

DRIVING LONG-TERM PROFITABLE GROWTH

McCormick & Company, Inc.
CAGNY Conference

February 21, 2023



Forward-Looking Information

Certain information contained in this release, including statements concerning expected performance, such as those relating to net sales, gross margin, 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” and similar expressions. 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 COVID-19; the expected results of operations of businesses acquired by the Company; 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 impact of price elasticity on our sales volume and mix; 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 program, streamlining actions, including our Global Operating Effectiveness Program (GOEP), and global enablement initiative; the impact of the ongoing conflict between Russia and Ukraine, including the potential for broader economic disruption; 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 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, working capital needs, planned capital expenditures, as well as quarterly dividends and the ability to obtain additional short- and long-term financing or 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; the company's ability to drive productivity improvements, including those related to our CCI program and streamlining actions, including our GOEP; 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 crises, 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; the impact of the ongoing conflict between Russia and Ukraine, including the potential for broader economic disruption; 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, 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.**

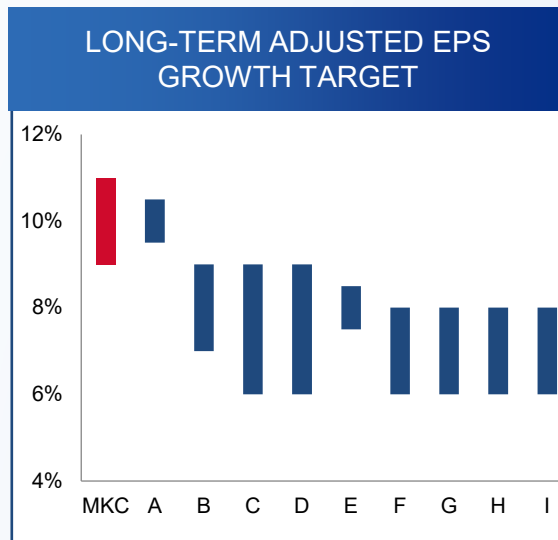
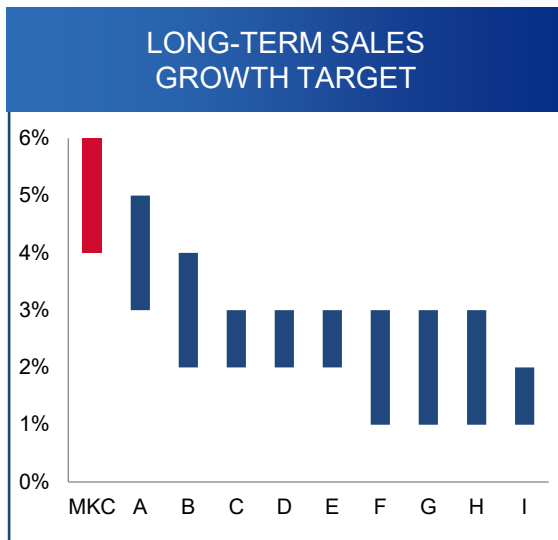


Driving Top-Tier Results and Positively Impacting Society

PURPOSE-LED PERFORMANCE

**DIFFERENTIATED BY
INDUSTRY-LEADING GROWTH OBJECTIVES**

**DRIVEN TO DO WHAT IS RIGHT
FOR PEOPLE, COMMUNITIES AND PLANET**



■ MKC ■ Peers¹

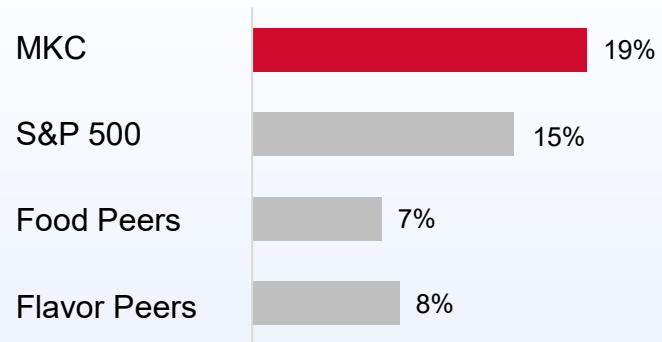
and



Focused on Long-Term Shareholder Value Creation

VALUE CREATION 2017 - 2021

**Total Shareholder Return
4-Year CAGR 19%¹**

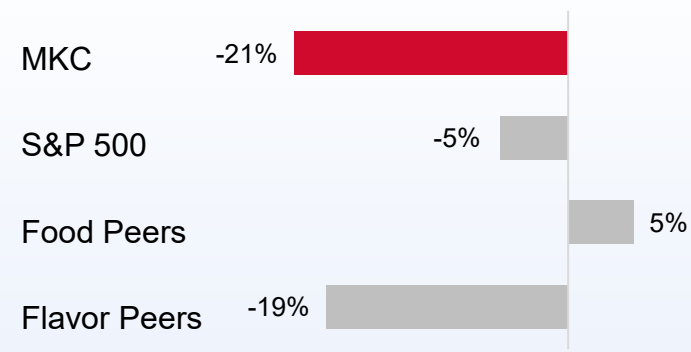


89% of Net Income converted to
Free Cash Flow

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

VALUE CREATION 2022

**Dynamic Global Environment
Challenged 2022 Performance¹**

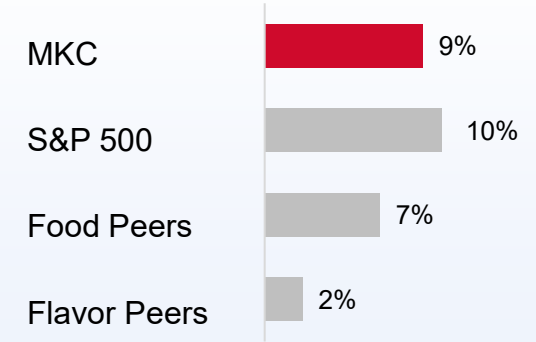


57% of Net Income converted to
Free Cash Flow

Return on Invested Capital **exceeds**
Cost of Capital

VALUE CREATION 2017 - 2022

**Total Shareholder Return
5-Year CAGR 9%¹**



83% of Net Income converted to
Free Cash Flow

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

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 target and Net Zero by 2050



Advancing our sustainable sourcing standard



ESG LEADERSHIP



United Nations Global Compact



GROWTH



We Are a Different Kind of Flavor Company

\$6.4B FY2022 Revenue

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



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

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

~14,000 raw materials sourced from over 80 countries



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

■ Consumer ■ Flavor Solutions

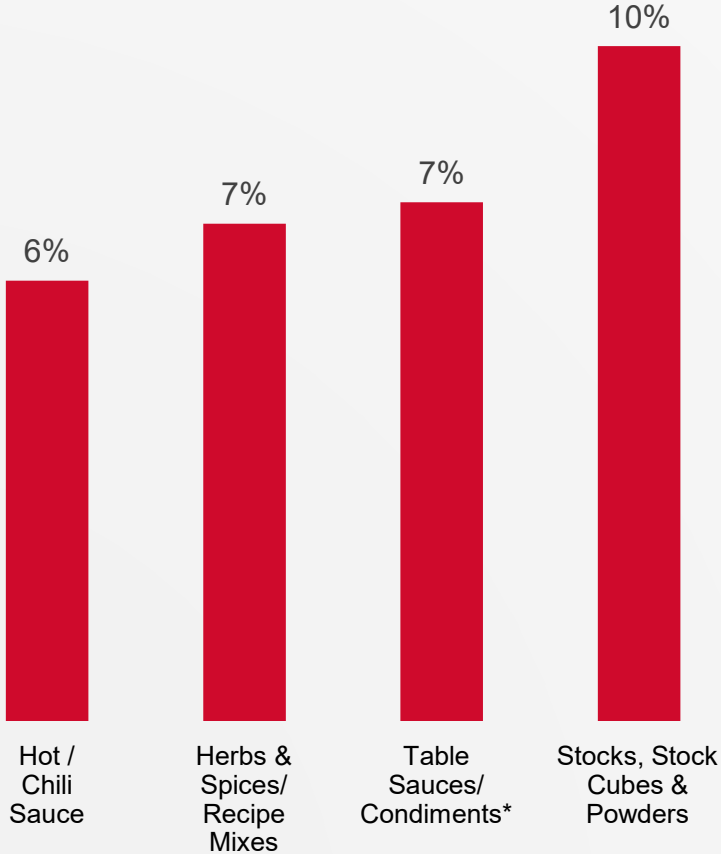
9 1) 2022 net sales with approximation of category sizes



