27%	27%	25%	14%	
	Women on Board of Directors	Percentage	27%	30%	36%	36%	
Belonging at McCormick	Ethnically Diverse Board of Directors	Percentage	NC	27%	36% [†]	36% [†]	
belonging at McCommick	Women Executives	Percentage	39%	40%	40%	42%	
	Ethnically Diverse Executives	Percentage	NC	NC	28%	23%	
	Paid sick leave	Number	8 days for US employees	. Annual Shutdown for Chris	tmas in the US- on average	4 or 5 days	
Growth & Development at McCormick	Employee turnover (number of terminated employees / average number of employees per day)	Percentage	18%	18%	13%	18%	
	Fatalities	Number	0	0	0	0	403-9-a
	Lost Time Injury rate	LTIs per 200,000 hours	0.35	0.30	0.29	0.24	
	Lost Time Injury frequency rate	LTIs per million hours worked	NC	NC	1.45	1.19	
	Occupational Illness frequency rate	Occupational Illnesses per million hours worked	NC	NC	0	0	GRI 403-10
	For all employees: The number and rate of fatalities as a result of work-related injury	Number	0	0	0	0	GRI 403-9-a
Occupational Health &	For all employees: The number and rate of recordable work-related injuries	Number	NC	NC	NC	Number: 64 Rate: .44	GRI 403-9-c
Safety	Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked	Hours	NC	NC	NC	200,000	GRI 403-9-m
	For all employees: The number and rate of fatalities as a result of work-related ill health	Number	NC	NC	NC	0	GRI 403-10-a
	For all employees: The number of cases of recordable work-related ill health	Number	NC	NC	NC	0	GRI 403-10-b
	For all employees: The main types of work-related ill health	Number	NC	NC	NC	0	GRI 403-10-c
	Total recordable incident rate (TRIR) for (a) direct employees and (b) contract employees*	Number	0	0	0	.44	SASB RT-CH-320a.1
	Fatality rate for (a) direct employees and (b) contract employees	Percentage	0%	0%	0%	0%	SASB RT-CH-320a.1

^{*} This data is reflected for employees only as we do not collect it for contractors.

[†] Race/ethnicity and national origin diversity.



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SUBJECT	DISCLOSURE	UNIT OF MEASURE	2018	2019	2020	2021	3 R D PARTY REFERENCE
	Global Food Safety Initiative (GFSI) audit non-conformance rate for (a) major and (b) minor non-conformances	Number	NC	NC	NC	Major: 0 Minor: 214	SASB FB-PF-250a.1
Nutrition & Health	Global Food Safety Initiative (GFSI) audit associated corrective action rate for (a) major and (b) minor non-conformances	Percentage	NC	NC	NC	Major: 0% Minor: 99.5%	SASB FB-PF-250a.1
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Percentage	NC	NC	NC	85.05%	SASB FB-PF-250a.2
	Revenue from products labeled as containing genetically modified organisms (GMOs)	USD	\$2,488,853,636	\$2,596,951,697	\$2,666,822,843	\$2,924,825,977	SASB FB-PF-270a.2 ; RT- CH-410c.1
Nutrition & Health	Revenue from products labeled as non-GMO	USD	\$2,759,108,419	\$2,756,543,800	\$2,840,625,194	\$3,118,873,971	SASB FB-PF-270a.2 ; RT- CH-410c.1
(continued)	Percentage of advertising impressions made on children	Percentage	NC	NC	NC	0%	SASB FB-PF-270a.1
	Percentage of advertising impressions made on children promoting products that meet dietary guidelines	Percentage	NC	NC	NC	0%	SASB FB-PF-270a.1



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 ${\bf 2021\,Update-Communities}$

SUBJECT	DISCLOSURE	UNIT OF MEASURE	2018	2019	2020	2021
Philanthropy & Charitable Donations	Corporate giving	USD	\$7,497,341	\$7,287,525	\$10,459,260	\$8,279,265

BRD PARTY REFERENCE	



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SUBJECT	DISCLOSURE	UNIT OF MEASURE	2018	2019	2020	2021
Sustainable Supply Chain	Sustainable Palm Oil Sourcing	Percentage	NC	4% sustainable a) 1%-RSPO- certified by volume b) 3%-covered by RSPO Credits	100% sustainable a) 83%- Physically RSPO-certified b) 17%- covered by RSPO Credits	100% sustainable a) 86% - Physically RSPO-certified b) 14% - covered by RSPO Credits
	Non-renewable fuels purchased (nuclear fuels, coal, oil, natural gas, etc.)	MWh	180,486	184,246	183,195	212,270
	Non-renewable electricity purchased ¹	MWh	188,619	183,389	173,113	123,125
Energy	Steam/heating/cooling and other energy purchased	MWh	7,854	7,738	6,596	6,280
	Total renewable energy purchased or generated	MWh	4,418	12,870	34,299	92,262
	Total non-renewable energy sold	MWh	0	0	0	0

