

ACCELERATING GROWTH *for a purpose driven future*

McCormick & Company, Inc.
CAGNY Conference

February 23, 2022



Forward-Looking Information

Certain information contained in this presentation, including statements concerning expected performance, such as those relating to net sales, gross margins, earnings, cost savings, transaction and integration expenses, special charges, acquisitions, brand marketing support, volume and product mix, income tax expense and the impact of foreign currency rates are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These statements may be identified by the use of words such as “may,” “will,” “expect,” “should,” “anticipate,” “intend,” “believe” and “plan.” These statements may relate to: the impact of the COVID-19 pandemic on our business, suppliers, consumers, customers, and employees; disruptions or inefficiencies in the supply chain, including any impact of the COVID-19 pandemic; the expected results of operations of businesses acquired by the company, including the acquisitions of Cholula and FONA; the expected impact of the inflationary cost environment, including commodity, packaging materials and transportation costs on our business; the expected impact of pricing actions on the company's results of operations and gross margins; the expected impact of factors affecting our supply chain, including transportation capacity, labor shortages, and absenteeism; the expected impact of productivity improvements, including those associated with our Comprehensive Continuous Improvement (CCI) program and global enablement initiative; expected working capital improvements; expectations regarding growth potential in various geographies and markets, including the impact from customer, channel, category, and e-commerce expansion; expected trends in net sales and earnings performance and other financial measures; the expected timing and costs of implementing our business transformation initiative, which includes the implementation of a global enterprise resource planning (ERP) system; the expected impact of accounting pronouncements; the expectations of pension and postretirement plan contributions and anticipated charges associated with those plans; the holding period and market risks associated with financial instruments; the impact of foreign exchange fluctuations; the adequacy of internally generated funds and existing sources of liquidity, such as the availability of bank financing; the anticipated sufficiency of future cash flows to enable the payments of interest and repayment of short- and long-term debt as well as quarterly dividends and the ability to issue additional debt securities; and expectations regarding purchasing shares of McCormick's common stock under the existing repurchase authorization.

These and other forward-looking statements are based on management's current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: the company's ability to drive revenue growth; the company's ability to increase pricing to offset, or partially offset, inflationary pressures on the cost of our products; damage to the company's reputation or brand name; loss of brand relevance; increased private label use; product quality, labeling, or safety concerns; negative publicity about our products; actions by, and the financial condition of, competitors and customers; the longevity of mutually beneficial relationships with our large customers; the ability to identify, interpret and react to changes in consumer preference and demand; business interruptions due to natural disasters, unexpected events or public health crisis, including COVID-19; issues affecting the company's supply chain and procurement of raw materials, including fluctuations in the cost and availability of raw and packaging materials; labor shortage, turnover and labor cost increases; government regulation, and changes in legal and regulatory requirements and enforcement practices; the lack of successful acquisition and integration of new businesses; global economic and financial conditions generally, including the on-going impact of the exit of the United Kingdom from the European Union, availability of financing, interest and inflation rates, and the imposition of tariffs, quotas, trade barriers and other similar restrictions; foreign currency fluctuations; the effects of increased level of debt service following the Cholula and FONA acquisitions as well as the effects that such increased debt service may have on the company's ability to borrow or the cost of any such additional borrowing, our credit rating, and our ability to react to certain economic and industry conditions; risks associated with the phase-out of LIBOR; impairments of indefinite-lived intangible assets; assumptions we have made regarding the investment return on retirement plan assets, and the costs associated with pension obligations; the stability of credit and capital markets; risks associated with the company's information technology systems, including the threat of data breaches and cyber-attacks; the company's inability to successfully implement our business transformation initiative; fundamental changes in tax laws; including interpretations and assumptions we have made, and guidance that may be issued, and volatility in our effective tax rate; climate change; Environmental, Social and Governance (ESG) matters, infringement of intellectual property rights, and those of customers; litigation, legal and administrative proceedings; the company's inability to achieve expected and/or needed cost savings or margin improvements; negative employee relations; and other risks described in the company's filings with the Securities and Exchange Commission.

Actual results could differ materially from those projected in the forward-looking statements. The company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

McCormick is End-to-End Flavor



**WE ARE DRIVING GROWTH. WE ARE FOCUSED ON THE FUTURE.
WE ARE CONTINUOUSLY ADDING VALUE.**

We are a Different Kind of Flavor Company

CONSUMER ~60%

Leading and iconic flavor brands in ~170 countries and territories

Products at every price point, from premium branded to private label

Digital leadership

Flavoring fresh, inspiring healthy choices

\$6.3B

2021 Net Sales up 13% from 2020



Large and fast-growing emerging markets penetration
~20% of global sales¹

~15,000 raw materials
sourced from over 80 countries

FLAVOR SOLUTIONS ~40%

Tailored solutions for broad range of customer applications

Leader in healthy, clean label, natural and better-for-you solutions

Culinary, real food leadership

Partnering with global and regional customers

No Matter *What, When or Where* You Eat or Drink, You're Likely Enjoying Something Flavored by McCormick

REACH



Every region

Every channel

At-home & away-from-home

GLOBAL NET SALES BY PRODUCT CATEGORY¹



BREADTH



Every format

Every flavor trend

Every occasion

Consumers are Cooking More at Home ... Today and Tomorrow

SINCE PRE-PANDEMIC



72% are cooking more at home¹

50% are cooking more from scratch ... driven by younger generations¹



58% plan to continue working more from home²

46% purchase their groceries more online²



LONG-TERM CONSUMER TRENDS HAVE ACCELERATED



- Healthy and flavorful cooking
- Trusted brands
- Digital engagement
- Purpose-minded practices

88% plan to maintain or increase level of cooking at home even when things return to “normal”¹



71% enjoy cooking²



64% feel creative cooking¹

>1/2 are eating ALL meals at home today¹



85% have shifted their shopping behavior to more sustainable over last 5 years³

75% believe cooking at home “allows me to prepare healthier, better-for-you meals”¹



>70% think eating healthy is important for emotional wellbeing⁴

McCormick is Uniquely Positioned to Capitalize on the Growing Demand for Flavor

WE ARE DELIBERATELY IN GREAT FLAVOR CATEGORIES

Spices and Seasonings, Recipe Mixes
& Hot Sauce **+6%** projected growth¹

Buy rate and penetration **continue to grow**
in our **key consumer categories**³

Flavor Solutions focused in **high-growth end-markets**¹



**McCormick is
End-to-End
Flavor**

WE INSPIRE CONSUMERS' FLAVOR DISCOVERY AND EXPLORATION

50% like to try new recipes, tools, ingredients, or
cooking methods ... driven by **younger generations**²

More than **60%** find it exciting to
experiment with and **explore new flavors**²