We Are Intentionally in Great Flavor Categories

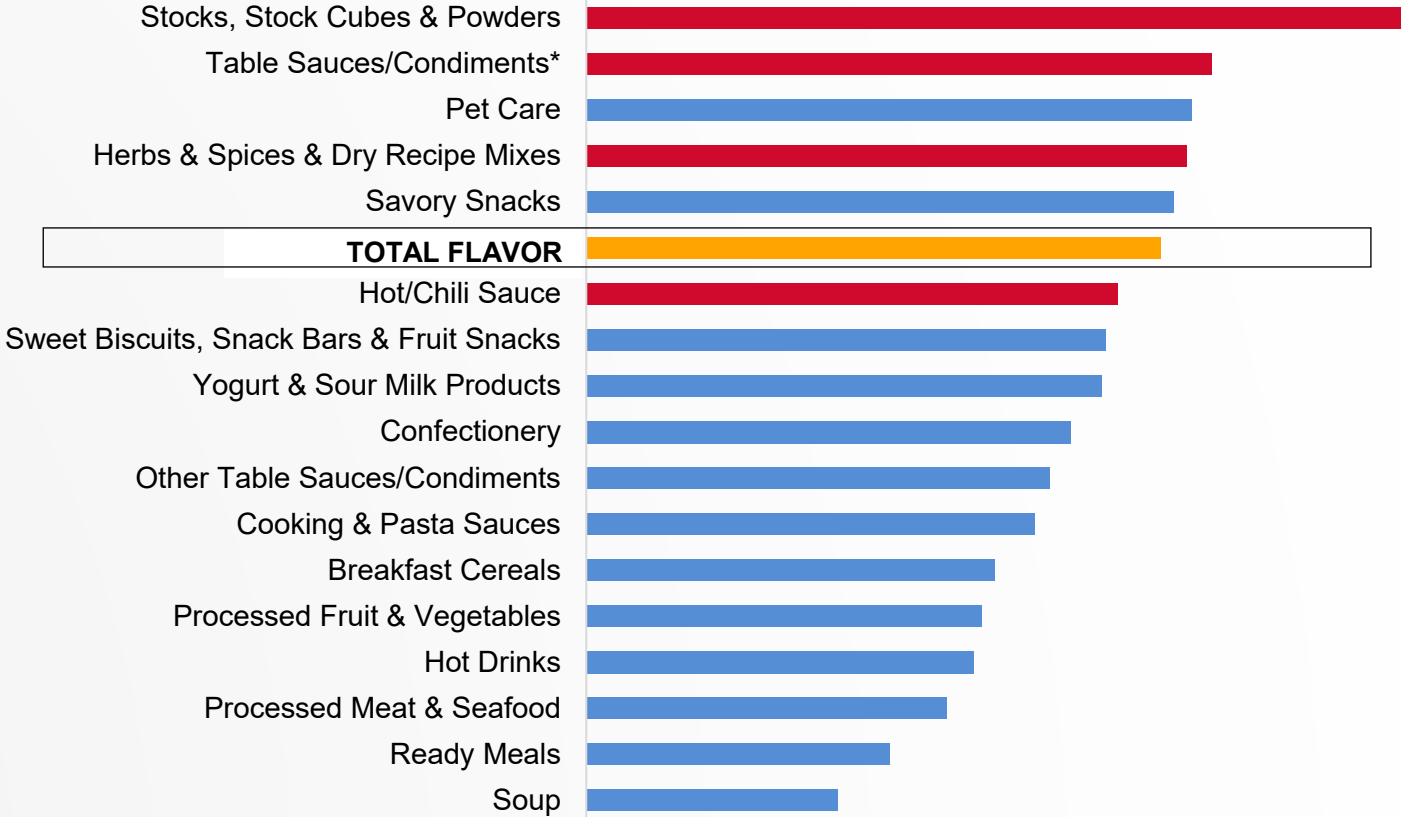
7% PROJECTED GLOBAL FLAVOR GROWTH DRIVEN BY MKC TOP CATEGORIES

3-Year Future CAGR¹



FLAVOR CATEGORIES PROJECTED TO CONTINUE OUTPACING OTHER FOOD CATEGORIES

3-Year Future CAGR¹



* Contains MKC categories
 1) Euromonitor, Global 3-Year CAGR 2023 to 2026



We Are Capitalizing on Long-Term Consumer Trends

LONG-TERM CONSUMER TRENDS HAVE ACCELERATED



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



Monthly per capita at-home meal occasions remain above 2019 ... indexing **114**¹

Since 2019...

76% are cooking more at home²

50% are cooking more from scratch²



77% of consumers **add flavorful spices** & ingredients when cooking or preparing a meal²



80% enjoy cooking³
65% of consumers **like to explore new flavors**²



>80% believe cooking at home “allows me to prepare **healthier, better-for-you meals**”²



79% want sustainable products⁴

Consumer Sentiment and Behavior Reinforces Elevated Consumption

90% plan to **maintain or increase** level of **cooking at home** even when things return to “normal”¹



Since 2019...

% of **at home** meal occasions has **increased 10 pts**²

Lunch	+15 pts
Snacking	+9 pts
Breakfast	+8 pts
Dinner	+7 pts



81% find it much **more economical** to **cook at home**¹



Fewer consumers are **trading down** to private label ... a 4 point reduction³

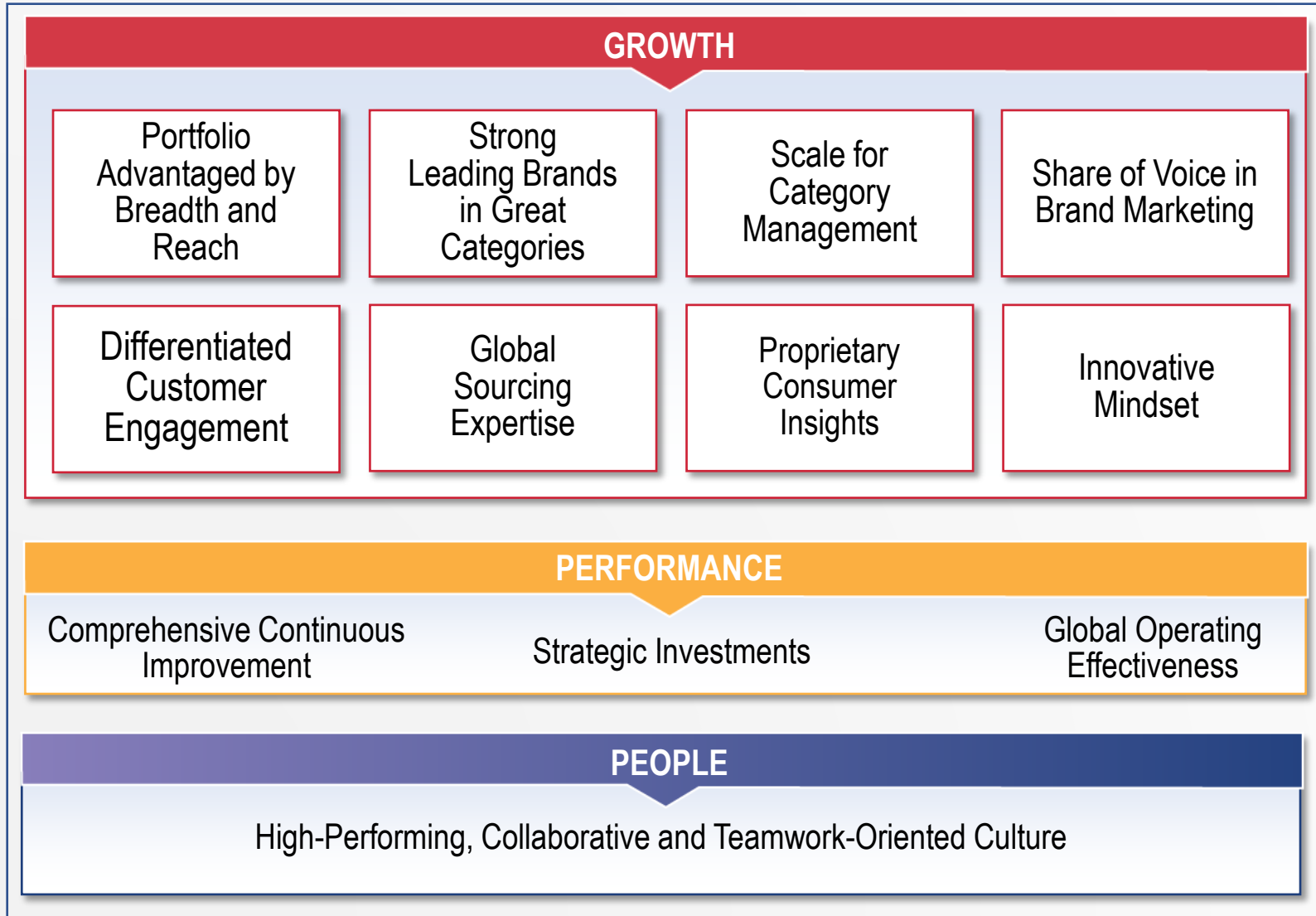


>50% are **batch cooking** as a cost savings measure¹

Our Competitive Moat Underpins Our Long-Term Objectives



SYSTEM OF COMPETITIVE ADVANTAGES



SUSTAINABLE LONG-TERM OBJECTIVES

SALES	4-6%
OPERATING PROFIT	7-9%
EARNINGS PER SHARE	9-11%
TOTAL SHAREHOLDER RETURN	11-13%



CONSUMER



Focused on What Is Important to Consumers

FRESH FLAVOR

#1

driver of grocery
shopper satisfaction¹



CONVENIENCE

74%

say **always** looking
for convenient meal
ideas and time saving
tips in the kitchen²

VALUE

67%

say they **will** purchase
brands that offer more
value for the money³



FLAVOR EXPLORATION

73%

feel **experimenting** with
new flavors **is exciting**²

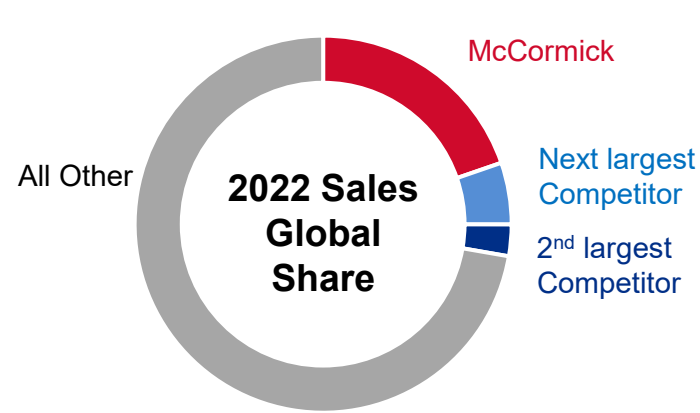


Driving Global Leadership With the Power of Our Brands

STRONG BRAND EQUITY



HERBS, SPICES & SEASONINGS



#1 Global Share Leader



Leading Brands in Many Markets

STRENGTHENING LEADERSHIP POSITION

- ✓ Brand marketing
- ✓ New product innovation
- ✓ Category management

CONDIMENTS



Hot Sauce
#1 Globally

#1 Franks U.S. and Canada
#2 Cholula U.S.



