



McCORMICK & COMPANY, INCORPORATED

TRANSPARENCY IN SUPPLY CHAIN

McCormick Statement Regarding California Transparency in Supply Chains Act of 2010

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 (the Act) went into effect in the State of California. This law aims to increase the amount of information made available by manufacturers and retailers regarding their efforts to address the issue of slavery and human trafficking.

It has always been important that materials used by McCormick in our products are obtained through ethical and fair labor conditions. In general, McCormick's agricultural products are acquired from suppliers who ultimately source raw materials from small individual farms managed by family farmers. In all countries where we process products, our products are processed in facilities that comply with existing local laws. In our processing facilities (foreign and domestic), employees are provided with fair wages, regular working hours and a clean working environment.

McCormick's Global Supplier Code of Conduct makes clear our commitment to fair labor standards and helps ensure that we align ourselves with suppliers that share this commitment. This Code of Conduct states that all vendors, suppliers and contractors who wish to conduct business with McCormick are required to conform with certain principles and practices, such as the following:

- Compliance with applicable laws, including those pertinent to equal employment opportunities, wages and benefits, and worker and product safety.
- Fair employment practices, including those prohibiting child labor, prison or forced labor, or any form of indentured servitude with stipulations of fair working hours and compensation as well for a safe working environment.

Ethical business conduct based on compliance with the law, avoidance of conflicts of interest and respect for the environment.

We seek to ensure that quality, safety and employment standards are maintained throughout our supply chain, and we review our supplier base to determine if corrective actions are needed. Our efforts so far in aligning with the Acts requirements include the following:

Verification and audit of product supply chains

While our Supplier Code of Conduct has been in place for several years, we have designed a risk-based verification process to identify high-risk suppliers and developed an appropriate responsible-sourcing audit approach to ensure that our product suppliers are in compliance with our Code of Conduct.

Contracting practices

McCormick's Global Supplier Code of Conduct is designed to be embedded into our procurement practices (and thereby help ensure that such procurement is free from slavery and human trafficking) by:

- Including references to the Code of Conduct in major requests for quotations;
- Incorporating language in all supply agreements and contracts requiring suppliers to warrant compliance with the Code of Conduct and acknowledge that any known violation may result in immediate termination of any and all business;
- Providing a link to the Code of Conduct in purchase order terms and conditions stating that acceptance of the purchase order constitutes an agreement to adhere to the latest version of the Code of Conduct;
- Requiring acknowledgment of the Code of Conduct as part of an all new suppliers' onboarding process; and
- Issuing the latest Code of Conduct to our current supplier community and allowing access to a website that uploads any revisions in the future.

Internal accountability and staff training

It is the company's policy to be a good corporate citizen, as set forth in our Business Ethics Policy (see ir.mccormick.com under Corporate Governance, then Business Ethics Policy). Wherever McCormick does business, the company's employees are required to comply with applicable laws. A training program has been developed that provides appropriate employees with training on how to mitigate the risk of human trafficking and slavery.

Industry collaboration

In many cases, we are not the only food company working with a given supplier. One reason we are transparent about our suppliers is to reach out to other food brands and organizations to see how we can work together in the factories we share. By getting the rest of the industry involved, we are able to send a stronger message to our suppliers about the importance of operating a responsible workplace.

To aid in our collaboration efforts, we are an active member of the Consumer Goods Forum (CGF), an organization that brings together a broad range of consumer goods retailers and manufacturers to collaborate and help integrate corporate responsibility into core business strategies. The main focuses of this organization are End-to-End Value Chain, Health and Wellness, Sustainability and Product Safety. For more information about the CGF, please visit its website at www.theconsumergoodsforum.com. McCormick is committed to uncompromising integrity in all that it does.