63% increase in recipes included in home menu rotations⁵



WE FLAVOR CONSUMERS' AT-HOME EATING OCCASIONS

72% add flavorful spices and
ingredients when cooking²

1 in 4 dinners at home
include a **Foodservice** item⁴

48% add spices, condiments & sauces
at home to take-out or delivery meals²

WE HAVE THE PERFECT BLEND OF FLAVOR AND HEAT FOR CONSUMERS

Spicy food **8x** non-spicy
growth in the last year⁸

2/3 prefer spicy and bold flavors⁷

More than just heat... seeking
nuanced spicy flavor varieties too⁶

ACCELERATING GROWTH *for a purpose driven future*

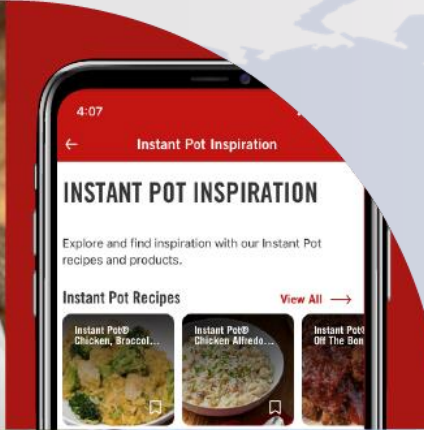
Consumer

CHOOSE YOUR OWN SANDWICH ADVENTURE



Accelerating Our Consumer Segment Growth ... With Purpose

ACCELERATING THE USE OF
FLAVOR AT HOME AND
DELIVERING THE HEAT



BUILDING CONFIDENCE IN
THE KITCHEN AND INSPIRING
CONSUMERS



STRENGTHENING
RELATIONSHIPS AT
EVERY POINT OF
PURCHASE



CREATING A DELICIOUS,
HEALTHY AND
SUSTAINABLE FUTURE



Undisputed Flavor Leadership

Driving Growth From Our New Baseline

GLOBAL SPICES & SEASONINGS²

+20%
Net Sales
2021 vs. 2019



**13.2
Billion**

Additional
At-Home Eating
Occasions
2021 vs. 2019¹

NEW CONSUMERS

+7%
Households
Q4 2021 vs. Q4 2019

GLOBAL CONDIMENTS²

+21%
Net Sales
2021 vs. 2019

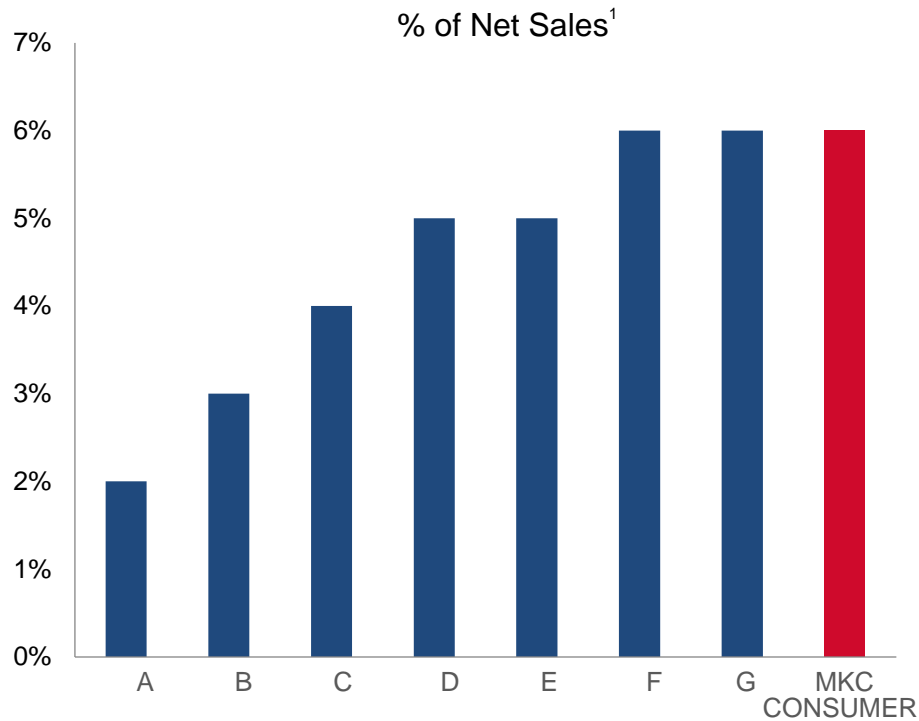


INCREASED USAGE

+10%
Buy Rate
Q4 2021 vs. Q4 2019

Leading the Flavor Conversation and Building Confidence in the Kitchen

INDUSTRY LEADER IN CONSUMER BRAND MARKETING SUPPORT



5-Year Consumer CAGR

Brand Marketing

+8%

Working Dollars

+10%

CATEGORY LEADING INVESTMENT²

SHARE OF VOICE

95%

Spices & Seasonings

86%

Hot Sauce



*“With McCormick
by your side, It’s
Gonna Be Great™”*

Performance Above Industry Norms

4X

Engagement Rate

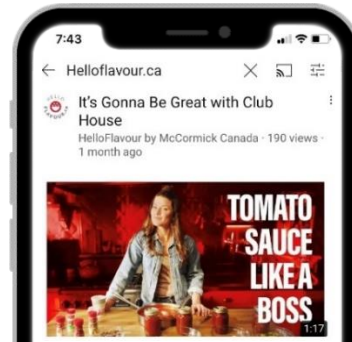
2X

Return on Investment

Driving Consumption by Building Confidence and Inspiring Consumers

DOUBLE-DIGIT CONSUMPTION GROWTH ACROSS OUR KEY CATEGORIES SINCE 2019

Teaching
Consumers to
Cook
Delicious
Meals



Building Brand
Loyalty
Through
Cultural
Relevance



Mustard Day



Euro 2021 Football



#GIRLDADGRILLDAD



Pride Month



Holidays

21 Billion breakthrough earned impressions globally **+45%** since 2020

Further Accelerating the Use of Flavor at Home

EXPANDING CONSUMER-PREFERRED PACKAGING GLOBALLY

LAUNCHING RELEVANT AND DIFFERENTIATED NEW PRODUCTS

REINFORCEMENT OF FRESH FLAVOR



2018 & 2019 Western Europe
Increased Velocity

→

2020 Eastern Europe
#1 Bottle Share

→

2021 Canada
Increased Velocity



MODERNIZED GRINDERS

Millennial-Preferred and Designed for Recyclability

AFFORDABLE AND GREATER VALUE



Entry Price Point



Value Line Launch

Bigger Sizes, Better Value

FLAVOR EXPLORATION



All Purpose Seasoning Flavor



La Grille Flavor

Fresh Flavor Bases



Local & World Flavor Recipe Mixes



Delivering Solutions for Expanding Usage Occasions

BREAKFAST AND LUNCH ARE NOW AT HOME

SMALL APPLIANCE GROWTH HAS BOOMED

+1B¹ BREAKFASTS SHIFTED TO COOKED FROM GRAB-AND-GO



Creating a Flavorful Start to the Day

LUNCH AT HOME +5%²

ADD OUR CLASSIC FLAVORS...