Mustard
#2 Globally

#1 U.S., Canada, and Poland



Mayonnaise, Ketchup & BBQ Sauce
Leadership in Key Markets

#1 Mayonnaise Mexico



#2 Ketchup China and Canada



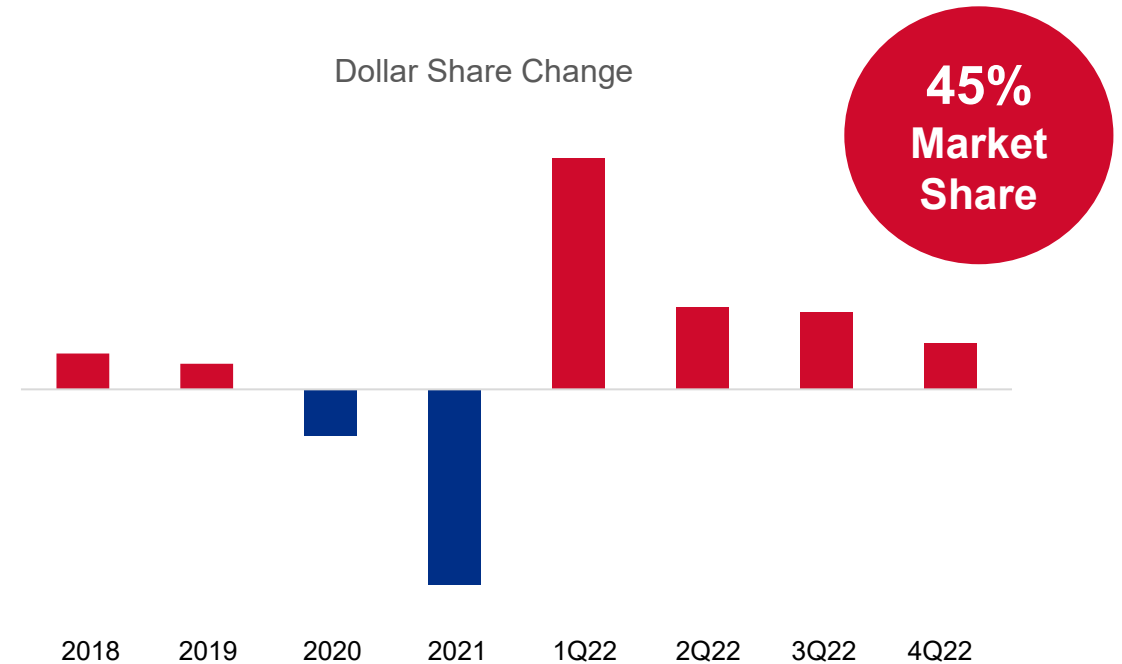
#1 Premium Barbecue Sauce U.S. and Canada

Advancing Global Leadership in Recipe Mixes

#1 SHARE GLOBALLY



U.S. SUPPLY & SHARE PERFORMANCE RESTORED



STRENGTHENING LEADERSHIP POSITION

✓ Brand Marketing

✓ Category management

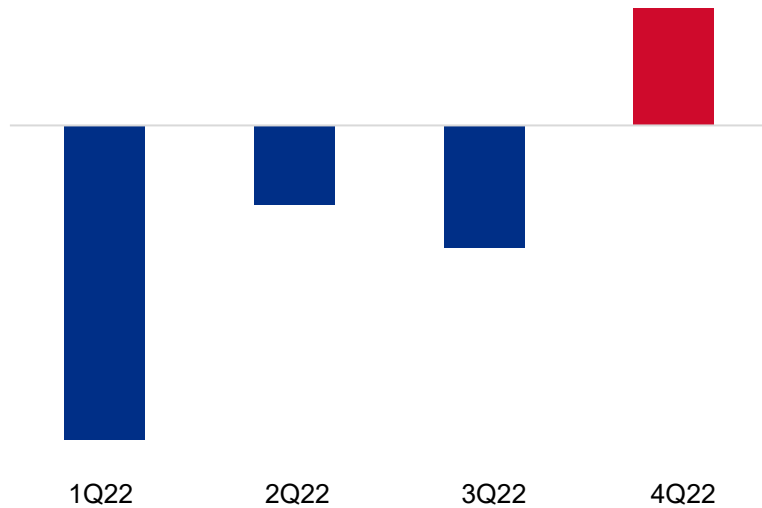
✓ New products



Strengthening Our Spices & Seasonings Leadership

RESTORING U.S. SPICES & SEASONINGS DISTRIBUTION

Total Distribution Points



Restoration of service-driven losses

Sequential share improvement

Driving consumption dollars, units and volume

DRIVING BRAND CHOICE

Taste, Quality and Sourcing consumers can trust



Black Pepper returning to tin can format reclaiming share loss

6X new U.S. items launching in 2023



Managing Price Gaps on top core items



Realizing Growth With New Shopping Experiences and Packaging

AISLE REINVENTION TO SIMPLIFY AND INSPIRE



12,000 U.S. stores through 2022

Category units growing faster

McCormick velocities accelerated

McCormick items on shelf increased

CONTINUED GLOBAL ROLL-OUT OF CONSUMER-PREFERRED PACKAGING



+5%
In U.K.



+9%
In France



+4%
In Canada

Increased Velocity After Transition

Rolling out **1,000** stores in Canada in 2023



U.S. Launch 2Q 2023



NEW LOOK
FRESHER FLAVOR



Differentiating Our Everyday Spice and Herb Portfolio

NITROGEN FLUSHED AND FLAVORSEALED™ FOR SUPERIOR FLAVOR, COLOR AND AROMA



**CONVENIENT FLAVOR
NAME AND PROMINENT
BEST-BY DATE**



**FRESHNESS YOU CAN
HEAR AND SMELL**

**SNAPTIGHT™ LID
AUDIBLY SNAPS AND
SEALS AROMA IN**

**FRESHNESS YOU CAN
SEE AND TASTE**

**NITROGEN FLUSHED
FOR LONG-LASTING
AND VISIBLY
FRESHER FLAVOR**

Fresher Flavor

NEW



CURRENT



VS

40%

Higher freshness
perception vs
current

2x

Preferred
vs current

25%

Increased loyalty
among current
buyers



New U.S. Everyday Format on Shelf Beginning March 2023



Strengthening Our Value Proposition

OFFERING GREATER VALUE



Fastest growing segment in U.S. Spices & Seasonings

3x increase in U.S. product usage

Top driver of branded share for McCormick and Ducros

DRIVING INCREMENTAL GROWTH WITH LAWRY'S OPENING PRICE POINT EVERYDAY SPICES



Driving consumers to trade-up from private label, not trade-down

Reaching new consumers and **expanding** distribution

Outperforming expectations since Sep 2022 launch

Delivering **incremental dollar profit** for the category

WINNING THE DISCOUNT CHANNEL



Growing EMEA share in fast-growing channel

Expanding distribution in the U.S. and EMEA markets



Delivering the Convenience Consumers Are Seeking

WITH PRODUCT OFFERINGS ...



#1 Fresh Convenience Brand
in U.S. and Australia¹

#1 Repeat Rate in U.S.
Category¹

Launching into U.K.
Convenience
Category

Beat top competitor
on taste



Gravy Mixes



Australian Meal Bases

New products to
make mealtime
easier

... AND OUR FLAVOR MAKER APP

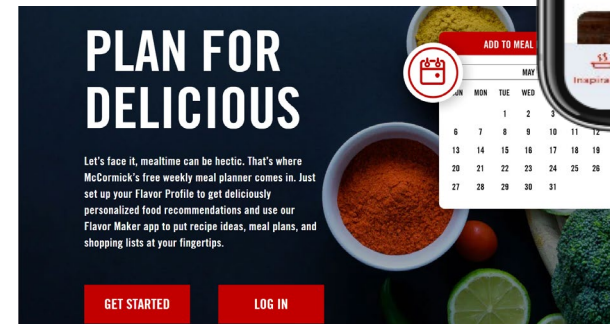
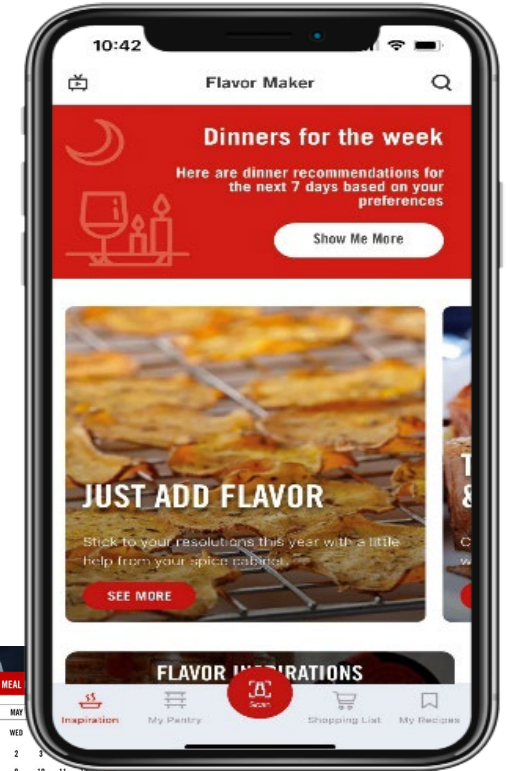


Flavor Maker
Recipe & Meal Planning App
4.8 IOS App Store Rating

#116 Out of 112,000 Apple
food apps²

1.4 Million downloads

Canadian version
launched 4Q 2022



Fueling Flavor Exploration With New Product Innovation

FIRING UP GRILLING

Authentic smoke flavors in a dry blend enabled by our proprietary FONA TrueTaste® technology



