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 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

LONG-TERM SALES GROWTH TARGET

LONG-TERM ADJUSTED EPS GROWTH TARGET

1) Food peers, as available
Focused on Long-Term Shareholder Value Creation

### VALUE CREATION 2017 - 2021

<table>
<thead>
<tr>
<th></th>
<th>MKC</th>
<th>S&amp;P 500</th>
<th>Food Peers</th>
<th>Flavor Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Shareholder Return 4-Year CAGR</td>
<td>19%</td>
<td>15%</td>
<td>7%</td>
<td>8%</td>
</tr>
</tbody>
</table>

89% of Net Income converted to Free Cash Flow

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

### VALUE CREATION 2022

<table>
<thead>
<tr>
<th></th>
<th>MKC</th>
<th>S&amp;P 500</th>
<th>Food Peers</th>
<th>Flavor Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dynamic Global Environment Challenged 2022 Performance</td>
<td>-21%</td>
<td>-5%</td>
<td>5%</td>
<td>-19%</td>
</tr>
</tbody>
</table>

### VALUE CREATION 2017 - 2022

<table>
<thead>
<tr>
<th></th>
<th>MKC</th>
<th>S&amp;P 500</th>
<th>Food Peers</th>
<th>Flavor Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Shareholder Return 5-Year CAGR</td>
<td>9%</td>
<td>10%</td>
<td>7%</td>
<td>2%</td>
</tr>
</tbody>
</table>

83% of Net Income converted to Free Cash Flow

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

---

1) 4-Year TSR: Factset as of 2/17/2022; 1-Year TSR: Factset as of 2/17/2023; 5-Year TSR: Factset as of 2/17/2023
See reconciliation of GAAP to non-GAAP financial measures on slides 66 to 71, including free cash flow.

Standing Together for the Future of Flavor

**PEOPLE**

**IMPACTING LIVES EVERY DAY FOR THE BETTER**

- Promoting employee health, wellness, and nutrition

**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

**ESG LEADERSHIP**

- Committed to 1.5°C science-based target and Net Zero by 2050
- Advancing our sustainable sourcing standard
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 sales

~14,000 raw materials sourced from over 80 countries

1) Includes McCormick share of joint ventures
No Matter *What, When or Where* You Eat or Drink, You’re Likely Enjoying Something Flavored by McCormick
We Are Intentionally in Great Flavor Categories

7% PROJECTED GLOBAL FLAVOR GROWTH DRIVEN BY MKC TOP CATEGORIES

3-Year Future CAGR1

<table>
<thead>
<tr>
<th>Category</th>
<th>3-Year Future CAGR1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stocks, Stock Cubes &amp; Powders</td>
<td>10%</td>
</tr>
<tr>
<td>Table Sauces/Condiments*</td>
<td>10%</td>
</tr>
<tr>
<td>Pet Care</td>
<td>9%</td>
</tr>
<tr>
<td>Herbs &amp; Spices &amp; Dry Recipe Mixes</td>
<td>9%</td>
</tr>
<tr>
<td>Savory Snacks</td>
<td>9%</td>
</tr>
<tr>
<td>TOTAL FLAVOR</td>
<td>10%</td>
</tr>
</tbody>
</table>

* 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\(^1\)

77% of consumers **add flavorful spices** & ingredients when cooking or preparing a meal\(^2\)

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

Since 2019…

- 76% are cooking more at home\(^2\)
- 50% are cooking more from scratch\(^2\)

80% enjoy cooking\(^3\)

- 65% of consumers like to explore new flavors\(^2\)

79% want sustainable products\(^4\)

---

Consumer Sentiment and Behavior Reinforces Elevated Consumption

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

81% find it much more economical to cook at home\(^1\)

Since 2019…

% of at home meal occasions has increased 10 pts\(^2\)

<table>
<thead>
<tr>
<th>Meal</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lunch</td>
<td>+15 pts</td>
</tr>
<tr>
<td>Snacking</td>
<td>+9 pts</td>
</tr>
<tr>
<td>Breakfast</td>
<td>+8 pts</td>
</tr>
<tr>
<td>Dinner</td>
<td>+7 pts</td>
</tr>
</tbody>
</table>

Fewer consumers are trading down to private label … a 4 point reduction\(^3\)

>50% are batch cooking as a cost savings measure\(^1\)

---

Our Competitive Moat Underpins Our Long-Term Objectives

SYSTEM OF COMPETITIVE ADVANTAGES

GROWTH
- Portfolio Advantaged by Breadth and Reach
- Strong Leading Brands in Great Categories
- Scale for Category Management
- Share of Voice in Brand Marketing
- Differentiated Customer Engagement
- Global Sourcing Expertise
- Proprietary Consumer Insights
- Innovative Mindset