Creating Better Tasting Sandwiches



...AND NOW OUR INNOVATIVE NEW CREAMY MUSTARD

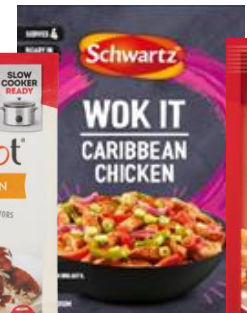


CONSUMER SMALL APPLIANCES +40%³



Recipe Inspiration

Flavoring New Appliance Cooking



New Products & Line Extensions

Reinventing Shopping Experiences to Simplify, Inspire and Grow



McCormick
branded
growing
640 bps
faster

Category and McCormick
**growing faster in
implemented stores**

10,000 stores
through 2021

Improving navigation
and **providing
inspiration**



Driving Hot Sauce to be the Condiment of the Next Generation

**\$5.2B GLOBAL
HOT SAUCE CATEGORY**

6% projected growth
outpacing
total global condiment category²

**YOUNGER GENERATIONS
DRIVING GROWTH**

Over-index with Gen Z and Millennials⁴

123

Hot Sauce
Category

144

FRANK'S
RedHot

129

CHOLULA
HOT SAUCE

**McCORMICK IS #1
HOT SAUCE
COMPANY
IN THE WORLD¹**

**FASTEST
GROWING BRANDS³**



**FRANK'S REDHOT
GLOBAL MOMENTUM**

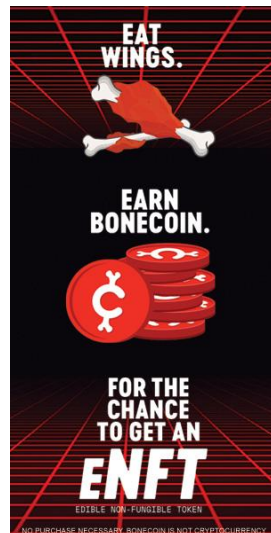
International
+18% CAGR
since 2018⁵

Building Brand Relevance and Hot Sauce Awareness Globally

DRIVING BIG GAME EXCITEMENT WITH FRANK'S REDHOT & ELI MANNING



Edible NFT
Delivered Week
After the Big
Game as
America Copes
With Football
Withdrawal