Jalapeno & Honey

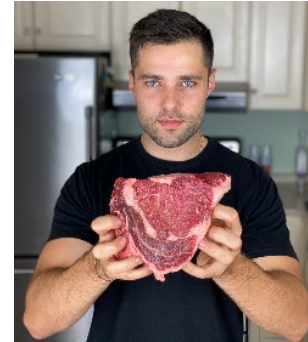


Smoky Ranchero



Griller's Flavor Choice

New products in all formats across the portfolio



Kicking off 2023 Grilling Season with Max the Meat Guy

Influencer with 10 million followers

LEVERAGING PARTNERSHIPS

Tabitha Brown line expansion in new flavors, formats, and channels



Very Good Garlic



Sauté Business Recipe Mix



Sunshine Seasoning In Club

ELEVATING THE LUNCH OCCASION



Best-selling French's innovation since acquisition¹



New flavor launching in 2023



First-to-market innovative flavors exclusively available on McCormick direct-to-consumer



New world cuisine flavors in Club

INSPIRING FLAVOR EXPLORATION



Driving Growth With Industry-leading Brand Marketing



Convenience



Quality



Value



Everyday



New Products



Cultural Relevance



Holidays

Performance Above Industry Norms¹

4X

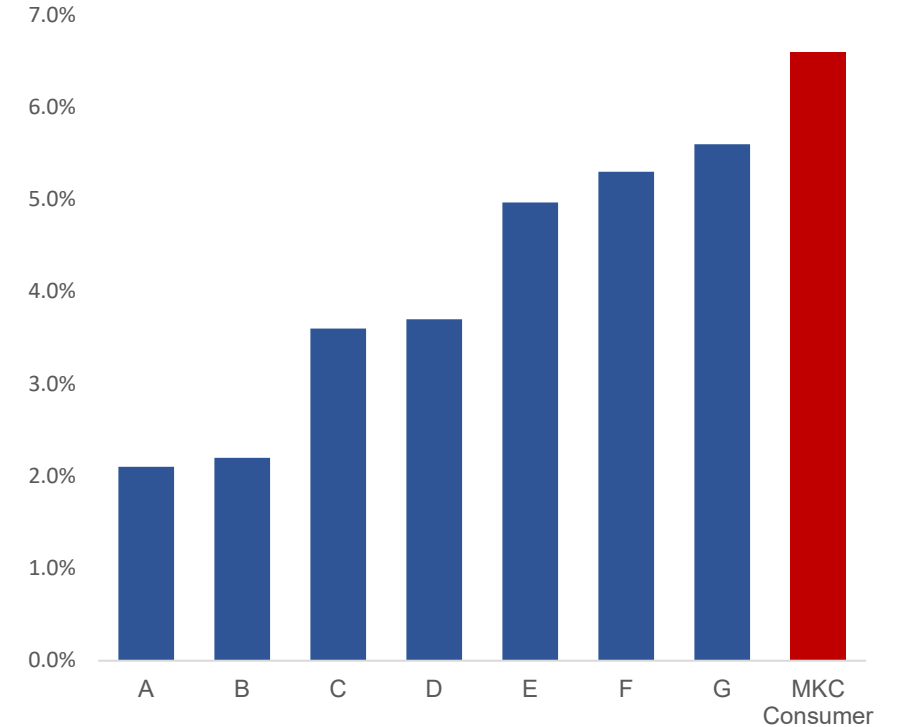
Engagement Rate

2X

Return on Investment

LEADER IN CONSUMER BRAND MARKETING SUPPORT

% of Net Sales²



5-Year Consumer CAGR

Brand Marketing

+7%

Working Dollars

+9%



Driving Leadership With Our Differentiated Spice and Seasoning Offerings

DELIVERING BRANDED FLAVORFUL SOLUTIONS ACROSS CONSUMER NEEDS

PRICE CONSCIOUS



VALUE ORIENTED



EVERYDAY



PREMIUM



PASSIONATE FANATIC



CONVENIENCE SEEKER



EXPLORER



HEALTH CONSCIOUS



FLAVOR SOLUTIONS



Our Global Flavor Solutions Leadership



Leaders in a **wide range of applications & categories**

Clean, Natural & Sustainable
Flavor

Tailored Solutions
for a Broad Range of
Customers

100%
Focused on Flavor

Consumer-centric
brand stewards

Trusted Partners

Blend of **Creativity & leading technologies**



#1 Herbs, Spices and Seasonings



#1 Hot Sauce



#1 Mexican Hot Sauce



#2 Barbeque

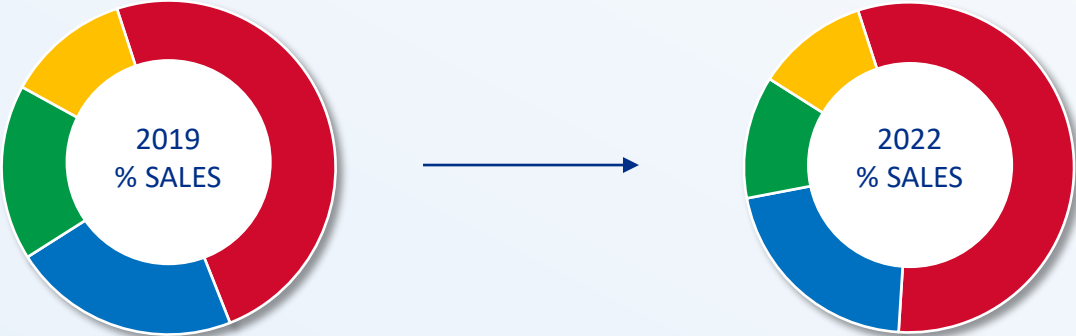


Portfolio Migration Has Been Successful, With Short-Term Margin Pressure

SHIFTED THE PORTFOLIO FROM 70% TO 77% VALUE-ADD SINCE 2019

8% Net Sales 3-Year CAGR¹

Flavors and Branded Foodservice **12%** Growth



■ Flavors ■ BFS ■ Condiments ■ Coatings & Ingredients

DRIVERS OF MARGIN PRESSURE ARE SHORT-TERM

Pressure	Resolution
1. Pricing lagging inflation	→ 2023 Recovery
2. Elevated costs to meet high demand	→ 2023 & 2024 Global Operating Effectiveness Program cost elimination
3. Start-up expenses and dual-running costs for new U.K. manufacturing facility	→ 2024 & 2025 tailwind from expense wind-down

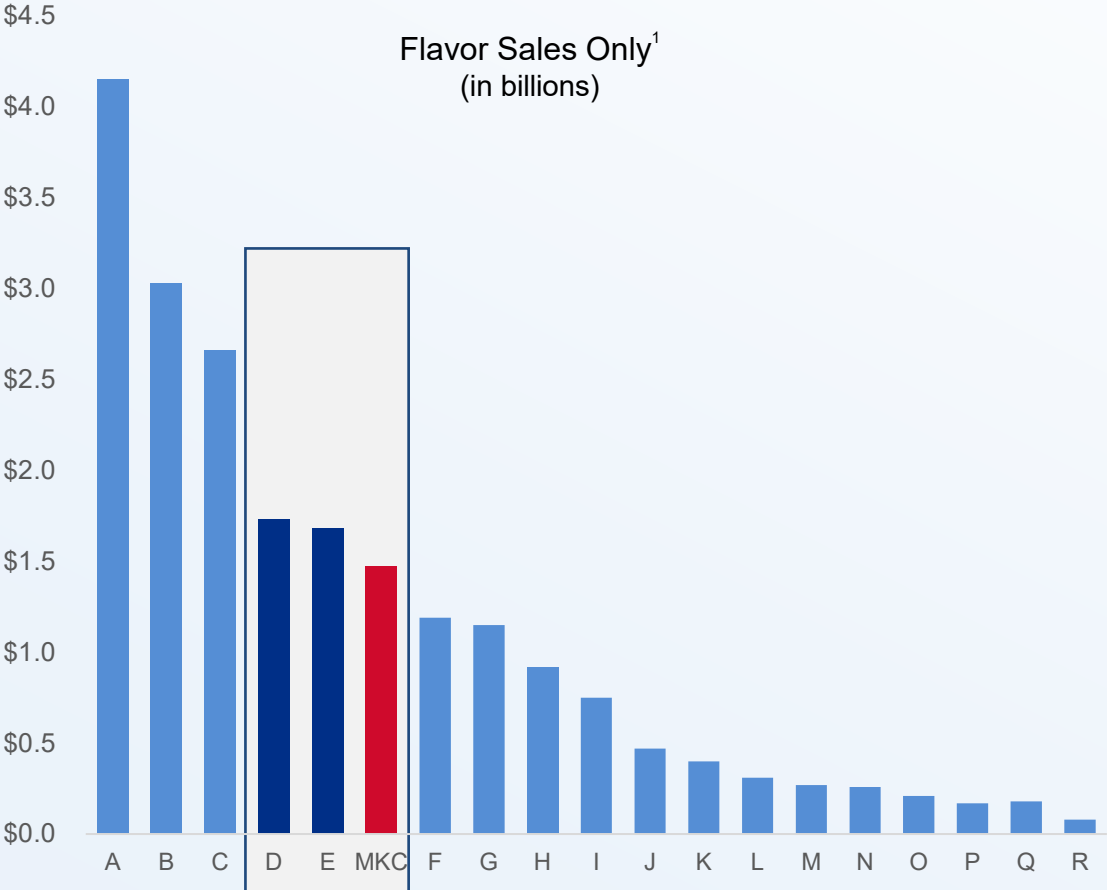
¹) In constant currency
The non-GAAP measures included herein exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 66 to 71, including the impact of constant currency.