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	3 R D PARTY REFERENCE
	GRI 302-1-a
	GRI 302-1-b



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Energy Continued	Total energy consumption within the organization ¹	MWh	381,377	388,243	397,203	433,937
	Energy reduction projects	Number	19	8	15	FY 21 Data will be available early 2022
	Estimated annual CO2eq savings	Mt CO2eq	1,683	5,221	6,490	FY 21 Data will be available early 2022
	Total annual investment required	USD	\$2,334,000	\$4,613,500	\$745,537	FY 21 Data will be available early 2022
	Total anticipated annual cost savings	USD	\$248,219	\$304,900	\$203,675	FY 21 Data will be available early 2022
	Average payback period	Years	9	15	4	FY 21 Data will be available early 2022

3 R D PARTY REFERENCE
GRI 302-1-k

¹ Data not yet available for FY2021



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	Ground water	Megaliters	299	381	303	351	
	Fresh surface water	Megaliters	NC	4	3	3	
	Municipal water	Megaliters	1,864	1,952	1,937	2,075	
Water & Effluents	Total net fresh water consumption	Megaliters	2,163	2,337	2,243	2,430	
	Water use results*	Percentage	1% reduction*	4% increase*	4% increase*	1% increase*	
	Total water withdrawal to all areas in megaliters, and a breakdown of this total by the following types of destination: Surface water	Megaliters	NA	4	3	3	
	Total water withdrawal to all areas in megaliters, and a breakdown of this total by the following types of destination: Ground water	Megaliters	299	381	303	351	
	Total water withdrawal to all areas in megaliters, and a breakdown of this total by the following types of destination: Third-party water	Megaliters	1,864	1,952	1,937	2075	
	Total of above water withdrawal to all areas in megaliters	Megaliters	2,163	2,337	2,243	2430	
	The number of occasions on which discharge limits were exceeded	Number	NC	NC	NC	23	

3 R D P A R T Y R E F E R E N C E
GRI 303-3-a
GRI 303-3-b
GRI 303-3-e
GRI 303-3-f
GRI 303-4-j

^{*}Adjusted for product mix effects and production volume.



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	Direct (Scope 1) GHG emissions	Mt CO2eq	31,830	32,552	31,853	37,889	TCFD; SASB RT-CH- 110a.1; GRI 305-1-a
	Energy indirect (Scope 2) GHG emissions ¹	Mt CO2eq	93,662	92,755	87,427	58,726	TCFD; GRI 305-2-a
	Total Scope 3 GHG emissions	Mt	2,463,035	2,587,752	2,632,627	3,121,649 [†]	TCFD; GRI 305-3-a
	Scope 3 GHG emissions within target	Mt CO2eq	1,869,859	1,901,328	1,957,027	2,354,356†	TCFD
	GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO2 equivalent	Percentage	1%	1%	1.7% increase	6.9% decrease [†]	GRI 305-5-a
Emissions	Environmental Violations > \$10,000	Number	None*	None*	None*	None*	
	Significant air emissions, in kilograms or multiples, for each of the following: NOX	Mt	25	26	27	28	GRI 305-7-a; SASB RT-CH- 120a.1
	Significant air emissions, in kilograms or multiples, for each of the following: SOX	Mt	0	0	0	0	GRI 305-7-b; SASB RT-CH- 120a.1
	Significant air emissions, in kilograms or multiples, for each of the following: Volatile organic compounds (VOC)	Mt	13	13	13	13	GRI 305-7-d; SASB RT-CH- 120a.1
	Significant air emissions, in kilograms or multiples, for each of the following: Particulate Matter (PM)	Mt	2	2	2	2	GRI 305-7-f; SASB RT-CH- 120a.1
	Significant air emissions, in kilograms or multiples, for each of the following: Other standard categories of air emissions identified in relevant regulations	Number	0	0	0	0	GRI 305-7-g; SASB RT-CH- 120a.1
	Total number and total volume of recorded significant spills ¹	Number	0	0	0	0	GRI 306-3-a
	Impacts of significant spills ¹	Number	None	None	None	None	GRI 306-3-c
Waste	Waste generated	Mt	54,104	67,218	68,400	70,477	
	Waste recycled	Mt	33,125	42,383	45,243	43,734	
	Total waste disposed	Mt	20,979	24,835	23,158	26,743	
	Solid waste and recycling results	Percentage	61%	63%	66%	62%	

[†] Fona and Cholula has been included since 2020

^{*}McCormick has not had any significant environmental violations or penalties in the past four fiscal years. Penalties less than \$10,000 individually are not considered significant.