ELEVATING CHOLULA AWARENESS

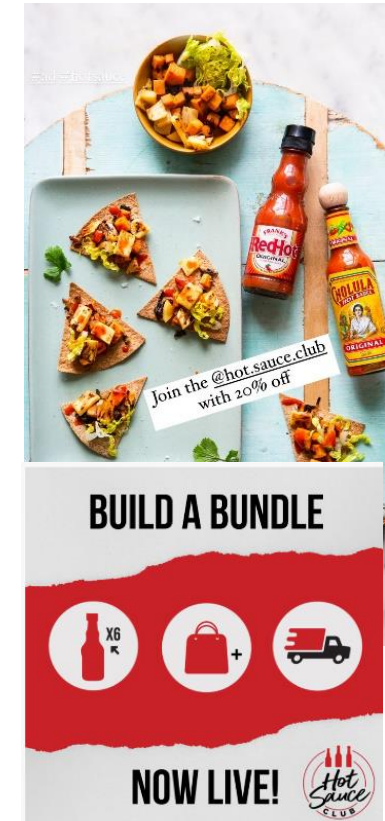


REACHING +14 COUNTRIES WITH GLOBAL ACTIVATIONS



National Chicken Wing Day

LAUNCHING U.K. HOT SAUCE CLUB



Gaining New Households by Bringing on the Heat

LEVERAGING OUR HEAT PORTFOLIO

WIDE RANGE OF HEAT ACROSS ALL CATEGORIES



Spices and Seasonings



Condiments and Sauces

DRIVING FRANK'S REDHOT AND CHOLULA PENETRATION



INCREASED
PENETRATION
SINCE
ACQUISITIONS

Cholula
+100%
Frank's RedHot
+19%

EXPANDING FLAVOR AND HEAT ACROSS CATEGORIES



Seasonings



Frozen



12 oz Green
Pepper

Nashville
Hot

New Frozen Flavors

LAUNCHING
2022
INNOVATION

Winning Online Through Stronger Consumer Engagement

ACCELERATING GLOBAL SALES GROWTH

~20% of **Global Consumer Branded Growth**
from E-Commerce
since 2019

High-Single Digit %
of Branded Consumer Sales

GROWING CONSUMER RELATIONSHIPS

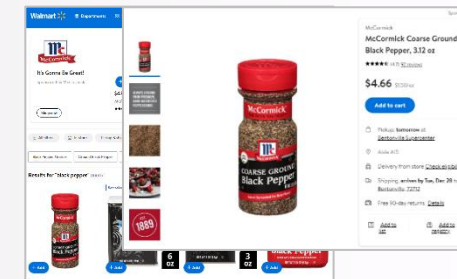


4.7 iOS App Store rating

New **Meal Planning** feature is
driving engagement

BREAKING THROUGH ON SEARCH

Search ROI
+60%
higher than
industry norm



+169%
Global MKC
E-Commerce
vs. 2019

DRIVING INNOVATION

YOUR
Flavor Adventure
STARTS HERE

Exclusive
products



2022
National
Launch



#1 Online
streamer

Delivering on Consumer Demand for Healthy and Delicious

ENABLING HEALTHIER CHOICES

ORGANIC BRAND LEADER



HERO INGREDIENTS



ZERO CALORIES, FAT AND SUGAR



SMART SUBSTITUTES



INSPIRING HEALTHY COOKING

RECIPES AND INSPIRATION



365-Day Source for Healthy Eating

Creating a Sustainable Future for Our Consumers

PROVIDING TRANSPARENCY AND ENABLING RESPONSIBLE CHOICES

Consumer Messaging



INTEGRATING PURPOSE INTO CONSUMER COMMUNICATIONS

Sustainable Sourcing



INCORPORATING "GROWN FOR GOOD" ON OUR PACKAGING

Connected Packaging



PROVIDING TRANSPARENCY THROUGH CONNECTED PACKAGING

Recyclable Packaging



CONTINUING OUR GLOBAL ROLL-OUT OF RECYCLABLE PACKAGING IN 2022

**ACCELERATING
GROWTH** *for a purpose
driven future*

Flavor Solutions



Driving Our Global Flavor Solutions Leadership ... With Purpose

ATTRACTIVE CATEGORIES

DIVERSE
PRODUCT
OFFERING



WIDE
RANGE OF
APPLICATIONS



BROAD AND LEADING TECHNOLOGIES

ARTIFICIAL
INTELLIGENCE

ENCAPSULATION



CLEAN &
NATURAL
MODULATION



DIVERSE CUSTOMER BASE

GLOBAL
AND
MID-TIER



REACH ACROSS
ALL CHANNELS
AND MARKETS



BEST-IN-CLASS CUSTOMER EXPERIENCE

RELATIONSHIP-
DRIVEN, AGILE
COLLABORATION



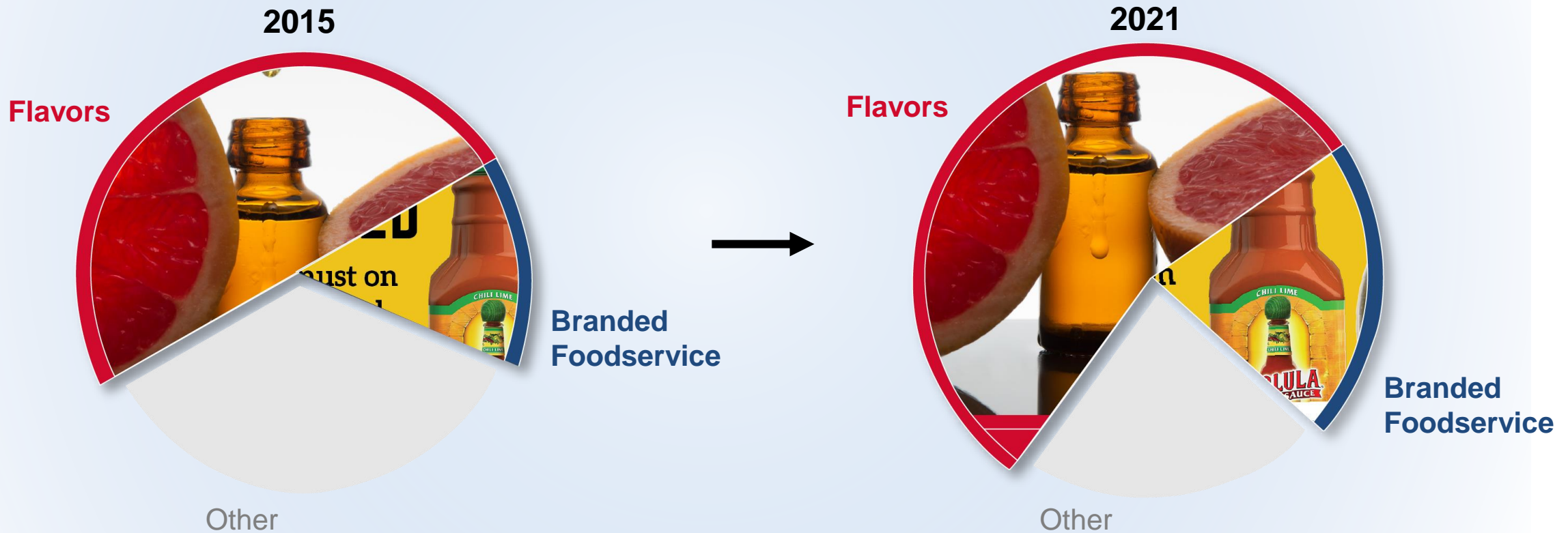
UNMATCHED
360 CONSUMER
INSIGHTS



CULINARY AND CONSUMER INSPIRED FLAVOR DEVELOPMENT

Migrating the Portfolio to More Value-Added Products

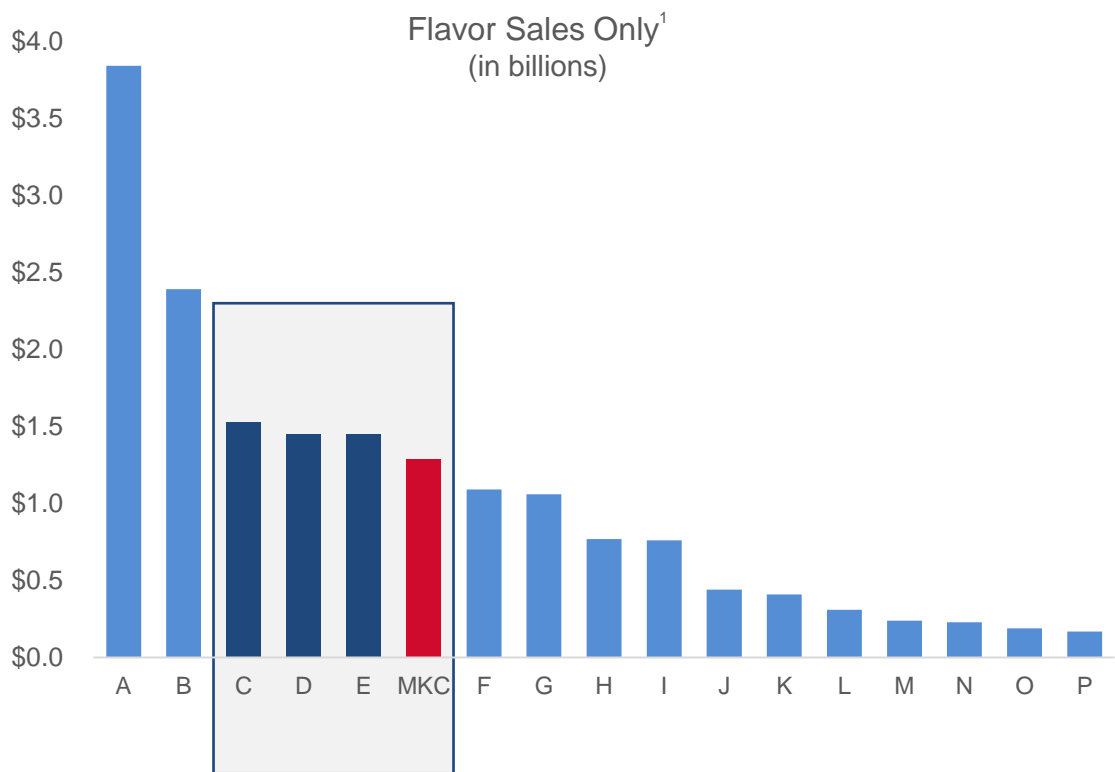
SHIFTED THE PORTFOLIO FROM 63% to 77% VALUE-ADD¹
EXPANDED ADJUSTED OPERATING MARGIN 300 BPS²



McCormick Flavor Solutions is a Leading Flavor House ...100% Focused on Flavor

LEADING FLAVOR HOUSES

Building to be a Top 3 Global Flavor House



ADVANTAGED BY OUR DIFFERENTIATION

Our Passion is Flavor



Authentic flavor creation with our **culinary foundation**, food heritage and legacy in natural



Unmatched breadth of flavor solutions across the globe



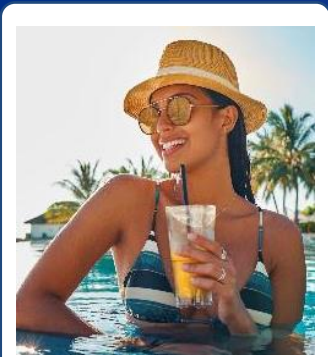
Global consumer flavor brand leader uniquely positioned with **unrivaled consumer insights**



Passion for creating a flawless **customer experience**

Developing Flavors for a Wide Range of Applications Across Attractive Categories

DRIVING WINS FOR CUSTOMERS WITH OUR LEADING APPLICATION EXPERTISE



BEVERAGES

Carbonated, Still,
Alcoholic, Dairy /
Dairy Alternatives,
Drink Mixes &
Coffee / Tea