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

LEADING FLAVOR HOUSES

Building to Be a Top 3 Global Flavor House



OUR DIFFERENTIATION

Our Passion Is Flavor



Unmatched breadth of flavor solutions across the globe



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



Passion for creating a flawless **customer experience**

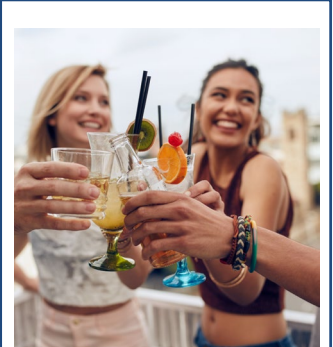


Global consumer flavor **brand leader** uniquely positioned **with unrivaled proprietary consumer insights**



Developing Flavors for a Wide Range of Applications Across Attractive Categories

DRIVING WINS FOR CUSTOMERS WITH OUR LEADING APPLICATION EXPERTISE



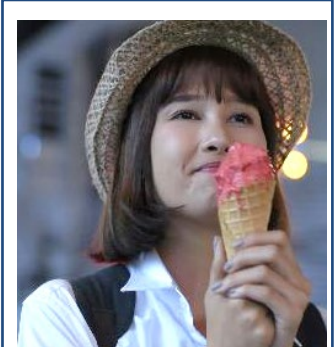
BEVERAGES

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



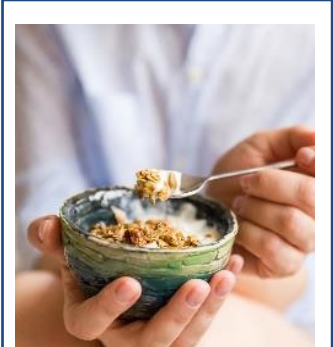
SNACKS

Savory Crisps, Savory Crackers, Nuts, Meat Snacks



DAIRY

Ice Cream, Yogurt & Drinking Yogurt, Milk



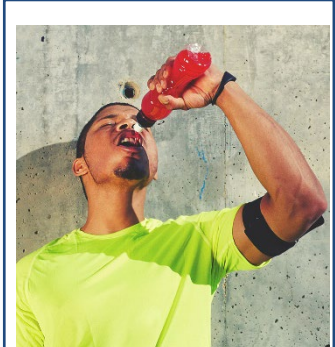
BAKERY / CONFECTIONARY

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



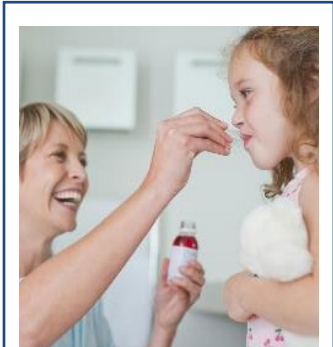
SAVORY

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



Gaining Market Share in Targeted High-growth End Market Applications

ALCOHOLIC BEVERAGE



+6%

Market Growth¹

+16%

MKC Sales Growth²

SAVORY SNACK



+5%

Market Growth¹

+12%

MKC Sales Growth²

PERFORMANCE



+6%

Market Growth¹

+16%

MKC Sales Growth²

Fueling Growth With the Power of McCormick and FONA

BROADENING OUR CUSTOMER BASE AND DEEPENING OUR RELATIONSHIPS

Increasing beverage and performance nutrition **share of our portfolio**



New customers represented **20%** of growth in 2022



Driving **new wins with existing customers** with a full suite of offerings



15% increase in sales from **cross-selling** since FONA acquisition

LEVERAGING OUR GLOBAL FOOTPRINT AND CAPABILITIES

PERFORMANCE NUTRITION IN CANADA



Canada Footprint + FONA Capabilities

CONFECTIONARY IN EMEA



Giotti Footprint + FONA Customer

PLANT-BASED PROTEIN IN EMEA



Giotti, FONA & Americas Expertise

ALCOHOLIC BEVERAGES IN CHINA



China Footprint and FONA Capabilities



Winning With Our Clean and Natural Leadership

NATURAL INGREDIENT HERITAGE → CLEAN FLAVOR TECHNOLOGY → NATURAL EXTRACT → CLEAN SOLUTION

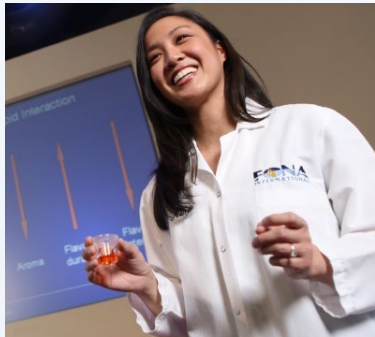


~5x increase in natural extracts for product development in 2022

Driving Growth With an Industry-leading Customer Experience

DIFFERENTIATED ENGAGEMENT

... DRIVING GROWTH MOMENTUM



1,000 attendees in 2022
spanning emerging to large
global customers

Showcases
McCormick's
**technical
capabilities**

Educates customer
teams on flavor
landscape, science,
technologies and
applications

Enables **stronger
customer
partnerships**



45% of new companies attending
became new customers in 2022

~20% of 2022 **new product sales**
and **1/3** of **pipeline** driven by
attending customers



**“FONA has innovative
and top industry
capabilities”**

– Food Science Lead at
Major Nutrition Company



Flavor 101®



Beverage Flavor
201®



Savory Flavor 201®



Cereal, Bars, Bakery &
Snacks Flavor 201®



Taste Modification
201



Confection Flavor
201®



Accelerating Innovation With Our Technologies and Partnerships

NEW PRODUCTS CONTRIBUTED ~20% MORE TO SALES GROWTH IN 2022

LEVERAGING OUR DIFFERENTIATED FLAVOR TECHNOLOGIES



Doubled sales of products developed with our **artificial intelligence and data advantaged tool** in 2022

30% increase in products developed with **masking and modulation technology** driving wins with **Health and Nutrition customers** in 2022



28% increase in sales of **agile flavor in-market matching** in 2022

DRIVING OUR CUSTOMERS' BRAND GROWTH WITH POWER OF OUR BRANDS



Partnering with customers on **unique new items**

STRONG PIPELINE CARRYING INTO 2023



Inspiring Innovation With Tomorrow's Top Flavors Today



Beyond Heat



Full Flavored Fats



Everyday French

Leveraging **global** qualitative and quantitative research, Flavor Forecast pinpoints **emerging flavor and culinary trends**

High prediction success rate

Enables **pipeline development** of tomorrow's favorite flavors today

Valued resource **by customers** in product and recipe ideation

WINNING IN THE BEVERAGE CATEGORY BY LEVERAGING OUR UNRIVALED INSIGHTS



Herbal, botanical, tea-based, smoked spice, chili-based spice, cider, fruit, healthy, energizing, mocktail

~20% increase in beverage customers and new product growth in 2022

EDUCATING FOODSERVICE CUSTOMERS ON LEADING EDGE TRENDS AND PROVIDING MENU INSPIRATION



Driving Growth and Gaining Share in Branded Food Service

INCREASING RESTAURANT PENETRATION



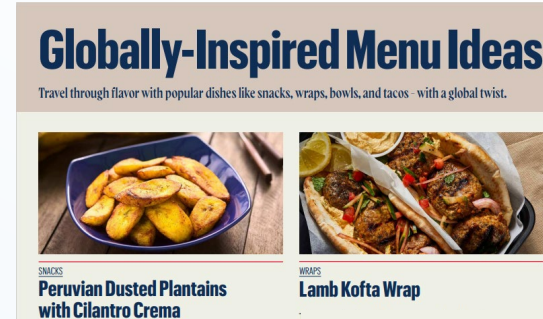
Gaining share on tabletop

Co-branded limited time offer menu participation
+122%
in 2022



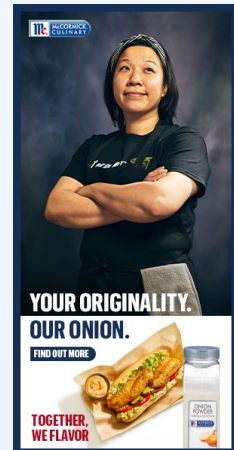
Cattleman's Carolina Tangy Gold Ribs

LEVERAGING CULINARY PARTNERSHIPS



DRIVING BRAND AWARENESS

Increased Digital Marketing



DELIVERING INNOVATION



McCormick Culinary Global Blends

More than **2X** new items launching in 2023



French's Dijon Portion Control



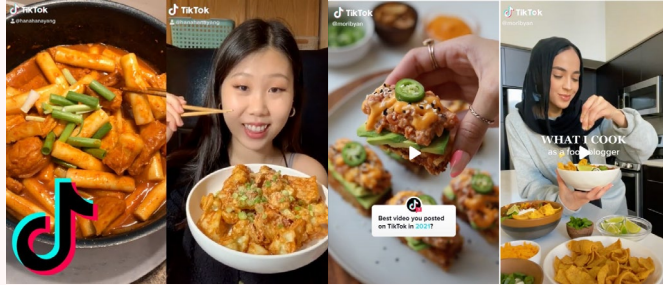
HEAT



Consumers Are Kicking Up the Demand for Heat

THE FLAVOR OF THE NEXT GENERATION

>40% of GenZ and Millennials **LOVE spicy food** ... outpacing all other generations¹



Gen Z drove **39%** of **hot sauce category** growth since 2019²

Gen Z drives **spicy snack** purchases with **73% buying** for themselves or their household³



NUANCE OF HEAT AND FLAVOR

93% of consumers **prefer some level of heat**⁴

More than just heat... **seeking nuanced spicy flavor** varieties too⁵



AUTHENTIC FLAVOR



35% of consumers prefer **authentic Mexican-style** spicy condiments outpacing other global cuisines¹

31% of consumers seek **more globally-inspired** foods on menus⁶



The Demand for Hot and Spicy Is on Fire

A GROWTH ACCELERATOR FOR CONSUMER CATEGORIES



Chili and Hot Sauce

9%

3-Year
Category CAGR¹

**Heat Related
Spices & Seasonings**

13%

3-Year
Category CAGR²



**Heat Inspired
Frozen**

14%

3-Year
Category CAGR³

A HIGH GROWTH FLAVOR PROFILE FOR OUR FLAVOR SOLUTIONS CUSTOMERS

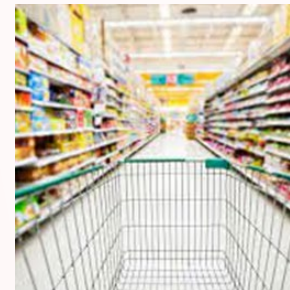


**Heat Inspired
Salty Snacks**

15%

3-Year Category
CAGR³

6 of 10 fastest-growing
menu flavors are spicy⁴
+25% Hot Sauce growth on
menus over 10 years⁴



**Other Heat Inspired
Center of Store**

10%

3-Year Category
CAGR³



Capitalizing on the Growing Demand for Heat

CONSUMER SEGMENT GROWTH IS ACCELERATED BY HEAT PORTFOLIO

Hot Sauce



Growing at **13%**
3-year organic CAGR

Heat related spices & seasonings



Growing at **10%**
3-year CAGR
2x faster than non-heat spices and seasonings since 2019

FLAVOR SOLUTIONS HAS A PROVEN TRACK RECORD AS A PREFERRED HEAT SUPPLIER

Flavor Solutions heat portfolio growing at **10%**
3-year CAGR



Over **90%** win rate on heat briefs across Americas and EMEA regions in 2022



Over **60%** of 2022 new product sales were hot and spicy



Uniquely Positioned to Win in Heat With Our Global Iconic Brands ...