PERFORMANCE
- Comprehensive Continuous Improvement
- Strategic Investments
- Global Operating Effectiveness

PEOPLE
- High-Performing, Collaborative and Teamwork-Oriented Culture

SUSTAINABLE LONG-TERM OBJECTIVES

<table>
<thead>
<tr>
<th>Objective</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALES</td>
<td>4-6%</td>
</tr>
<tr>
<td>OPERATING PROFIT</td>
<td>7-9%</td>
</tr>
<tr>
<td>EARNINGS PER SHARE</td>
<td>9-11%</td>
</tr>
<tr>
<td>TOTAL SHAREHOLDER RETURN</td>
<td>11-13%</td>
</tr>
</tbody>
</table>
CONSUMER
Focused on What Is Important to Consumers

**FRESH FLAVOR**

#1 driver of grocery shopper satisfaction

**VALUE**

67% say they will purchase brands that offer more value for the money

**CONVENIENCE**

74% say always looking for convenient meal ideas and time saving tips in the kitchen

**FLAVOR EXPLORATION**

73% feel experimenting with new flavors is exciting

---

Driving Global Leadership With the Power of Our Brands

STRONG BRAND EQUITY

STRENGTHENING LEADERSHIP POSITION

- Brand marketing
- New product innovation
- Category management

HERBS, SPICES & SEASONINGS

2022 Sales Global Share

McCormick

Next largest Competitor

2nd largest Competitor

All Other

#1 Global Share Leader

Leading Brands in Many Markets

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

Sources: Euromonitor, 2022; IRI/Neilsen/Kantar Syndicated Data, 2022
Advancing Global Leadership in Recipe Mixes

#1 SHARE GLOBALLY

- #1 in U.S.
- #1 in China
- #1 in Canada
- NOW #1 IN U.K.

U.S. SUPPLY & SHARE PERFORMANCE RESTORED

<table>
<thead>
<tr>
<th>Year</th>
<th>Dollar Share Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
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<tr>
<td>2021</td>
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<tr>
<td>1Q22</td>
<td></td>
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<tr>
<td>2Q22</td>
<td></td>
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<tr>
<td>3Q22</td>
<td></td>
</tr>
<tr>
<td>4Q22</td>
<td></td>
</tr>
</tbody>
</table>

45% Market Share

STRENGTHENING LEADERSHIP POSITION

- Brand Marketing
- Category management
- New products

Sources: Euromonitor, 2022; IRI/Nielsen Syndicated Data, 2022; IRI POS Data – US All Outlets, 2022
Strengthening Our Spices & Seasonings Leadership

RESTORING U.S. SPICES & SEASONINGS DISTRIBUTION

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Distribution Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q22</td>
<td></td>
</tr>
<tr>
<td>2Q22</td>
<td></td>
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<tr>
<td>3Q22</td>
<td></td>
</tr>
<tr>
<td>4Q22</td>
<td></td>
</tr>
</tbody>
</table>

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

Restoration of service-driven losses
Sequential share improvement
Driving consumption dollars, units and volume

Source: IRI POS data - US All Outlets, 2022
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

Increased Velocity After Transition

In U.K. +5%
In France +9%
In Canada +4%

Rolling out 1,000 stores in Canada in 2023

U.S. Launch 2Q 2023

NEW LOOK FRESHER FLAVOR

Sources: IRI/Nielsen Syndicated Data, 2019-2022
Differentiating Our Everyday Spice and Herb Portfolio

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

Fresher Flavor

CONVENIENT FLAVOR NAME AND PROMINENT BEST-BY DATE

FRESHNESS YOU CAN HEAR AND SMELL

SNAP Tight™ Lid
Audibly snaps and seals aroma in

FRESHNESS YOU CAN SEE AND TASTE

Nitrogen flushed for long-lasting and visibly fresher flavor

NEW

CURRENT

40%
Higher freshness perception vs current

2x
Preferred vs current

25%
Increased loyalty among current buyers

FRESHNESS YOU CAN HEAR AND SMELL

SNAP Tight™ Lid
Audibly snaps and seals aroma in

FRESHNESS YOU CAN SEE AND TASTE

Nitrogen flushed for long-lasting and visibly fresher flavor

FRESHNESS YOU CAN HEAR AND SMELL

SNAP Tight™ Lid
Audibly snaps and seals aroma in

FRESHNESS YOU CAN SEE AND TASTE

Nitrogen flushed for long-lasting and visibly fresher flavor
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