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McCormick Global Reporting Initiative (GRI) Index Table

SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
	102-1	Name of the organization	McCormick & Company Incorporated
	102-2	Activities, brands, products, and services	About McCormick & Company 10-K (pages 6-7)
	102-3	Location of Headquarters	Hunt Valley, Maryland
	102-4	Location of Operations	Australia: Melbourne; Palmwoods Canada: London, Ontario; Mississauga, Ontario China: Guangzhou; Shangai; Wuhan France: Carpentras; Compans; Monteux India: New Dehli Italy: Florence Mexico: Cuautitlan de Romero Rubio Poland: Stefanowo Thailand: Chonburi United Kingdom: Haddenham, England; Heywood, England; Littleborough, England United States: Aberdeen, Maryland; Atlanta, Georgia; Belcamp, Maryland; Byhalia, Mississippi; Commerce, California; Gretna, Louisiana; Hunt Valley, Maryland; Irving, Texas; Lakewood, New Jersey; Salinas, California; South Bend, Indiana; Springfield, Missouri
	102-5	Ownership and Legal Form	Public Corporation
	102-6	Markets Served	About McCormick & Company
Organizational Profile	102-7	Scale of the Organization	2022 Proxy Statement ; 10-K
organizational Fromo	102-8	Information on Employees and Other Workers	Approximately 14,000 employees
	102-9	Supply Chain	McCormick ingredients are sourced from a variety of locations, including: Brazil, Canada, China, India, Indonesia, Madagascar, Mexico, Turkey, United States, and Vietnam. The most significant raw materials used in our business are dairy products, pepper, vanilla, garlic, capsicums (red peppers and paprika), onion, rice and wheat flour. Pepper and other spices and herbs are generally sourced from countries other than the United States. Other raw materials, like dairy products and onion, are primarily sourced locally, either within the United States or from our international locations. Because the raw materials are agricultural products, they are subject to fluctuations in market price and availability caused by weather, growing and harvesting conditions, market conditions, and other factors beyond our control.
	102-10	Significant Changes To The Organization And Its Supply Chain	 In 2017, McCormick strengthened its flavor leadership with addition of iconic products, including Frank's RedHot® Hot Sauce & French's® Mustard. In 2020, McCormick completed the acquisition of Cholula Hot Sauce and acquired FONA International. Each McCormick entity is tracked through a Global Tracker which maintains all Imports and Exports locations and is updated on a quarterly Basis.
	102-11	Precautionary Principle or Approach	Our purchases of raw materials are subject to fluctuations in market price and availability caused by weather, growing and harvesting conditions, market conditions, governmental actions and other factors beyond our control.
	102-12	External Initiatives	McCormick engages external stakeholders and develops partnerships with organizations around the world to improve the resilience of our farmers. McCormick has partnered with IFC, CARE, and WWF to conduct risk and opportunity assessments in key countries of origin and to inform the design of our Sustainable Sourcing framework. McCormick has partnered with USAID, USDA, GIZ and NCBA CLUSA to improve the resilience of around 10,000 vanilla smallholder farmers in Madagascar and Indonesia. These initiatives aim to increase incomes while protecting biodiversity and improving governance through strong farmer cooperatives and Rainforest Alliance certification. McCormick has partnered with IDH (Sustainable Trade Initiative), IFC and USDA in Vietnam and Indonesia to improve the resilience of approximately 7,000 black pepper farmers. Initiatives include the training of farmers on good agricultural practices with the aim of becoming Rainforest Alliance CertifiedTM, the development of black pepper nurseries to increase production, and providing smallholder farmers with better access to international markets.
	102-13	Membership of Associations	Awards, Recognitions & Partnerships



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SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
Chrodomy	102-14	Statement from Senior Decision Maker	To Our Stakeholders
Strategy	102-15	Key impacts, risks, and opportunities	Annual Report ; 10-K (Item 1A)'
Filing 0 laterality	102-16	Values, principles, standards, and norms of behavior	Policies and Disclosures
Ethics & Integrity	102-17	Mechanisms for advice and concerns about ethics	Business Ethics Policy
	102-18	Governance structure	Corporate Governance Guidelines ; 2022 Proxy Statement (pg. 2)
	102-19	Delegating authority	Our Global Purpose-led Performance Approach
	102-20	Executive-level responsibility for economic, environmental, and social topics	Our Global Purpose-led Performance Approach
	102-21	Consulting stakeholders on economic, environmental, and social topics	Our Global Purpose-led Performance Approach -> Materiality Assessment
	102-22	Composition of the highest governance body and its committees	McCormick Executive Officers ; Corporate Governance Guidelines ; 2022 Proxy Statement
	102-23	Chair of the highest governance body	2022 Proxy Statement
	102-24	Nominating and selecting the highest governance body	2022 Proxy Statement
	102-25	Conflicts of interest	Business Ethics Policy; 2022 Proxy Statement; Corporate Governance Guidelines
Governance	102-26	Role of highest governance body in setting purpose, values, and strategy	2022 Proxy Statement
	102-27	Collective knowledge of highest governance body	Corporate Governance Guidelines
	102-28	Evaluating the highest governance body's performance	Corporate Governance Guidelines ; 2022 Proxy Statement
	102-29	Identifying and managing economic, environmental, and social impacts	As part of the Nominating and Corporate Governance Committee's oversight of McCormick's ESG programs and as provided for in the Board's Corporate Governance Guidelines, the Committee has free access to management employees and information and the Committee has the authority to retain such independent financial, legal, or other advisors as they deem appropriate to assist in the performance of their functions. In discharging their obligations, members of the Board and Committees are entitled to rely on the honesty and integrity of the Company's management employees and its outside advisors and auditors, to the fullest extent permitted by law. The CEO shall report to the Board, as necessary, on material activities of the Management Committee.
	102-30	Effectiveness of risk management processes	2022 Proxy Statement
	102-31	Review of economic, environmental, and social topics	2022 Proxy Statement
	102-32	Highest governance body's role in sustainability reporting	Purpose-led Performance (PLP) Governing Council