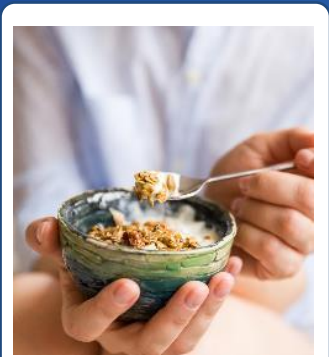
SNACKS

Savory Crisps,
Savory Crackers,
Nuts, Meat Snacks



DAIRY

Ice Cream, Yogurt
& Drinking Yogurt,
Milk



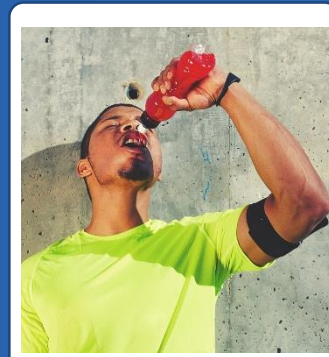
BAKERY / CONFECTIONARY

Breakfast Cereals,
Bars, Cakes,
Biscuits, Sweets,
Gum & Mints



SAVORY

Ready meals,
Plant-based
Proteins, Sauces,
Marinades / Stocks,
Noodles & Pet Food



PERFORMANCE NUTRITION

Sports, Energy &
Protein Drinks,
Functional
Supplements,
Functional Food &
Beverages



HEALTH

Allergy, Antacid &
Pain Relief
Chews / Liquid /
Tablets, Gummy
Vitamins & Cough
Drops

Delivering Outstanding Performance in Targeted High-Growth End Markets

ALCOHOLIC BEVERAGE



+6%

Market Growth¹

+24%

MKC Sales Growth²

SAVORY SNACK



+5%

Market Growth¹

+9%

MKC Sales Growth²

PERFORMANCE NUTRITION



+5%

Market Growth¹

+7%

MKC Sales Growth²

Innovating With Leading Artificial Intelligence and Data-Advantaged Tool

CONSUMER-PREFERRED FLAVORS

Early and **industry-leading use** of artificial intelligence in agile product development

Unrivaled repository of consumer preference **insights**

Proprietary algorithm with **unique pattern recognition**

Creating novel, **WINNING** flavors






















CUSTOMER-PREFERRED PARTNERSHIPS

*“...[**SAGE**] has brought a new level of creativity to my projects.”*
- Customer R&D

*“I have chosen MKC as a partner because of **SAGE**.”*
- Customer R&D

Leveraging Our Broad Technology Platform to Create Clean and Natural Solutions

TECHNOLOGY PLATFORMS THAT DRIVE INNOVATIVE SOLUTIONS FOR EVERY APPLICATION			MEETING THE DEMAND FOR CLEAN AND NATURAL		
CLEAN FLAVOR	 <p>Deliciously Clean</p>	 <p>Natural Flavor + Functionality</p>	   		
ENCAPSULATION	 <p>Uniquely Experiential</p>	 <p>True-to-Nature Flavor</p>	  		
MODULATION	 <p>Complete Taste Modification Portfolio</p>	 <p>Full Flavor “Low” and “No”</p>	  		
			  		

Accelerating Growth With Industry-Leading, Technically-Advantaged Seasonings

DELIVERING THE SIGNATURE FLAVORS OF OUR CUSTOMERS' ICONIC PRODUCTS

LEVERAGING OUR GLOBAL FOOTPRINT



+8%
Sales CAGR¹

EXPANDING THE CUSTOMER BASE



12%
Increase in Mid-Tier²

Increasing our win rate and inclusion on new core supplier lists



STRENGTHENING OUR LEADERSHIP WITH HEAT

ONE OF OUR FASTEST GROWING FLAVOR PROFILES



Legacy and Expertise

Over **40%**
of 2021 new product sales were hot and spicy

Iconic Heat Brands



"Our partnership with McCormick & Company's Frank's RedHot produced the No.1 velocity new product in the cracker category in our fourth quarter."

- Flavor Solutions Customer

Creating Healthy and Sustainable Solutions for Our Customers

TAILORING SOLUTIONS FOR HEALTHY FLAVORS THAT TASTE GREAT



Sugar, Salt & Fat Reduction



Clean Label



Delicious Functional Ingredients

LEVERAGING GROWN FOR GOOD IN OUR CUSTOMER COLLABORATIONS



Sustainable, Ethical Sourcing Differentiation

TAKING ACTIONS TO LESSEN THE IMPACT OF CLIMATE CHANGE



Renewable Energy

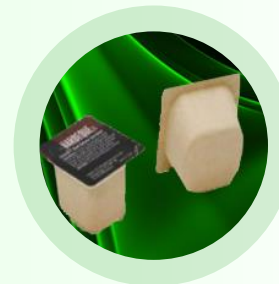


First MKC Net-Zero Facility



Partnerships

STANDING TOGETHER WITH OUR CUSTOMERS FOR A SUSTAINABLE FUTURE



Recyclable Packaging



Traceability



Sustainability Leadership

Winning With Our Passion for Creating a Flawless Customer Experience

TALENT

Unparalleled access to functional talent focused 100% on flavor

Relationship-driven exceptional partnerships

CULINARY

Culinary and consumer inspired

Healthy, delicious, sustainable flavor design

INSIGHT

Unmatched 360 consumer insights and trendspotting

Applied science and application performance

TECHNOLOGY

Agile, data-advantaged product development

Groundbreaking flavor technologies



**CO-CREATION
PARTNER FOR
TAILORED
SOLUTIONS**

AGILE, END-TO-END COLLABORATIVE APPROACH

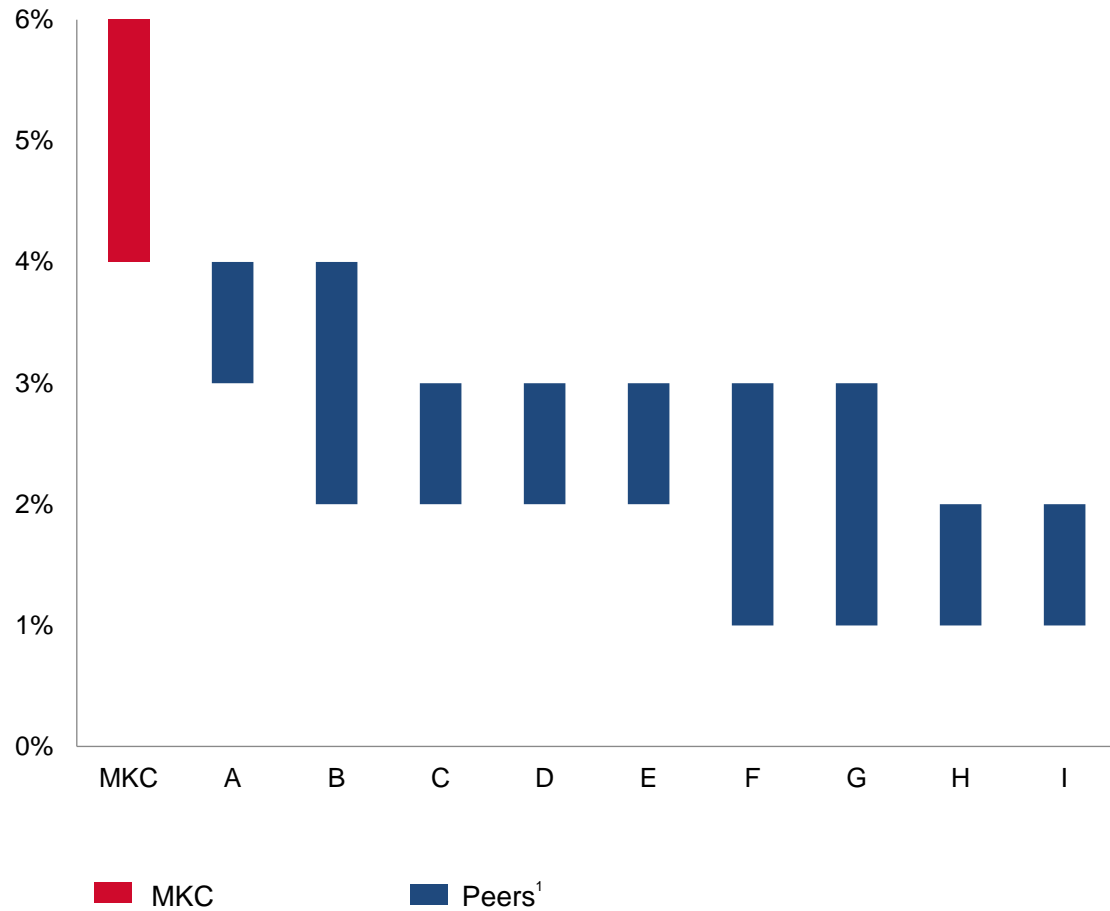
ACCELERATING GROWTH *for a purpose driven future*