WINNING THE DISCOUNT CHANNEL

- **Growing EMEA share** in fast-growing channel
- **Expanding distribution** in the U.S. and EMEA markets

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

Sources: IRI/Nielsen POS Data, through Jan 2023
Delivering the Convenience Consumers Are Seeking

WITH PRODUCT OFFERINGS …

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

#1 Repeat Rate in U.S. Category

Launching into U.K. Convenience Category

Beat top competitor on taste

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 apps

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

New products in all formats across the portfolio

- Jalapeno & Honey
- Smoky Ranchero
- Griller’s Flavor Choice

Kicking off 2023 Grilling Season with Max the Meat Guy

Influencer with 10 million followers

**ELEVATING THE LUNCH OCCASION**

Best-selling French’s innovation since acquisition

New flavor launching in 2023

**LEVERAGING PARTNERSHIPS**

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

- Very Good Garlic
- Sauté Business Recipe Mix
- Sunshine Seasoning

**FIRST-TO-MARKET INNOVATIVE FLAVORS**

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

New world cuisine flavors in Club

**24**

1) IRI POS Data, through 2022
Driving Growth With Industry-leading Brand Marketing

LEADER IN CONSUMER BRAND MARKETING SUPPORT
% of Net Sales\(^2\)

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>MKC Consumer</th>
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<tbody>
<tr>
<td>0.0%</td>
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<td>1.0%</td>
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<td>2.0%</td>
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</table>

Performance Above Industry Norms\(^1\)

- 4X Engagement Rate
- 2X Return on Investment

5-Year Consumer CAGR
- Brand Marketing: +7%
- Working Dollars: +9%

1) Represents North America 2) Peers as available based on Company filings
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**

**Tailored Solutions**
for a Broad Range of Customers

**Clean, Natural & Sustainable**
Flavor

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

**DRIVERS OF MARGIN PRESSURE ARE SHORT-TERM**

<table>
<thead>
<tr>
<th>Pressure</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pricing lagging inflation</td>
<td>2023 Recovery</td>
</tr>
<tr>
<td>2. Elevated costs to meet high demand</td>
<td>2023 &amp; 2024 Global Operating Effectiveness Program cost elimination</td>
</tr>
<tr>
<td>3. Start-up expenses and dual-running costs for new U.K. manufacturing facility</td>
<td>2024 &amp; 2025 tailwind from expense wind-down</td>
</tr>
</tbody>
</table>

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 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

1) Most recent four quarters as of 12/31/22 based on Company filings, presentations, FactSet, and external data
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 Growth

+16%  
MKC Sales Growth

**SAVORY SNACK**

+5%  
Market Growth

+12%  
MKC Sales Growth

**PERFORMANCE**

+6%  
Market Growth

+16%  
MKC Sales Growth

---

1) Innova Market Insights, End Markets 3-Year CAGR, 2018 to 2021; 2) 3-Year CAGR, 2018 to 2021, in constant currency.
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

~5x increase in natural extracts for product development in 2022
Driving Growth With an Industry-leading Customer Experience

DIFFERENTIATED ENGAGEMENT

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

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

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
Accelerating Innovation With Our Technologies and Partnerships

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

LEVERAGING OUR DIFFERENTIATED FLAVOR TECHNOLOGIES

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

36%

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

EDUCATING FOODSERVICE CUSTOMERS ON LEADING EDGE TRENDS AND PROVIDING MENU INSPIRATION

WINNING IN THE BEVERAGE CATEGORY BY LEVERAGING OUR UNRIVALED INSIGHTS

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

Beyond Heat Full Flavored Fats Everyday French

Herbal, botanical, tea-based, smoked spice, chili-based spice, cider, fruit, healthy, energizing, mocktail
Driving Growth and Gaining Share in Branded Food Service

**INCREASING RESTAURANT PENETRATION**

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

Gaining share on tabletop

Cattlemen’s Carolina Tangy Gold Ribs

**DRIVING BRAND AWARENESS**

Increased Digital Marketing

**LEVERAGING CULINARY PARTNERSHIPS**

Globally-Inspired Menu Ideas

DELIVERING INNOVATION

More than 2X new items launching in 2023

McCormick Culinary Global Blends

French’s Dijon Portion Control
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 heat⁴

More than just heat… seeking nuanced spicy flavor varieties too⁵

AUTHENTIC FLAVOR

35% of consumers prefer authentic Mexican-style spicy condiments outpacing other global cuisines⁶

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 CAGR\(^1\)

Heat Related Spices & Seasonings
13%
3-Year Category CAGR\(^2\)

