



Advancing Our Leadership and Differentiation

McCormick & Company, Inc. Investor Day 2024





Investor Day 2024

Faten Freiha

Vice President, Investor Relations

○ Welcome and Introductions



Forward-looking Information

Certain information contained in this presentation, including statements concerning expected performance such as those relating to net sales, gross margin, earnings, cost savings, 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: general economic and industry conditions, including consumer spending rates, recessions, interest rates, and availability of capital; our long-term constant currency growth in sales, adjusted operating income, and adjusted earnings per share; expectations regarding sales growth potential in various geographies and markets, including the impact from brand marketing support, product innovation, and customer, channel, category, heat platform and e-commerce expansion; expected trends in net sales and earnings performance and other financial measures; the expected impact of pricing actions on the Company's results of operations and gross margins; the expected impact of the inflationary cost environment on our business; the expected impact of factors affecting our supply chain, including the availability and prices of commodities and other supply chain resources including raw materials, packaging, labor energy, and transportation; the expected impact of productivity improvements, including those associated with our CCI and GOE programs and Global Business Services operating model initiative; the ability to identify, attract, hire retain and develop qualified personnel and develop the next generation of leaders; the impact of the ongoing conflicts between Russia and Ukraine and Israel and Hamas, including the potential for broader economic disruption; expected working capital improvements; the expected timing and costs of implementing our business transformation initiative, which includes the implementation of a global enterprise resource planning (ERP) system; the expected impact of accounting pronouncements; the expectations of pension and postretirement plan contributions and anticipated charges associated with those plans; the holding period and market risks associated with financial instruments; the impact of foreign exchange fluctuations; the adequacy of internally generated funds and existing sources of liquidity, such as the availability of bank financing; the anticipated sufficiency of future cash flows to enable the payments of interest and repayment of short- and long-term debt, working capital needs, planned capital expenditures, quarterly dividends and our 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 GOE program; 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; 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 and Israel and Hamas, 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 our amount of outstanding indebtedness and related level of debt service as well as the effects that such 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; 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.



Agenda for the Day

Time

Session

8:30 AM – 11:30 AM	Formal Presentations
11:30 AM – 1:00 PM	Best of Flavor Forecasts Lunch
1:00 PM – 3:30 PM	Immersive Flavor Experiences
3:30 PM – 4:30 PM	Closing Remarks and Reception



Formal Presentations

Topic

Speaker



Welcome and Introductions

Faten Freiha | Vice President, Investor Relations

Advancing Our Leadership and Differentiation

Brendan Foley | President and CEO

Building on a Strong Foundation with Effective Strategies

Kasey Jenkins | Chief Growth Officer

Strengthening Core Category Performance Through Increased Investments

Andrew Foust | President, Americas

Ana Sanchez | President, EMEA

Capitalizing on Emerging Growth Opportunities

Sumeet Vohra | President, APAC

Break

Leveraging Marketing to Drive Brand Growth

Tabata Gomez | Chief Marketing Officer

Accelerating Growth Through Innovation

Anju Rao | Chief Science Officer

Strengthening Our Flavor Leadership with Acquisitions

Kasey Jenkins | Chief Growth Officer

Delivering on Our Long-Term Objectives

Mike Smith | Executive Vice President & CFO

Marcos Gabriel | Incoming Executive Vice President and Chief Financial Officer

Q&A



Advancing Our Leadership and Differentiation

McCormick & Company, Inc. Investor Day 2024





Investor Day 2024

Brendan Foley

President and Chief Executive Officer

○ Advancing Our Leadership and Differentiation



Advancing Our Leadership and Differentiation

- 1 Building on our strong foundation**
- 2 Demand for flavor remains strong**
- 3 Prioritizing investments to drive the greatest value**
- 4 Reaffirming our sustainable long-term objectives**