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SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
	102-33	Communicating critical concerns	Corporate Governance Guidelines
	102-34	Nature and total number of critical concerns	Corporate Governance Guidelines
	102-35	Remuneration policies	Compensation and Human Capital Committee Charter ; 2022 Proxy Statement
Governance	102-36	Process for determining remuneration	2022 Proxy Statement
(continued)	102-37	Stakeholders' involvement in remuneration	2022 Proxy Statement
	102-38	Annual total compensation ratio	2022 Proxy Statement (pg. 49)
	102-39	Percentage increase in annual total compensation ratio	2022 Proxy Statement (pg. 49) 2022 Proxy Statement (pg. 46) 44.8% increase
	102-40	List of stakeholder groups	Communities; Consumers; Customers; Employees; Farmers; Government; Industry Associations; Investors; Non-Governmental Organization (NGOs); Peers; Regulatory Agencies; Retails Customers; Suppliers; Workforce
	102-41	Collective bargaining agreements	<u>10-K</u> (pg. 4)
Stakeholder Engagement	102-42	Identifying and selecting stakeholders	McCormick's Purpose-led Performance Governing Council is responsible for decision making on economic, environmental, and social topics, with the approval from the Company's Management Committee and, in some cases, Board of Directors.
	102-43	Approach to stakeholder engagement	Examples of our stakeholder engagement can be found on page 4 of our Purpose-led Performance report. Our stakeholder engagement efforts encompass feedback from key groups including our global leadership team, shareholders, employees, customers, consumers, suppliers, intergovernmental organizations ("IGOs"), non-governmental organizations ("NGOs") and trade bodies.
	102-44	Key topics and concerns raised	Our Global Purpose-led Performance Approach -> Materiality Assessment
	102-45	Entities included in the consolidated financial statements	<u>10-K</u> (pg. 2-4)
	102-46	Defining report content and topic Boundaries	Our Global Purpose-led Performance Approach -> Materiality Assessment
	102-47	List of material topics	Our Global Purpose-led Performance Approach -> Materiality Assessment
Reporting Practice	102-48	Restatements of information	Revenue for 2016, 2017 and 2018 restated due to the adoption of accounting standards update ASU2014-09
	102-49	Changes in reporting	Our Global Purpose-led Performance Approach -> Materiality Assessment 2019 Purpose-led Performance Report (pg. 58) 2017 Purpose-led Performance Report (pg. 29)
	102-50	Reporting period	Fiscal years 2020 ("FY20" or "2020") and 2021 ("FY21" or "2021"), from December 1, 2019, to November 30, 2021