#1
Hot Sauce Company
in the World¹



#1
In U.S.
& Canada²

#2
In U.S.²



Consumer Spices, Blends and Recipe Mixes

#1
Global
Spices and Seasonings⁴

Frank's RedHot
#1 Foodservice
Hot Sauce
U.S. & Canada³



Cholula **#2**
Foodservice
Tabletop Hot Sauce
in U.S.³



Foodservice Spices and Seasoning Mixes



... And With Our Heat Expertise and Capabilities

SOURCING & MANUFACTURING EXPERTISE



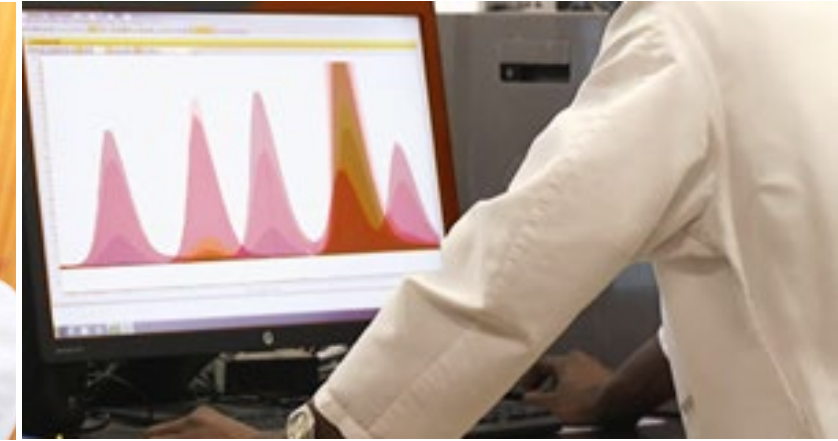
- Geographically replicated **unique pepper mash flavor profile**
- Joint venture **chili expertise**
- Long-standing **expertise in manufacturing**
- Investments to **manufacture at scale**

UNRIVALED CONSUMER INSIGHTS



- Proprietary **global consumer heat research**
- Sensory heat **customer engagement tools**
- Nearly **50 flavors influenced by heat** were identified in Flavor Forecast® over its 23-year history

SCIENCE & TECHNOLOGY ADVANTAGES



- **Culinary expertise:** On-trend and nuanced heat-inspired gold standards
- **Product development:** Customized heat flavor profiles tailored to the finished product application
- **Flavor delivery:** Tailored timing of heat flavor release that enhances the overall eating experience

Differentiated by Our Breadth

No Matter **What** You Eat or Drink, We Are Likely Heating It Up



EVERY FORMAT

SPICES &
SEASONINGS

RECIPE MIXES

HOT SAUCES

MARINADES /
SAUCES

SALSAS / PASTES /
BASES

FLAVORS

MEALS & FROZEN



EVERY APPLICATION

SNACKS

BEVERAGE

SAVORY

DAIRY

BAKERY /
CONFECTIONARY



EVERY CUISINE

AMERICAN

MEXICAN

CARIBBEAN

INDIAN

KOREAN

CHINESE

THAI

VIETNAMESE



Differentiated by Our Reach

No Matter **When or Where** You Eat or Drink, We Are Likely Heating It Up



AROUND THE CLOCK

BREAKFAST

LUNCH

DINNER

SNACKS



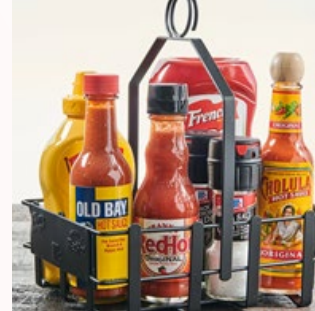
IN- AND AWAY-FROM-HOME

HOME

AT THE RESTAURANT

TAKEOUT

EVENT



AROUND THE GLOBE

AMERICAS

EMEA

APZ



Building Hot Sauce to Be the Condiment of the Next Generation

DRIVING CATEGORY LEADERSHIP

5 highest-selling items in the category¹

Item dollar productivity **nearly double** all other brands²



LAUNCHING ON-TREND INNOVATION



Dill Pickle

Smokin Sweet BBQ

Cholula Reserva

Frank's Mild Wing Sauce



Building **Partnerships** to fire up growth



Frank's Gameday Variety Pack



Cholula E-commerce Gift Pack



Reaching the Next Generation and Building Excitement

FUELING AWARENESS AND DRIVING ENGAGEMENT

86% Hot Sauce share of voice



Global creative driving scale across markets

Media & channel bets to **win with Gen Z**



ACTIVATING NEW FORTNITE PARTNERSHIP



Garnered over **1 Billion impressions**

Largest "Big Game" campaign since Frank's acquisition



Gamer participation **25X** partner benchmark



Expanding Into the Mexican Aisle



BUILDING AN AUTHENTIC PORTFOLIO WITH LAUNCH OF NEW FORMATS



Mexican cuisine category growing at **9.6% 3-year CAGR¹**



Chili Garlic Taco MILD



Original Taco MEDIUM



Smoky Chipotle Taco MEDIUM



Salsa Verde MILD

Original Salsa MEDIUM

Smoky Chipotle HOT



Accelerating Spices and Seasonings Growth With Heat

INSPIRING HOT AND SPICY EXPLORATION IN THE KITCHEN

Recipe Inspiration from Beyond Heat in Flavor Forecast



SANSHO PEPPER YAKITORI WITH SPICY FURIKAKE



SPICY MALA-INSPIRED PIKLIZ



Digital Marketing for Foodservice Operators

New Products in every region



Grill Mates Nashville Hot Chicken



Iconic Chinese City Spicy Blends



Spicy Recipe Mixes



Foodservice Chili Pepper Carne Asada



Foodservice Frank's RedHot Nashville Hot

INTRODUCING THE HOTTEST NEW FLAVOR



First-ever McCormick Flavor of the Year

Flavor Inspirations Vietnamese X Cajun Style Seasoning

Vietnamese Cajun reached 5-Year high on Google search Week of launch



Consumer and Foodservice launch



Heating Up Snacking and Restaurant Menus

DRIVING GROWTH WITH HOT NEW SNACKS

Leveraging the power of our brands



Continuing strong momentum with ~ **30%** of flavors pipeline hot and spicy



Expanding Frank's Frozen Snacks in Consumer segment

WINNING ON AWAY-FROM-HOME MENUS WITH HOT AND SPICY FLAVORS

Quick service restaurant core menu & limited time offer penetration



Spicy Coating Systems in UK & APZ



Get ready for an explosive taste that'll leave you blown away!

Wings are King



Stubb's Spicy Jerk BBQ Wings

Stubb's Sticky Sweet Legendary Bar-B-Q Sauce paired with McCormick® Culinary Jerk Seasoning adds the perfect touch of sweetness to these spicy, Caribbean-inspired wings.

[Click for More Wing Menu Ideas](#)



Foodservice operator menu inspiration



We Heat Up Your Life ...

At Home and Away from Home



From your breakfast eggs ... to your Piri Piri chicken ... to wings at your tailgate ... to a take-out spicy chicken sandwich ...

McCormick is Heating Up Your Life

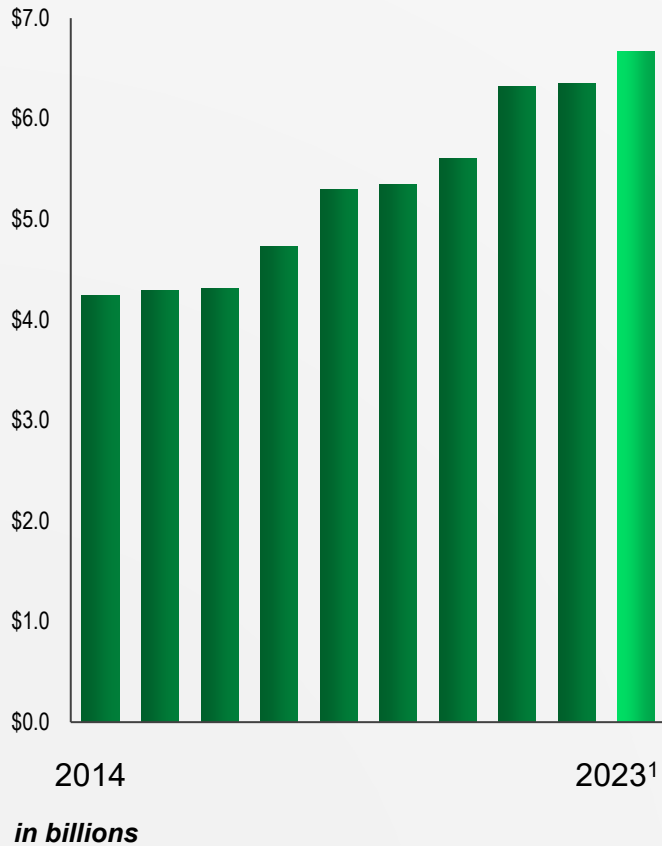


PERFORMANCE



Continued Strong Sales Growth Trajectory in 2022

NET SALES 10 Years Ended 2023



	2022 SALES GROWTH ²	DISCRETE 2022 SALES YEAR-OVER-YEAR IMPACTS			2022 UNDERLYING BUSINESS GROWTH
		INDIA, RUSSIA, & CHINA IMPACTS	KITCHEN BASICS DIVESTITURE	RETAILER INVENTORY IMPACTS	
Consumer	-3%	-2%	-1%	-2%	2%
Flavor Solutions	<u>12%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>12%</u>
Total MKC	3%	-1%	0%	-1%	5%