Performance

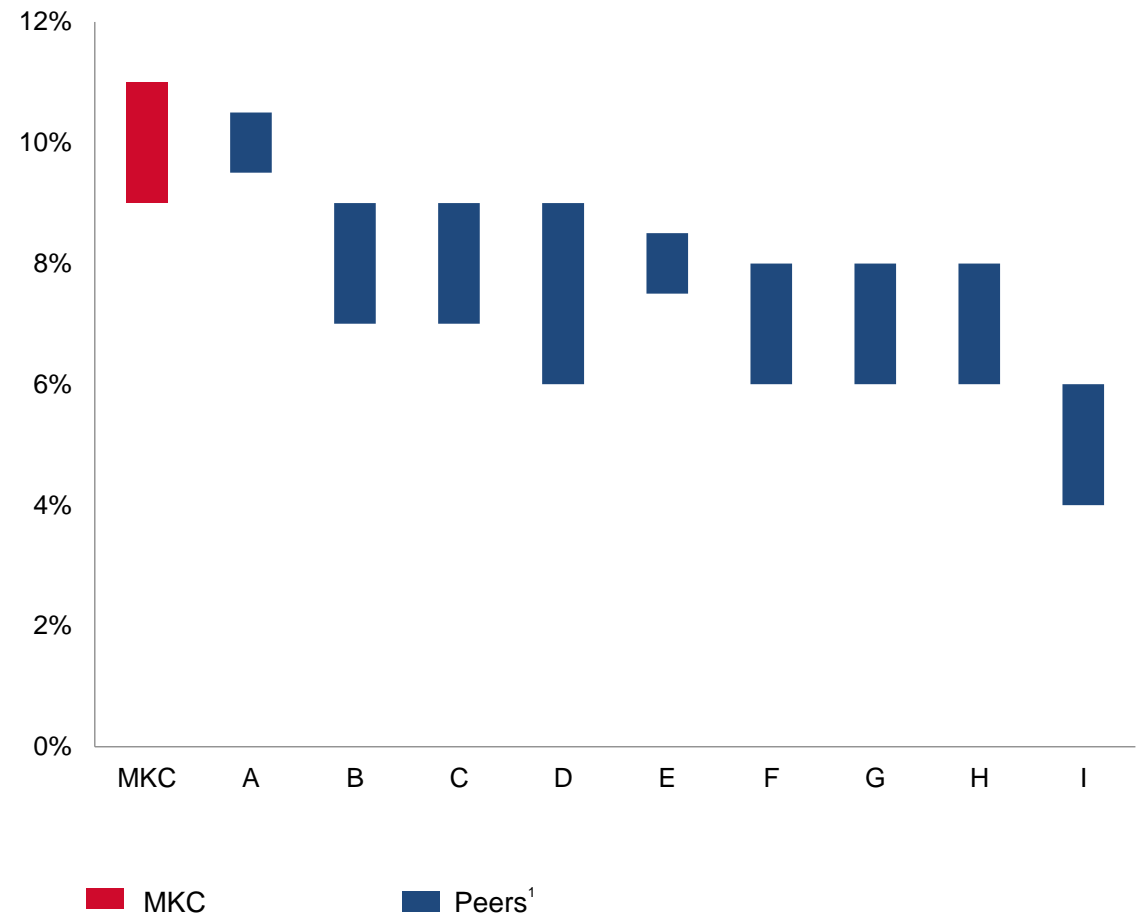


Differentiated Top-Tier Growth Objectives

LONG-TERM SALES GROWTH TARGET



LONG-TERM ADJUSTED EPS GROWTH TARGET



Standing Together for the Future of Flavor

PEOPLE

Impacting Lives Every Day for the Better



Promoting employee health, wellness, and nutrition

Fostering diversity, equity, and inclusion



COMMUNITIES

Partnering With Purpose to Increase Resilience Where We Source

Providing smallholder farm support



Empowering women farmers in our supply chain with economic opportunities



PLANET

Reducing Our Impact on the Environment

Committed to 1.5°C science-based targets



Advancing our sustainable sourcing standard



World's #1 most sustainable corporation in Food Products sector and 14th overall



Global Compact
LEAD
2021 PARTICIPANT



Making Strategic Investments to Meet Growing Demand

SOURCING



- Brand differentiation
- Sustainable high-quality supply
- Increased resiliency

MANUFACTURING



- Capacity for growth
- Capability expansion
- Greater agility and resiliency

DISTRIBUTION



- Scalable for growth
- Increased responsiveness
- Efficiency gains through technology

Driving Value Through Acquisitions With a Disciplined Approach

STRATEGY AND FINANCIAL DISCIPLINE

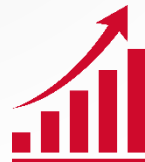
Fit long-term strategic vision to be a leading flavor company