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SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
	102-51	Date of most recent report	January 2022
	102-52	Reporting cycle	Biannually
	102-53	Contact point for questions regarding the report	For information contact: Corporate Communications: Lori Robinson lori robinson@mccormick.com
Reporting Practice (continued)	102-54	Claims of reporting in accordance with the GRI Standards	GRI 102-8-a, GRI 102-8-b, GRI 102-8-c, GRI 202-1, GRI 202-2, GRI 204-1, GRI 205-2-d, GRI 205-2-e, GRI 205-3-c, GRI 205-3-d, GRI 102-41, GRI 202-1-a, GRI 202-1-c, GRI 406- 1-a, GRI 402-1-a, GRI 404-1-a, GRI 404-1-b, GRI 403-8-a, GRI 403-8-b, GRI 403-8-c, GRI 416-1, GRI 416-2-a, GRI 416-2-b, GRI 416-2-c, GRI 416-2-d, GRI 417-2-a, GRI 417-2-b, GRI 417-2-c, GRI 417-2-d, GRI 417-3-a, GRI 417-3-b, GRI 417-3-c, GRI 417-3-d, GRI 413-1, GRI 414-1, GRI 414-2-a, GRI 414-2-b, GRI 414-2-c, GRI 414-2-e, GRI 410-1-a, GRI 411-1-a, GRI 412-2-a, GRI 412-2-b, GRI 412-3-a, GRI 303-4-l, GRI 308-1, GRI 308-2-a, GRI 308-2-b, GRI 308-2-d, GRI 308-2-e, GRI 301-3-a
	102-55	GRI content index	Global Reporting Initiative Index
	102-56	External assurance	Not applicable: McCormick currently validates its Purpose-led Performance report internally.
Management Approach	103-1	Explanation of the material topic and its Boundary	2021 Purpose-led Performance Report Our Global Purpose-led Performance Approach -> Materiality Assessment Indices & Data-> Performance Table Corporate Governance Guidelines; 10-K; 2022 Proxy Statement
Wallagement Approach	103-2	The management approach and its components	Corporate Governance Guidelines ; 10-K
	103-3	Evaluation of the management approach	Corporate Governance Guidelines ;10-K
	201-1	Direct economic value generated and distributed	<u>10-K</u> (pg. 17-48)
Economio Annyocoh	201-2	Financial implications and other risks and opportunities due to climate change	TCFD Index
Economic Approach	201-3	Defined benefit plan obligations and other retirement plans	<u>10-K</u>
	201-4	Financial assistance received from government	N/A



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 ${\bf 2021\,Update-General\,Disclosure}$

SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	McCormick supports infrastructure projects in the countries from which we source our top five iconic raw materials, based on identification through needs and risk assessments. Some examples include the construction of primary schools and a bridge to provide improved access for remote villages in Madagascar, the construction of clean drinking water facilities and a water catchment pond in India, and clean drinking water and waste disposal infrastructure as well as a community center in Vietnam. We have also funded projects to improve existing facilities, including health centres in Indonesia. McCormick works with partners on the ground to ensure that local communities and authorities take ownership of the improved infrastructure, ensuring the long-term viability and upkeep of facilities. Communities positively benefit from these investments, as they often meet an immediate need previously identified. For example, in Madagascar, the construction of schools provides access to education, benefiting not only the children who attend, but also reducing the burden on women who bare the majority of the childcare duties when they are not in formalized education. Women therefore have more time for income-generating activities including vanilla farming and processing. The construction of a bridge also provided villagers with improved access to local markets. In India, community members were becoming ill from drinking water sourced locally, and therefore often trucked in clean water from nearby towns. The construction of reverse osmosis water filtering facilities provided clean water, locally, at a much lower cost, while preventing illness. This was particularly important during the COVID-19 pandemic when travel was restricted and trucks carrying water may have been prevented from traveling to these villages. All of these investment are pro bono.
	203-2	Significant indirect economic impacts	Investing in sourcing communities provides a number of economic benefits for McCormick. These investments increase farmer loyalty and build trust with our local sourcing partners, which results in less side-selling and improved quality of raw materials. In years in which yield is low due to weather or other external factors, our suppliers are more likely to have access to raw materials by having these direct relationships with farmers, ensuring continuity of supply for McCormick. These investments also reduce reputational risk for the company. For example, by investing in local schooling, we reduce the risk of child labor within our supply chains. McCormick has received multiple recognitions for our contributions to sustainability, including ranking 6th on the Global 100 most sustainable corporations in the world and the top rated food company on the Barron's most sustainable companies. These recognitions provide indirect positive economic impacts for the company through earned media, which improves our brand value. Through our materiality assessment, we have identified that farmer and community resiliency, raw material sourcing and human rights are the most material issues for external stakeholders and therefore these investments play a role in maintaining and attracting investors and customers and developing relationships with NGOs and funding partners such as USAID, GIZ and USDA.
Procurement Practices	204-1	Proportion of spending on local suppliers	Indices & Data-> Performance Table
	205-1	Operations assessed for risks related to corruption	Total number and percentage of operations assessed for risks related to corruption = 100%
Anti-Corruption	205-2	Communication and training about anti -corruption policies and procedures	People-> <u>Growth & Development</u> at McCormick Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region. = 100% Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region. = 100%
	205-3	Confirmed incidents of corruption and actions taken	Indices & Data-> Performance Table
Anti-Competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	This information is confidential.
	207-1	Approach to tax	Global Tax Policy (Approach to Tax Planning & Compliance)
Тах	207-2	Tax governance, control, and risk management	Global Tax Policy (Tax Risk Management Compliance, Controls and Governance) Audit Committee Charter 10-K (pg. 51)
	207-3	Stakeholder engagement and management of concerns related to tax	<u>10-K</u> (pg. 15)
	207-4	Country-by-country reporting	10-K