Best-In-Class Leadership Team



Our Best-in-Class Leadership Team



Brendan Foley
President and
Chief Executive
Officer



Mike Smith
Executive Vice
President and Chief
Financial Officer



Marcos Gabriel
Incoming EVP &
Chief Financial
Officer



Kasey Jenkins
Chief Growth
Officer



Andrew Foust
President –
Americas



Ana Sanchez
President –
EMEA



Sarah Piper
Chief Human
Relations
Officer



Josh Chou
Chief Supply Chain
Officer



Tabata Gomez
Chief Marketing
Officer



Anju Rao
Chief Science
Officer



Sumeet Vohra
President –
Asia Pacific



Guy Peri¹
Chief Information
and Digital Officer



Jeffrey Schwartz
Vice President,
General Counsel &
Secretary

OUR COLLECTIVE EXPERIENCE

AVERAGE MKC TENURE: 12 YRS

1) Starts November 18, 2024

We Are End-to-End Flavor

\$6.7B Net Sales in 2023

WE ARE A GLOBAL LEADER IN FLAVOR



WE FLAVOR EVERY SIP AND BITE

<p>Every Region & Market</p> 	<p>Across Channels</p> 	<p>In- & Away-From-home</p> 
<p>Every Occasion</p> 	<p>Every Cuisine & Flavor Trend</p> 	<p>Every Format & Application</p> 

Others Compete for Calories ... *We Flavor Them*



Demand for Flavor Remains Strong

Desire to Explore and Discover New Flavors

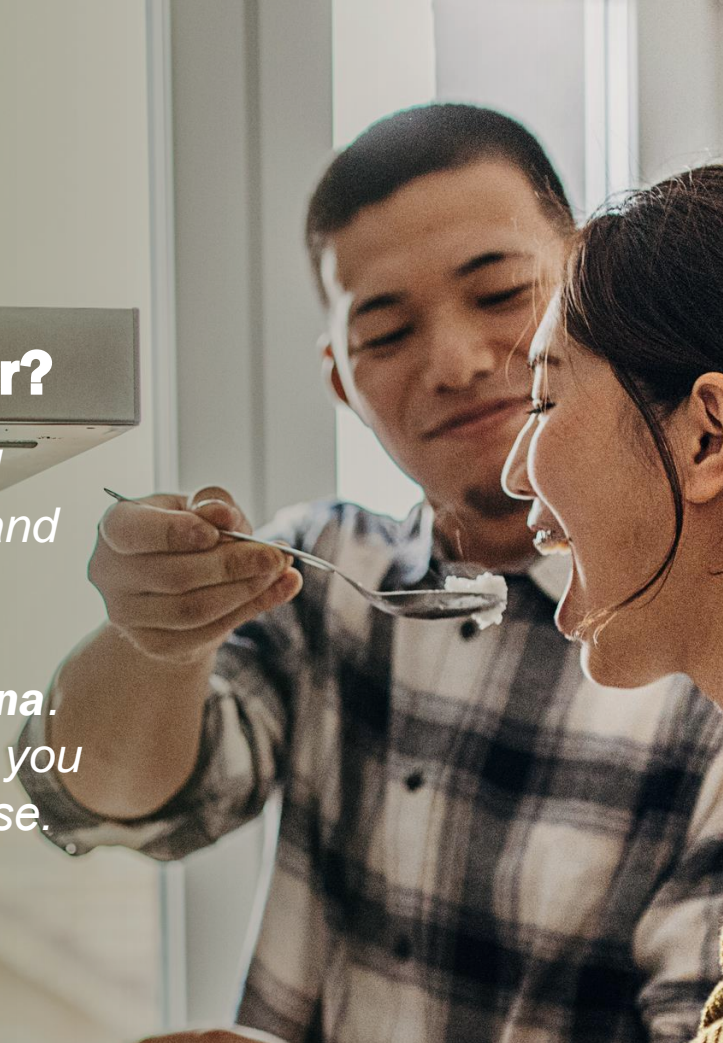
>65%

Cook to explore new flavors



What is flavor?

To use butters and salts and dashes and spices. I can't see living without it. It gives a taste nirvana. It gives something you can't have otherwise. The flavoring is everything.



I'm addicted to bold loud flavors.... Dressing and seasoning. It's just like water. It's what dictates everything. It drives the bus.