Meet financial thresholds



Drive greater shareholder value



PIPELINE STRATEGY

Strengthen leadership positions

Capability and category expansion

Greater globalization and scale

TRACK RECORD OF VALUE ENHANCING ACQUISITIONS



Sales growth



Margin expansion



EPS accretion



Deeper capabilities



Category and geographic expansion



Timely and successful integration



Accelerating Our Global Condiments Platform With

STRATEGIC RATIONALE



Increases product breadth and consumer reach



Leverages operational expertise and infrastructure



Expands foodservice distribution and penetration



REALIZING GROWTH AMBITIONS

Cholula moved to #2 U.S. hot sauce brand
joining #1 Frank's RedHot

1 million new consumer households gained in 2021

+13% consumption growth and **share gain** in 2021

+19% total retail distribution points
in 4Q 2021



Double-digit portion control packet growth
building front-of-house presence

Double-digit growth in **back-of-house** foodservice penetration

Increasing menu participation with recipe inspiration

Growth across **all** foodservice channels

Accelerating Our Global Flavors Platform With

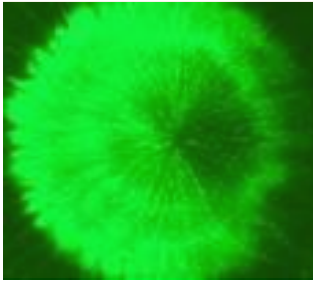
STRATEGIC RATIONALE

 **Broadens product offering and accelerates flavor growth**

 **Expanded capabilities and technology platform**

 **Strengthened clean and natural leadership**

 **Enhanced customer intimacy and partnerships**



REALIZING GROWTH AMBITIONS

Double-digit sales growth versus 2020

+15% beverage growth
in 2021 with strength in performance nutrition

Record new product wins

Record pipeline potential



Leveraging our global footprint

Expanding flavor manufacturing capacity

Realizing the benefit of a combined portfolio

Capitalizing on core strengths



Creating Value With Accretive Sales and Margin



Value Creation

- 2021 4% incremental sales growth from acquisitions delivered according to plans
- Cholula margin accretive to gross and operating margins in Consumer and Flavor Solutions segments
- FONA margin accretive to gross and operating margins in Flavor Solutions segment



Synergies and One-Time Costs

- Cholula targeted synergies of \$10 million fully realized according to plan
- FONA on track to achieve targeted \$7 million by end of 2023, as planned
- FONA revenue synergies being realized, as expected
- Transaction and integration expenses lower than acquisition plans



Results

- Lower interest expense driven by optimization of long-term financing
- Amortization expense favorable to both acquisition plans
- Performance in line with or better than year-one plans, including adjusted earnings per share accretion

Achieving Top-Tier Business Performance

DRIVING STRONG RESULTS ACROSS BOTH SEGMENTS

5-YEAR CAGR PERFORMANCE¹

Sales growth

Adjusted operating income growth

Adjusted EPS growth

CONSUMER

8%

10%

FLAVOR SOLUTIONS

8%

13%

TOTAL McCORMICK

8%

11%

10%

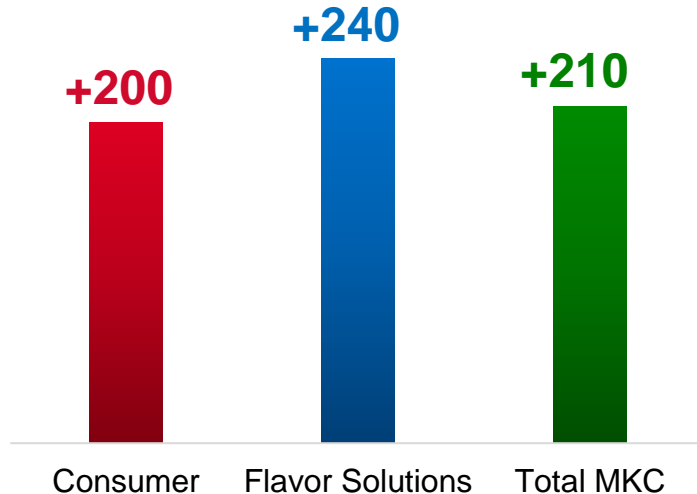
Continued Focus on Profit Realization

ADJUSTED OPERATING MARGIN EXPANSION

5-YEAR PERFORMANCE¹

Averaged **42 bps** margin expansion per year
in line with implied long-term objective of **40 bps**

TOTAL EXPANSION (bps)



2022 GUIDANCE²

Implies approximately **65 bps** margin expansion

TAILWINDS

- + CCI-led cost savings
- + Reduction of COVID-19 related costs
- + Portfolio shift to higher margin products
- + Revenue management initiatives
- + Pricing actions in 2021 & 2022
- + SG&A reductions / discretionary spend management
- + Brand marketing leverage

HEADWINDS

- Dilutive impact of pricing to offset dollar cost increases
- Cost inflation
- Segment mix

Delivering on Our Long-Term Objectives

PROJECTED PERFORMANCE CONTINUES TO MEET OR EXCEED OBJECTIVES

	5-YEAR CAGR PERFORMANCE	2022 GUIDANCE		6-YEAR CAGR WITH GUIDANCE	LONG-TERM FINANCIAL OBJECTIVE
Sales growth ¹	8%	4% to 6%	→	7% to 8%	4% to 6%
Adjusted operating income growth ¹	11%	8% to 10%	→	10% to 11%	7% to 9%
Adjusted EPS growth ¹	10%	5% to 7%	→	9% to 10%	9% to 11%

Focused on Long-Term Shareholder Value Creation

BALANCED CAPITAL ALLOCATION 5-YEAR CAGR¹ SINCE 2016

BASE BUSINESS INVESTMENTS

5% ORGANIC GROWTH

- New Products
- Brand Marketing
- Category Management
- Supply Chain and Business Transformation

SALES & MARGIN ACCRETIVE ACQUISITIONS

3% GROWTH



CAPITAL RETURNED TO SHAREHOLDERS

DIVIDEND ARISTOCRAT

Paid for last **97** years



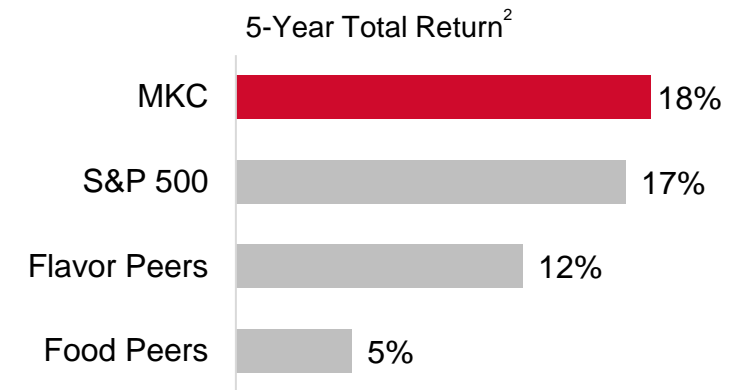
Increased for **36** consecutive years

STRONG BALANCE SHEET

- Commitment to strong investment grade rating
- Target ~3.0x leverage by year end 2022

VALUE CREATION SINCE 2016

Total Shareholder Return 18%



95% of Net Income converted to Free Cash Flow

Return on Invested Capital **exceeds** Cost of Capital by **2X**

McCormick is End-to-End Flavor



**WE ARE DRIVING GROWTH. WE ARE FOCUSED ON THE FUTURE.
WE ARE CONTINUOUSLY ADDING VALUE.**

Non-GAAP Financial Measures

Certain disclosures in this presentation and our remarks represent non-GAAP financial measures which are prepared as a complement to our financial measures prepared in accordance with United States generally accepted accounting principles ("GAAP").