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SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
	301-1	Materials used by weight or volume	Indices & Data-> Performance Table
Materials	301-2	Recycled input materials used	Indices & Data-> Performance Table
	301-3	Reclaimed products and their packaging materials	Indices & Data-> Performance Table
	302-1	Energy consumption within the organization	Indices & Data-> Performance Table
	302-2	Energy consumption outside of the organization	Indices & Data-> Performance Table
Energy	302-3	Energy intensity	Indices & Data-> Performance Table
	302-4	Reduction of energy consumption	Indices & Data-> Performance Table
	302-5	Reductions in energy requirements of products and services	Indices & Data-> Performance Table
	303-1	Interactions with water as a shared resource	Indices & Data-> Performance Table
	303-2	Management of water discharge-related impacts	Indices & Data-> Performance Table
Water and Effluents	303-3	Water withdrawal	Indices & Data-> Performance Table
	303-4	Water discharge	Indices & Data-> Performance Table
	303-5	Water consumption	Indices & Data-> Performance Table
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Indices & Data-> Performance Table
Die Herreite	304-2	Significant impacts of activities, products, and services on biodiversity	Indices & Data-> Performance Table
Biodiversity	304-3	Habitats protected or restored	Indices & Data-> Performance Table
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Indices & Data-> Performance Table



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SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	
	305-1	Direct (Scope 1) GHG emissions	Indices & Data-> <u>Performance Table</u> CDP-> <u>Climate Change 2021</u>
	305-2	Energy indirect (Scope 2) GHG emissions	Indices & Data-> Performance Table CDP-> Climate Change 2021
	305-3	Other indirect (Scope 3) GHG emissions	Indices & Data-> Performance Table CDP-> Climate Change 2021
Emissions	305-4	GHG emissions intensity	Indices & Data-> Performance Table CDP-> Climate Change 2021
	305-5	Reduction of GHG emissions	Indices & Data-> Performance Table CDP-> Climate Change 2021
	305-6	Emissions of ozone-depleting substances (ODS)	Indices & Data-> Performance Table
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Indices & Data-> Performance Table The emission factors were obtained from the United States Environmental Protection Agency AP-42, Fifth Edition Compilation of Air Pollutant Emissions Factors, Volume 1: Stationary Point and Area Sources. The emission factors were used to calculate the emissions based on fuel usage globally.
	306-1	Water discharge by quality and destination	Indices & Data-> Performance Table
	306-2	Waste by type and disposal method	Indices & Data-> Performance Table
Effluents and Waste	306-3	Significant spills	Indices & Data-> Performance Table
	306-4	Transport of hazardous waste	Indices & Data-> Performance Table
	306-5	Water bodies affected by water discharges and/ or runoff	Indices & Data-> Performance Table
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Indices & Data-> Performance Table
Supplier Environmental	308-1	New suppliers that were screened using environmental criteria	Indices & Data-> Performance Table
Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	Indices & Data-> Performance Table Planet-> Sustainable Supply Chain
Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	Indices & Data-> Performance Table Sixty (60) days prior to May 24, 2024, McCormick and the French's union (Local 2 of the United Food and Commercial Workers District Union) shall meet in Springfield, Missouri, for the purpose of negotiating the terms and conditions of a new collective bargaining agreement. (See attached Collective Bargaining Agreement, signed May 21, 2021, Article XIX).



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SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
	403-1	Occupational health and safety management system	Indices & Data-> <u>Performance Table</u> People-> <u>Health & Safety</u>
Occupational Health and	403-2	Hazard identification, risk assessment, and incident investigation	People-> <u>Health & Safety</u>
Safety	403-3	Occupational health services	People-> <u>Health & Safety</u>
	403-4	Worker participation, consultation, and communication on occupational health and safety	People-> <u>Health & Safety</u>
	403-5	Worker training on occupational health and safety	People-> <u>Health & Safety</u>
	403-6	Promotion of worker health	People-> <u>Health & Safety</u>
Occupational Health and	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People-> <u>Health & Safety</u>
Safety	403-8	Workers covered by an occupational health and safety management system	Indices & Data-> Performance Table People-> Health & Safety
	403-9	Work-related injuries	Indices & Data-> Performance Table People-> Health & Safety
	403-10	Work-related ill health	Indices & Data-> Performance Table People-> Health & Safety



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 ${\bf 2021\,Update-General\,Disclosure}$

SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
	404-1	Average hours of training per year per employee	Indices & Data-> Performance Table
Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	People-> Growth & Development Outlined are employee skill development programs 2021: The LEADERSHIP ACADEMY is a series of courses designed to train each level of leader in 3 areas: leading self, leading others, leading the business and provides a foundation of 25 new courses and over 40 hours of training per leader, to over 2,500 managers of people globally. Unconscious Bias training and/or Harassment Prevention Training was launched and executed to approximately 9,000 employees. INNOVATE.ALL, a model of training a growth mindset with 4 growth behaviors is targeted training for 600 mid-senior level leaders with 90 minutes of virtual classroom training and 2 hours of coaching per leader. Technology training was available to all employees on the MS TEAMS virtual collaboration tool. LEADERSHIP CAFES and POWER HOURS are quick, 60-minute courses that reinforce well-being while elevating such capabilities as virtual feedback, employee development, and priority management. (Reach is 250 employees per month) The Multiple Management Board, which has been in place for over 100 years, remains the cornerstone of leadership development at McCormick. There are a total of 12 MMBs in 9 countries where groups of 10-20 employees receive leadership development, coaching and executive sponsorship through two 4-month periods per year building skills in Business Knowledge, Teamwork, Networking, Project Management, Peer Feedback, Communication and Presentation Skills. The average hours per FTE in MMB is 100 hours per year, in this subset of McCormick's Management Population. Ignite, a Global Women's leadership program designed to accelerate and improve our pipeline of women talent into leadership levels, graduates about 20+ candidates per year. Program Leo is a training program designed to reach the employees and leaders in the manufacturing sites with a focus on production efficiencies. In 2021, the training was initiated in CANADA with over 1,800 hours of training and more than 1,100 employees learning new skills. Journey to Ex
	404-3	Percentage of employees receiving regular performance and career development reviews	Indices & Data-> Performance Table People-> Growth & Development
Diversity and Equal	405-1	Percentage of employees receiving regular performance and career development reviews	Indices & Data-> Performance Table
Opportunity	405-2	Diversity of governance bodies and employees	Indices & Data-> Performance Table
Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	Indices & Data-> Performance Table People-> Inclusion at McCormick
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Communities-> <u>Human Rights</u> -> <u>New Global Policy</u>
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	Communities-> <u>Human Rights</u> -> <u>Ethical Supply Chains</u>
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Communities-> <u>Human Rights</u> -> <u>Ethical Supply Chains</u>
Security Practices	410-1	Security personnel trained in human rights policies or procedures	Indices & Data-> Performance Table Communities-> Human Rights
Rights of Indigenous People	411-1	Incidents of violations involving rights of indigenous peoples	Indices & Data-> Performance Table Communities-> Human Rights



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SUBJECT	ITEM REFERENCE	METRIC / DISCUSSION ITEM	DISCLOSURE
	412-1	Operations that have been subject to human rights reviews or impact assessments	Indices & Data-> <u>Performance Table</u> Communities-> <u>Human Rights</u>
Human Rights Assessment	412-2	Employee training on human rights policies or procedures	Indices & Data-> Performance Table Communities-> Human Rights-> New Global Policy
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Indices & Data-> Performance Table
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Indices & Data-> Performance Table
	413-2	Operations with significant actual and potential negative impacts on local communities	McCormick does not have a physical presence in the communities from which we source raw materials and therefore no actual or potential negative impacts have been identified.
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Indices & Data-> Performance Table
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	Indices & Data-> Performance Table
Public Policy	415-1	Political contributions	Indices & Data-> Performance Table
	416-1	Assessment of the health and safety impacts of product and service categories	Indices & Data-> Performance Table
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Indices & Data-> Performance Table
	417-1	Requirements for product and service information and labeling	Not applicable
Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	Indices & Data-> Performance Table
	417-3	Incidents of non-compliance concerning marketing communications	Indices & Data-> Performance Table



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McCormick Sustainability Accounting Standards Board (SASB) Table

 ${\bf 2021\,Update-Accounting\,Metrics}$

SUBJECT	SASB CODE	ACCOUNTING METRIC	DISCLOSURE
	FB-PF-130a.1; RT-CH-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Indices & Data-> <u>Performance Table</u>
Quantitative	FB-PF-140a.1; RT-CH-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Indices & Data-> Performance Table
	FB-PF-140a.2; RT-CH-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Indices & Data-> <u>Performance Table</u>
Discussion & Analysis	FB-PF-140a.3; RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Planet-> <u>Operational Impact</u> -> <u>Water</u>
	FB-PF-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Indices & Data-> Performance Table
	FB-PF-250a.2	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Indices & Data-> Performance Table
Quantitative	FB-PF-250a.3	(1) Total number of notices of food safety violation received, (2) percentage corrected	Indices & Data-> <u>Performance Table</u>
	FB-PF-250a.4	(1) Number of recalls issued and (2) total amount of food product recalled	Indices & Data-> PPerformance Table
	FB-PF-260a.1	Revenue from products labeled and/or marketed to promote health and nutrition attributes	Indices & Data-> Performance Table
Discussion & Analysis	FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	People-> Nutrition & Health-> Our Products
	FB-PF-270a.1	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	Indices & Data-> Performance Table
	FB-PF-270a.2 ; RT-CH-410c.1	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	Indices & Data-> Performance Table
Quantitative	FB-PF-270a.3	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	Indices & Data-> <u>Performance Table</u>
	FB-PF-270a.4	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	Indices & Data-> Performance Table
	FB-PF-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Indices & Data-> Performance Table
Discussion & Analysis	FB-PF-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Planet-> <u>Sustainable Packaging</u> -> <u>Global Initiatives</u>
	FB-PF-430a.1	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	Indices & Data-> Performance Table
Quantitative	FB-PF-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Indices & Data-> Performance Table
	FB-PF-440a.1	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Indices & Data-> <u>Performance Table</u>
Discussion & Analysis	FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	Planet-> <u>Sustainable Supply Chain</u>