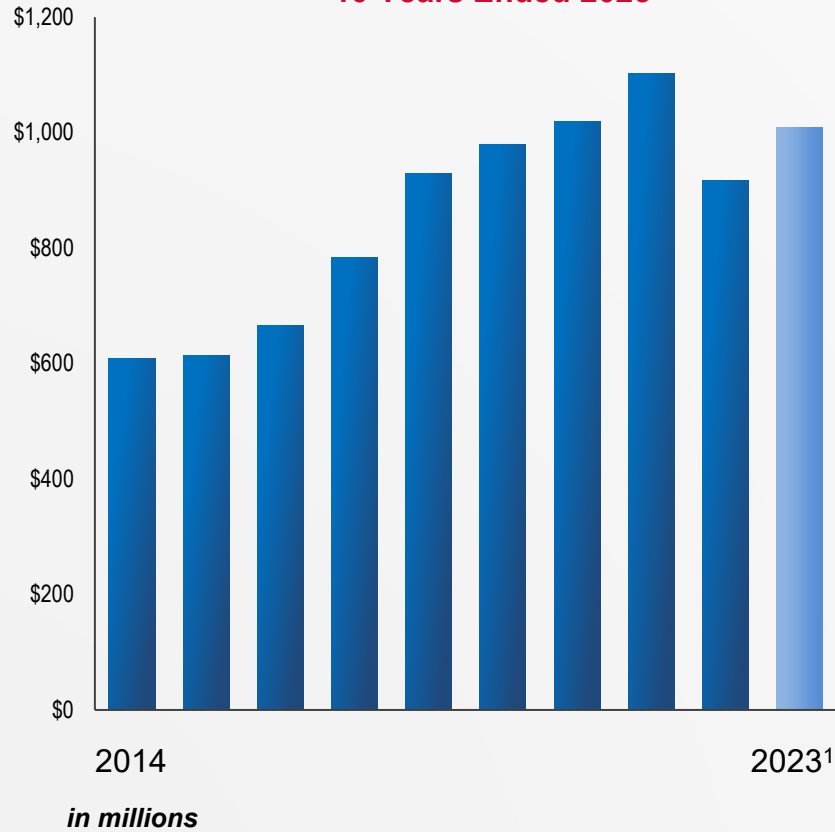
1) 2023 mid-point of guidance range 2) In constant currency

The non-GAAP measures included herein exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 66 to 71, including the impact of currency.



2022 Operating Income Pressured

ADJUSTED OPERATING INCOME 10 Years Ended 2023



2022 CHALLENGING CONDITIONS

- COVID-related China disruptions
- Conflict in Ukraine
- Persistently higher cost inflation
- Broad-based supply chain challenges

1) Mid-point of 2023 guidance range

The non-GAAP measures included herein, which we refer to as "adjusted", exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 66 to 71, including the impact of currency.



Reducing Costs Through the Global Operating Effectiveness Program



NORMALIZING SUPPLY CHAIN COSTS WHILE SUPPORTING CUSTOMER GROWTH

Reducing 10% of Americas supply chain workforce

- Reinstated more normal shift schedules
- Accelerating automation

Reducing co-pack costs to lowest in 5-years

- Investing in capacity
- Improving reliability

Returning to historical safety stock levels

Reducing logistics cost and material losses

ADVANCING OUR GLOBAL OPERATING MODEL

Streamlining workforce across the organization

Optimizing processes to work more efficiently

Maintaining strong foundation to support growth

Caring for employees with our shared values

**EXPECTED ANNUAL COST SAVINGS OF \$125 MILLION
\$75 MILLION TO BE REALIZED IN 2023**

Generating Fuel for Growth

TRACK RECORD OF COST SAVINGS

~\$500M savings achieved over last 5-years



LONG RUNWAY FOR FUTURE SAVINGS

~\$85M 2023 CCI outlook



2023 Outlook - Strong Underlying Business Growth

2023 PROJECTED DISCRETE YEAR-OVER-YEAR IMPACTS								
	2023 CONSTANT CURRENCY GUIDANCE	GLOBAL OPERATING EFFECTIVE- NESS PROGRAM	NET CHINA RECOVERY	KITCHEN BASICS DIVESTITURE	INCENTIVE COMP REBUILD	INTEREST HEADWIND ¹	TAX HEADWIND	2023 UNDERLYING BUSINESS GROWTH
Sales	5% to 7%		1%					4% to 6%
Operating Profit	9% to 11%	8%	3%	-1%	-8%			7% to 9%
EPS	1% to 3%	8%	3%	-1%	-8%	-8%	-1%	8% to 10%

1) Interest headwind includes interest expense and lapping the favorable impact from optimization of the debt portfolio in 3Q 2022

The non-GAAP measure included herein, which we refer to as "constant currency", excludes the impact of foreign currency exchange. The Company expects minimal impact on net sales, operating income, and earnings per share from currency rates in 2023.



Driving Results With Disciplined Capital Allocation

BALANCED USE OF CASH



- ✓ Drive growth
- ✓ Pay down debt
- ✓ Return to shareholders

STRONG SALES GROWTH SINCE 2017¹

BASE BUSINESS INVESTMENTS

4% ORGANIC GROWTH

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

SALES & MARGIN ACCRETIVE ACQUISITIONS

2% GROWTH



DIVIDEND ARISTOCRAT

CAPITAL RETURNED TO SHAREHOLDERS

Paid for last **98** years



Increased for **37** consecutive years

STRONG BALANCE SHEET

- Commitment to strong investment grade rating
- Target ~3.0x leverage by year end 2024

Increased Capacity, Expanded Capabilities & Modernized Workplaces

COMPLETED SIGNIFICANT GLOBAL SUPPLY CHAIN INVESTMENTS IN THE LAST THREE YEARS

U.S. Distribution Center – MKC’s Largest



U.S. Seasoning Blend Capacity



Canada Headquarters & Technical Innovation Center Modernization



U.K. Flavor Solutions Manufacturing Facility



China Flavor Encapsulation & Liquid Flavor Capabilities



Australia New Headquarters, Technical Innovation & Distribution Centers



Investing to Strengthen Resiliency and Profitably Meet Growing Demand

SEASONINGS AND SPRAY DRY FLAVORS



5% Volume Growth
3-year organic CAGR

- Relieve capacity constraints
- Increase network capacity for growth

HOT SAUCE



7% Volume Growth
3-year organic CAGR

- Increase capacity for growth
- Expand capability across the network

Optimizing Our Supply Chain Costs Through Automation and Digitalization

CONTINUING TO AUTOMATE OUR ENVIRONMENTS



Packing Before Automation



Packing Before Automation



Automated Case Packing and Erection



Automatic Case Erection and Loading

Deploying **global standard solutions locally**

Increasing resiliency
Reducing headcount

CREATING A DIGITAL MODERNIZED WORKFORCE



Upskilling our workforce

Equipping employees **with real time performance data**

Creating a **paperless manufacturing environment**



Expanding Our Sourcing Competitive Advantage

ADVANCING OUR SUSTAINABLE SOURCING LEADERSHIP

5 **mc** Iconic Ingredients

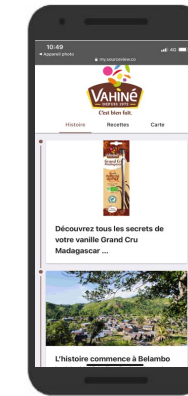


GOAL:
100%
Sustainably Sourced by 2025



GOAL:
100%
Sustainably Sourced by 2028

LEVERAGING BLOCKCHAIN TRANSPARENCY TECHNOLOGY



Wholechain

McCormick's **1st** commercially activated transparency initiative

Forbes
BLOCKCHAIN
50 2023
Listed



- Forbes Blockchain 50 Member
- Blockchain pilot to give transparency of Vanilla sourcing for Consumers
- Integrity from origin to finished packaging