Heat Inspired Frozen
14%
3-Year Category CAGR\(^3\)

A HIGH GROWTH FLAVOR PROFILE FOR OUR FLAVOR SOLUTIONS CUSTOMERS

Heat Inspired Salty Snacks
15%
3-Year Category CAGR\(^3\)

6 of 10 fastest-growing menu flavors are spicy\(^4\)

+25% Hot Sauce growth on menus over 10 years\(^4\)

Other Heat Inspired Center of Store
10%
3-Year Category CAGR\(^3\)

---

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
- 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 World

Frank’s RedHot
#1 Foodservice
Hot Sauce
U.S. & Canada¹

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

#1
Foodservice
Tabletop Hot Sauce
in U.S.³

Consumer Spices, Blends and Recipe Mixes

#1
Global
Spices and
Seasonings⁴

Foodservice Spices and Seasoning Mixes

¹) Euromonitor International Limited; based on custom research conducted August 2022 for value sales in 2021 through all retail channels. Hot sauce defined as spicy table sauce/condiment made from chilies and excludes chili paste and dried chili powder/flakes.; ²) IRI Total US - Multi Outlet; Latest 52 Weeks Ending 01-29-23; ³) U.S. - NPD Supply Track, 12 Months Ending Dec 2022; Canada Direct Link, 52 weeks ending September 2022 ⁴) Consumer Spices and Seasonings; Euromonitor 2022
… 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 category

Item dollar productivity nearly double all other brands

**LAUNCHING ON-TREND INNOVATION**

- Dill Pickle
- Smokin Sweet BBQ
- Cholula Reserva
- Frank’s Mild Wing Sauce
- Frank's Gameday Variety Pack
- Cholula E-commerce Gift Pack

Building Partnerships to fire up growth

1) IRI Total US - Multi Outlet; Latest 26 Weeks Ending 01-29-23 2) IRI Total US - Multi Outlet; Latest 52 Weeks Ending 01-29-23
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

¹ IRI 2019-2022 3-Year CAGR U.S. and EMEA Mexican Foods; Mexican Sauces
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 Pipriliz

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
- Foodservice operator menu inspiration

**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**
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

### 2022 Sales Growth Trajectory

- **Consumer**: -3%
- **Flavor Solutions**: 12%
- **Total MKC**: 3%

### DISCRETE 2022 SALES YEAR-OVER-YEAR IMPACTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDIA, RUSSIA, &amp; CHINA IMPACTS</td>
<td>-2%</td>
</tr>
<tr>
<td>KITCHEN BASICS DIVESTITURE</td>
<td>-1%</td>
</tr>
<tr>
<td>RETAILER INVENTORY IMPACTS</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Total 2022 Underlying Business Growth</strong></td>
<td>2%</td>
</tr>
</tbody>
</table>

### Notes

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted Operating Income (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$600</td>
</tr>
<tr>
<td>2015</td>
<td>$700</td>
</tr>
<tr>
<td>2016</td>
<td>$800</td>
</tr>
<tr>
<td>2017</td>
<td>$900</td>
</tr>
<tr>
<td>2018</td>
<td>$1,000</td>
</tr>
<tr>
<td>2019</td>
<td>$1,100</td>
</tr>
<tr>
<td>2020</td>
<td>$1,200</td>
</tr>
<tr>
<td>2021</td>
<td>$1,300</td>
</tr>
<tr>
<td>2022</td>
<td>$1,400</td>
</tr>
<tr>
<td>2023</td>
<td>$1,500</td>
</tr>
</tbody>
</table>

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.

### 2022 CHALLENGING CONDITIONS

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

Historical % of Cost Savings

Brand Marketing

SG&A

Packaging

Raw Materials

2023 Targeted Opportunities

Brand Marketing

SG&A

Packaging

Raw Materials

Manufacturing
2023 Outlook - Strong Underlying Business Growth

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.

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

<table>
<thead>
<tr>
<th>2023 Projected Discrete Year-Over-Year Impacts</th>
<th>Global Operating Effectiveness Program</th>
<th>Net China Recovery</th>
<th>Kitchen Basics Divestiture</th>
<th>Incentive Comp Rebuild</th>
<th>Interest Headwind</th>
<th>Tax Headwind</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales 2023 Constant Currency Guidance</td>
<td>5% to 7%</td>
<td>1%</td>
<td>8%</td>
<td>3%</td>
<td>-1%</td>
<td>-8%</td>
</tr>
<tr>
<td>Operating Profit 2023 Constant Currency Guidance</td>
<td>9% to 11%</td>
<td>8%</td>
<td>3%</td>
<td>-1%</td>
<td>-8%</td>
<td>-8%</td>
</tr>
<tr>
<td>EPS 2023 Constant Currency Guidance</td>
<td>1% to 3%</td>
<td>8%</td>
<td>3%</td>
<td>-1%</td>
<td>-8%</td>
<td>-1%</td>
</tr>
</tbody>
</table>