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McCormick Sustainability Accounting Standards Board (SASB) Table

2021 Update — Accounting Metrics

SUBJECT	SASB CODE	ACCOUNTING METRIC	DISCLOSURE
Quantitative	RT-CH-110a.1	Gross global Scope 1 emissions	Indices & Data-> <u>Performance Table</u>
Discussion & Analysis	RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance toward those targets	Planet-> Operational Impact-> Reducing Our Carbon Footprint
Quantitative	RT-CH-120a.1	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Indices & Data-> Performance Table
	RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	Indices & Data-> <u>Performance Table</u>
Discussion & Analysis	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	Communities-> Farmers Communities and Livelhoods
Quantitative	RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Indices & Data-> <u>Performance Table</u>
Discussion & Analysis	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	People-> <u>Health & Safety</u>
Quantitative	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	Indices & Data-> <u>Performance Table</u>
	RT-CH-410b.1	(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, (2) percentage of such products that have undergone a hazard assessment	Indices & Data-> Performance Table
Discussion & Analysis	RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	People-> Nutrition & Health-> Our Products
	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Our Global Purpose-led Performance Approach
Quantitative	RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Indices & Data-> Performance Table
	RT-CH-540a.2	Number of transport incidents	Indices & Data-> <u>Performance Table</u>



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McCormick Sustainability Accounting Standards Board (SASB) Table

2021 Update — Activity Metrics

SUBJECT	SASB CODE	ACTIVITY METRIC	DISCLOSURE
Quantitative	FB-PR-000.A	Weight of products sold	N/A
	FB-PR-000.B	Number of production facilities	30
	RT-CH-000.A	Production by reportable segment	N/A





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McCormick Task Force on Climate-related Financial Disclosures (TCFD) Table 2021 Update

SUBJECT	CDP DISCLOSURE REFERENCE	RECOMMENDED DISCLOSURES	ADDITIONAL DISCLOSURES
Governance	C1.1 ; C1.1b	a. Describe the organization's governance around climate-related risks and opportunities.	Our Global Purpose-led Performance Approach-> Purpose-led Performance Governance
	C1.2 ; C1.3	b. Describe management's role in assessing and managing climate-related risks and opportunities.	Our Global Purpose-led Performance Approach-> Purpose-led Performance Governance
Strategy	C2.1- C2.4	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	-
	C2.3a ; C2.4a ; C3.1	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	-
	C3.1a ; C3.1b ; C3.1d	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	-
Risk Management	C2.1; C2.2	a. Describe the organization's processes for identifying and assessing climate-related risks.	-
	C2.1; C2.2; C2.3	b. Describe the organization's processes for managing climate-related risks.	-
	C2.1 ; C2.2 ; C3.1	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	-
Metrics & Targets	C1.3 ; C4.2 ; C4.5 ; C9.1 ; C11.3	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Indices & Data-> Performance Table
	C2.3 ; C5.1 ; C6.1-C6.3 ; C6.5 ; C6.10 ; C7.1	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Indices & Data-> Performance Table
	C4.1 ; C4.2; C6-11	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance toward targets.	Our Global Purpose-led Performance Approach -> Purpose-led Performance Goals



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McCormick United Nations Global Compact (UNGC) Principles

2021 Update

SUBJECT	UNGC PRINCIPLE	McCORMICK'S SUPPORT
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Communities-> <u>Human Rights</u> <u>Business Ethics Policy</u>
	Principle 2: Make sure that they are not complicit in human rights abuses.	Communities-> <u>Human Rights</u> <u>Business Ethics Policy</u>
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Communities-> <u>Human Rights</u>
	Principle 4: The elimination of all forms of forced and compulsory labor.	Communities-> <u>Human Rights</u>
	Principle 5: The effective abolition of child labor.	Communities-> <u>Human Rights</u>
	Principle 6: The elimination of discrimination in respect to employment and occupation.	Communities-> <u>Human Rights</u>
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	Planet-> <u>Sustainable Supply Chain</u> Planet-> <u>Operational Impact</u>
	Principle 8: Undertake initiatives to promote greater environmental responsibility.	Planet-> Sustainable Supply Chain Planet-> Operational Impact Planet-> Sustainable Packaging TCFD Index
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	Planet-> Sustainable Supply Chain Planet-> Operational Impact Planet-> Sustainable Packaging TCFD Index
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Communities-> <u>Human Rights</u>