We believe that these non-GAAP financial measures are important. The presentation of information on a constant currency basis, the exclusion of special charges, transaction and integration expenses, the non-recurring benefit of the U.S. Tax Act and income from the sale of unconsolidated operations provide additional information that enables enhanced comparisons to prior periods and, accordingly, facilitates the development of future projections and earnings growth prospects. This information is also used by management to measure the profitability of our ongoing operations and analyze our business performance and trends.

These non-GAAP financial measures may be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. In addition, these non-GAAP financial measures may not be comparable to similarly titled measures of other companies because other companies may not calculate them in the same manner that we do. We intend to continue to provide these non-GAAP financial measures as part of our future earnings discussions and, therefore, the inclusion of these non-GAAP financial measures will provide consistency in our financial reporting. A reconciliation of these non-GAAP financial measures is provided below.

Because we are a multi-national company, we are subject to variability of our reported U.S. dollar results due to changes in foreign currency exchange rates. Those changes can be volatile. The exclusion of the effects of foreign currency exchange, or what we refer to as amounts expressed "on a constant currency basis", is a non-GAAP measure. We believe that this non-GAAP measure provides additional information that enables enhanced comparison to prior periods excluding the translation effects of changes in rates of foreign currency exchange and provides additional insight into the underlying performance of our operations located outside of the U.S. It should be noted that our presentation herein of amounts and percentage changes on a constant currency basis does not exclude the impact of foreign currency transaction gains and losses (that is, the impact of transactions denominated in other than the local currency of any of our subsidiaries in their local currency reported results).

The following provides a reconciliation of our operating income to adjusted operating income and our adjusted operating income margin:

	Year Ended November 30,		
	2016	2021	5-Year CAGR
Operating income	\$ 649.4	\$ 1,015.1	9%
Impact of transaction and integration expenses included in cost of goods sold	-	6.3	
Impact of special charges included in cost of goods sold	0.3	4.7	
Impact of other transaction and integration expenses	-	29.0	
Impact of other special charges	15.7	46.4	
Adjusted operating income	\$ 665.4	\$ 1,101.5	11%
Adjusted operating income margin (1)	15.4%	17.4%	

(1) Adjusted operating income margin is calculated as adjusted operating income as a percentage of net sales for each period presented.

5-Year adjusted operating income margin expansion	200 bps
Impact of foreign currency exchange rates	<u>-10 bps</u>
5-Year adjusted operating income margin expansion on a constant currency basis	210 bps

Non-GAAP Financial Measures

The following provides a reconciliation of our Earnings per share - diluted to Adjusted earnings per share - diluted:

	Year Ended November 30,		5-Year CAGR
	2016	2021	
Earnings per share - diluted	\$ 1.85	\$ 2.80	9%
Impact of special charges	0.05	0.16	
Impact of special charges related to non-controlling interests	(0.01)		
Impact of transaction and integration expenses	-	0.14	
Impact of after-tax gain on sale of unconsolidated operations	-	(0.05)	
Adjusted earnings per share - diluted	\$ 1.89	\$ 3.05	10%



Non-GAAP Financial Measures

To present the compounded annual growth rates (“CAGR”) percentages in sales, adjusted operating income and adjusted earnings per share on a constant currency basis, sales, adjusted operating income and adjusted net income for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the company's budgeted exchange rates for 2022 for all periods. To arrive at adjusted earnings per share on a constant currency basis, adjusted net income is divided by historical shares outstanding for the applicable fiscal year. The following provides a reconciliation of our actual CAGR and constant currency CAGR for sales, adjusted operating income and adjusted earnings per share:

	<u>Total Company</u>	<u>Consumer</u>	<u>Flavor Solutions</u>
5-Year CAGR - Net sales	8%	8%	8%
Impact of foreign currency exchange rates	<u>0%</u>	<u>0%</u>	<u>0%</u>
5-Year CAGR - Net sales on a constant currency basis	<u>8%</u>	<u>8%</u>	<u>8%</u>
5-Year CAGR - Adjusted operating income	11%	10%	12%
Impact of foreign currency exchange rates	<u>0%</u>	<u>0%</u>	<u>-1%</u>
5-Year CAGR - Adjusted operating income on a constant currency basis	<u>11%</u>	<u>10%</u>	<u>13%</u>
5-Year CAGR - Adjusted earnings per share	10%		
Impact of foreign currency exchange rates	<u>0%</u>		
5-Year CAGR - Adjusted earnings per share on a constant currency basis	<u>10%</u>		



Non-GAAP Financial Measures

We define free cash flow as net cash provided by operating activities less capital expenditures (including expenditures for capitalized software) for a period. Free cash flow is considered a non-GAAP financial measure. Management believes, however, that free cash flow, which measures our ability to generate additional cash from our business operations, is an important financial measure for use in evaluating the company's financial performance. Free cash flow should be considered in addition to, rather than as a substitute for, consolidated net income as a measure of our performance and net cash provided by operating activities as a measure of our liquidity. Additionally, our definition of free cash flow is limited, in that it does not represent residual cash flows available for discretionary expenditures, due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations or payments made for business acquisitions. Therefore, we believe it is important to view free cash flow as a measure that provides supplemental information to our Consolidated Statements of Cash Flows.

The following table sets forth a reconciliation of Free cash flow, a non-GAAP financial measure, to net cash provided by operating activities, which we believe to be the GAAP financial measure most directly comparable to Free Cash Flow as well as information regarding our free cash flow as a percentage of net income for the five year period from December 1, 2016 to November 30, 2021:

	For the period from December 1, 2016 to November 30, 2021	
Operating cash flow	\$	4,452.9
Less: Capital expenditures		(1,028.5)
Free cash flow	\$	3,424.4
Net income	\$	3,616.2
Free cash flow as a percentage of net income		95%

Non-GAAP Financial Measures

To present the percentage change in projected 2022 net sales, adjusted operating income and adjusted earnings per share — diluted on a constant currency basis, 2022 projected local currency net sales, adjusted operating income, and adjusted net income for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at currently prevailing exchange rates and are compared to those 2022 local currency projected results, translated into U.S. dollars at the average actual exchange rates in effect during the corresponding months in fiscal year 2021 to determine what the 2022 consolidated U.S. dollar net sales, adjusted operating income and adjusted earnings per share — diluted would have been if the relevant currency exchange rates had not changed from those of the comparable 2021 periods. To estimate the percentage change in adjusted earnings per share — diluted on a constant currency basis, a similar calculation is performed to arrive at adjusted net income divided by historical shares outstanding for fiscal year 2021 or projected shares outstanding for fiscal year 2022, as appropriate:

	Projections for the Year Ending November 30, 2022
Percentage change in net sales	3% to 5%
Impact of unfavorable foreign currency exchange	1 %
Percentage change in net sales in constant currency	4% to 6%
Percentage change in adjusted operating income	7% to 9%
Impact of unfavorable foreign currency exchange	1 %
Percentage change in adjusted operating income in constant currency	8% to 10%
Percentage change in adjusted earnings per share— diluted	4% to 6%
Impact of unfavorable foreign currency exchange	1 %
Percentage change in adjusted earnings per share— diluted in constant currency	5% to 7%