2023 Underlying Business Growth

- Sales: 4% to 6%
- Operating Profit: 7% to 9%
- EPS: 8% to 10%
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

1) 5-Year CAGR 2018 to 2022
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

- Relieve capacity constraints
- Increase network capacity for growth

5% Volume Growth
3-year organic CAGR

HOT SAUCE

- Increase capacity for growth
- Expand capability across the network

7% Volume Growth
3-year organic CAGR
Optimizing Our Supply Chain Costs Through Automation and Digitalization

CONTINUING TO AUTOMATE OUR ENVIRONMENTS

Deploying global standard solutions locally

- Packing Before Automation
- Automated Case Packing and Erection
- Automatic Case Erection and Loading

Increasing resiliency

Reducing headcount

CREATING A DIGITAL MODERNIZED WORKFORCE

- Upskilling our workforce
- Equipping employees with real time performance data
- Creating a paperless manufacturing environment

Packing Before Automation

Automatic Case Erection and Loading
Expanding Our Sourcing Competitive Advantage

ADVANCING OUR SUSTAINABLE SOURCING LEADERSHIP

GOAL:
100% Sustainably Sourced by 2025

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

Extended to Super 7

5 Iconic Ingredients

- Vanilla
- Red Pepper
- Black Pepper
- Oregano
- Cinnamon
- Cardamom
- Cloves
- Indian Seeds
- Ginger
- Sage
- Thyme
- Turmeric

GOAL:
100% Sustainably Sourced by 2028

LEVERAGING BLOCKCHAIN TRANSPARENCY TECHNOLOGY

McCormick’s 1st commercially activated transparency initiative

Listed

Iconic Ingredients to Super 7
Our Competitive Moat Underpins Our Long-Term Objectives

**SYSTEM OF COMPETITIVE ADVANTAGES**

**GROWTH**
- Portfolio Advantaged by Breadth and Reach
- Strong Leading Brands in Great Categories
- Scale for Category Management
- Share of Voice in Brand Marketing

**DIFFERENTIATED CUSTOMER ENGAGEMENT**
- Global Sourcing Expertise
- Proprietary Consumer Insights
- Innovative Mindset

**PERFORMANCE**
- Comprehensive Continuous Improvement
- Strategic Investments
- Global Operating Effectiveness

**PEOPLE**
- High-Performing, Collaborative and Teamwork-Oriented Culture

**SUSTAINABLE LONG-TERM OBJECTIVES**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>4-6%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>7-9%</td>
</tr>
<tr>
<td>Earnings Per Share</td>
<td>9-11%</td>
</tr>
<tr>
<td>Total Shareholder Return</td>
<td>11-13%</td>
</tr>
</tbody>
</table>
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:

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

<table>
<thead>
<tr>
<th></th>
<th>Year Ended November 30, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percentage Change as Reported</td>
</tr>
<tr>
<td>Net sales</td>
<td></td>
</tr>
<tr>
<td>Consumer Segment</td>
<td>-4.6%</td>
</tr>
<tr>
<td>Flavor Solutions Segment</td>
<td>8.9%</td>
</tr>
<tr>
<td>Total Net sales</td>
<td>0.5%</td>
</tr>
</tbody>
</table>
Non-GAAP Financial Measures

Rates of constant currency growth (decline) follow:

<table>
<thead>
<tr>
<th>Flavors Solutions</th>
<th>3-Year CAGR - Net sales</th>
<th>Flavor Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>7.7%</td>
</tr>
<tr>
<td>Impact of foreign currency exchange rates</td>
<td>-0.4%</td>
<td></td>
</tr>
<tr>
<td>3-Year CAGR - Net sales on a constant currency basis</td>
<td>8.1%</td>
<td></td>
</tr>
</tbody>
</table>

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

Net Sales
Change as Reported | 6.1% |
Impact of Foreign Currency Exchange | -0.3% |
Change on a Constant Currency Basis | 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:
## Non-GAAP Financial Measures

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

<table>
<thead>
<tr>
<th></th>
<th>Year Ended November 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
</tr>
<tr>
<td>Operating income</td>
<td>$863.6</td>
</tr>
</tbody>
</table>
| 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**       | **$917.4**   | **$1,101.5** |

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.
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:

### Non-GAAP Financial Measures

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