mc Extended to Super **7**



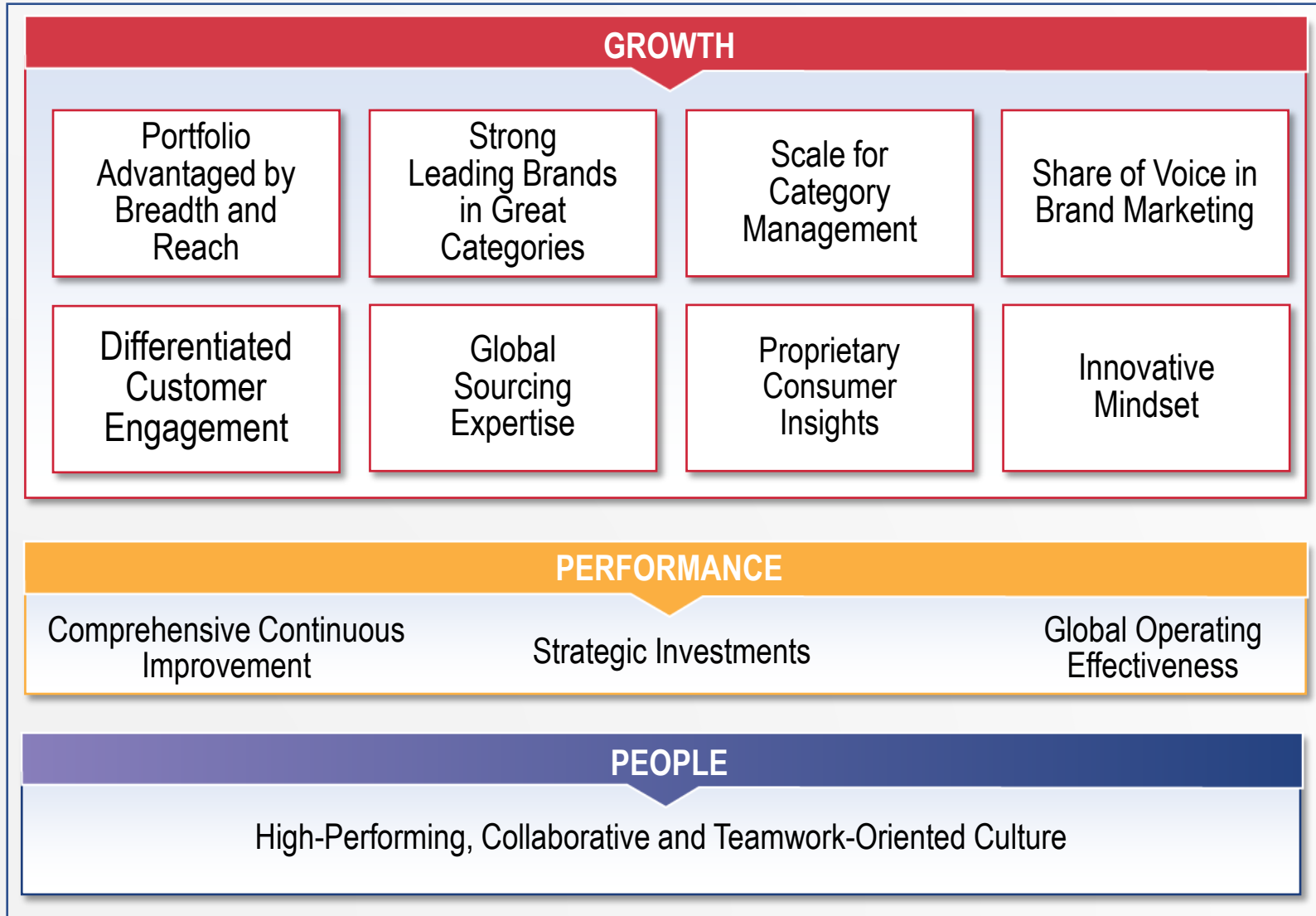
PEOPLE



Our Competitive Moat Underpins Our Long-Term Objectives



SYSTEM OF COMPETITIVE ADVANTAGES



SUSTAINABLE LONG-TERM OBJECTIVES

SALES	4-6%
OPERATING PROFIT	7-9%
EARNINGS PER SHARE	9-11%
TOTAL SHAREHOLDER RETURN	11-13%



Non-GAAP Financial Measures

The tables below include financial measures of adjusted gross profit, adjusted gross profit margin, adjusted operating income, adjusted operating income margin, adjusted income tax expense, adjusted income tax rate, adjusted net income and adjusted diluted earnings per share. These represent non-GAAP financial measures which are prepared as a complement to our financial results prepared in accordance with United States generally accepted accounting principles. These financial measures exclude the impact, as applicable, of the following:

Special charges – In our consolidated income statement, we include a separate line item captioned “Special charges” in arriving at our consolidated operating income. Special charges consist of expenses and income associated with certain actions undertaken by the Company to reduce fixed costs, simplify or improve processes, and improve our competitiveness and are of such significance in terms of both up-front costs and organizational/structural impact to require advance approval by our Management Committee. Upon presentation of any such proposed action (generally including details with respect to estimated costs, which typically consist principally of employee severance and related benefits, together with ancillary costs associated with the action that may include a non-cash component, such as an asset impairment, or a component which relates to inventory adjustments that are included in cost of goods sold; impacted employees or operations; expected timing; and expected savings) to the Management Committee and the Committee’s advance approval, expenses associated with the approved action are classified as special charges upon recognition and monitored on an on-going basis through completion. Special charges for the year ended November 30, 2022 include a \$13.6 million gain associated with the sale of the Kohinoor brand name. We exited our Kohinoor rice product line in India in the fourth quarter of fiscal year 2021.

Transaction and integration expenses associated with the Cholula and FONA acquisitions – We exclude certain costs associated with our acquisitions of Cholula and FONA in November and December 2020, respectively, and their subsequent integration into the Company. Such costs, which we refer to as “Transaction and integration expenses,” include transaction costs associated with each acquisition, as well as integration costs following the respective acquisition, including the impact of the acquisition date fair value adjustment for inventories, together with the impact of discrete tax items, if any, directly related to each acquisition.

Income from sale of unconsolidated operations – We exclude the gain realized upon our sale of an unconsolidated operation in March 2021. The sale of our 26% interest in Eastern Condiments Private Ltd resulted in a gain of \$13.4 million, net of tax of \$5.7 million. The gain is included in Income from unconsolidated operations in our consolidated income statement for the year ended November 30, 2021.

Gain on sale of Kitchen Basics - We exclude the gain realized upon our sale of our Kitchen Basics business in August 2022. The pre-tax gain associated with the sale was \$49.6 million for the year ended November 30, 2022.

We believe that these non-GAAP financial measures are important. The exclusion of the items noted above provides 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 they 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 to the related GAAP financial measures is provided below:

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 period from December 1, 2017 to November 30, 2021	For the year ended November 30, 2022	For the period from December 1, 2017 to November 30, 2022
Net Cash provided by operating activities	\$ 3,637.6	\$ 651.5	\$ 4,289.1
Less: Capital expenditures	(846.1)	(262.0)	(1,108.1)
Free Cash Flow	\$ 2,791.5	\$ 389.5	\$ 3,181.0
Net Income	\$ 3,138.8	\$ 682.0	\$ 3,820.8
Free cash flow as a percentage of net income	89%	57%	83%



Non-GAAP Financial Measures

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 have been volatile over the past several years. 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). Rates of constant currency growth (decline) follow:

	Year Ended November 30, 2022		
	Percentage Change as Reported	Impact of Foreign Currency Exchange	Percentage Change on a Constant Currency Basis
Net sales			
Consumer Segment	-4.6%	-2.1%	-2.5%
Flavor Solutions Segment	8.9%	-3.2%	12.1%
Total Net sales	0.5%	-2.5%	3.0%



Non-GAAP Financial Measures

Rates of constant currency growth (decline) follow:

Net Sales

Change as Reported
 Impact of Foreign Currency Exchange
 Change on a Constant Currency Basis

For the period from
 December 1, 2017
 through November
 30, 2022

	6.1%
	-0.3%
	6.4%*

*Includes 2.4% of growth due to acquisitions/divestitures and 4.0% of organic growth

To present the compounded annual growth rates ("CAGR") percentages in sales on a constant currency basis, sales for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the average exchange rates in effect during the corresponding period of the comparative years. The following provides a reconciliation of our actual CAGR and constant currency CAGR for sales:

3-Year CAGR - Net sales
 Impact of foreign currency exchange rates
 3-Year CAGR - Net sales on a constant currency basis

<u>Flavor Solutions</u>
7.7%
-0.4%
8.1%



Non-GAAP Financial Measures

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

	Year Ended November 30,	
	2022	2021
Operating income	\$ 863.6	\$ 1,015.1
Impact of transaction and integration expenses included in cost of goods sold (1)	-	6.3
Impact of other transaction and integration expenses (1)	2.2	29.0
Impact of special charges included in cost of goods sold (2)	-	4.7
Impact of other special charges (2)	51.6	46.4
Adjusted operating income	<u>\$ 917.4</u>	<u>\$ 1,101.5</u>

1) Transaction and integration expenses include transaction and integration expenses associated with our acquisitions of Cholula and FONA. These expenses include the effect of the fair value adjustment to acquired inventories on cost of goods sold and the impact of a discrete deferred state income tax expense item, directly related to our December 2020 acquisition of FONA. This discrete tax item had a net unfavorable impact of \$10.4 million or \$0.04 per diluted share for the year ended November 30, 2021.

2) Special charges for the year ended November 30, 2022 include a \$10.0 million non-cash intangible asset impairment charge associated with our exit of our business operations in Russia. Special charges for the year ended November 30, 2022 include a \$13.6 million gain associated with the sale of the Kohinoor brand name. We exited our Kohinoor rice product line in India in the fourth quarter of fiscal 2021. Special charges for the year ended November 30, 2021 include \$4.7 million which is reflected in Cost of goods sold and an \$11.2 million non-cash impairment charge associated with the impairment of certain intangible assets.



Non-GAAP Financial Measures

To present “constant currency” information for the fiscal year 2023 projection, projected sales and adjusted operating 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 2023 and are compared to the 2022 results, translated into U.S. dollars using the same 2023 budgeted exchange rates, rather than at the average actual exchange rates in effect during fiscal year 2022. To estimate the percentage change in adjusted earnings per share on a constant currency basis, a similar calculation is performed to arrive at adjusted net income divided by historical shares outstanding for fiscal year 2022 or projected shares outstanding for fiscal year 2023, as appropriate. The following provides a reconciliation of our estimated earnings per share to adjusted earnings per share for 2023 and actual results for 2022:

	Year Ended	
	2023 Projection	11/30/22
Earnings per share - diluted	\$2.42 to \$2.47	\$2.52
Impact of transaction and integration expenses	—	0.01
Impact of special charges	0.14	0.14
Impact of after-tax gain on sale of Kitchen Basics	—	(0.14)
Adjusted earnings per share - diluted	<u>\$2.56 to \$2.61</u>	<u>\$2.53</u>