>50%

GEN Z tried new flavors in last year

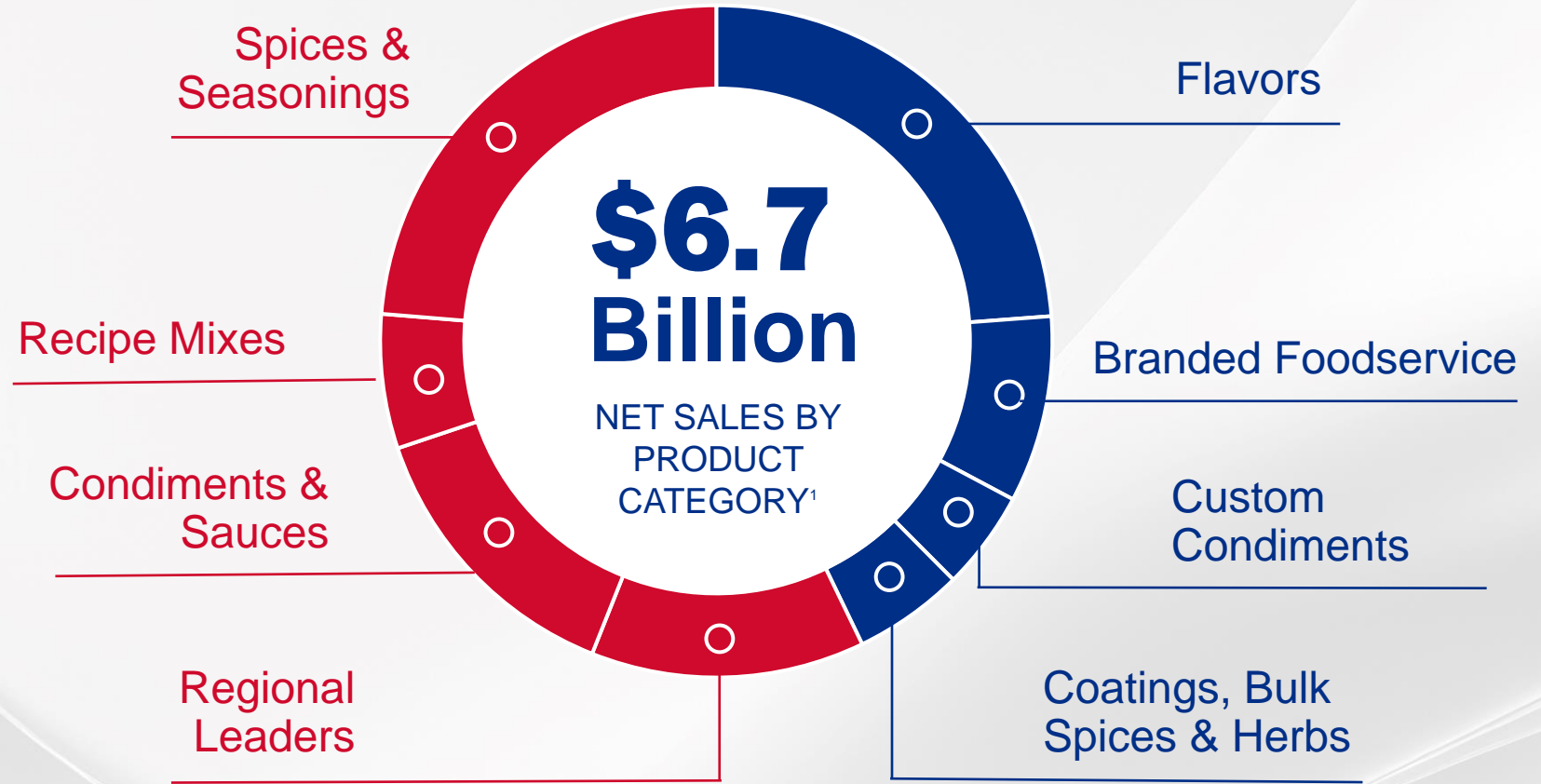


Broad and Advantaged Global Flavor Portfolio



CONSUMER – 57%

FLAVOR SOLUTIONS – 43%



¹ 2023 Net Sales

Delivering on Our Priorities



Strengthen global leadership in our core categories



Drive profitable growth and higher returns on investments



Accelerate our digital transformation



Build the next generation of leaders and capabilities



Expand our system of competitive advantages

History of Driving Long-Term Growth

2015
Net Sales

\$4.3B

6%

CAGR 2015 - 2023

2023
Net Sales

\$6.7B

Organic

4%

Acquisition

2%

Acquisitions are net of divestitures.

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 in the appendix, including the impact of currency..



Reaffirming Our Sustainable Long-Term Objectives

**Net
Sales**

4 – 6%

**Operating
Income**

7 – 9%

**Earnings
Per Share**

9 – 11%



McCormick's Five Principles



Passion for
FLAVOR™



Power of
PEOPLE™



Taste you
TRUST™



Driven to
INNOVATE



Purpose-led
PERFORMANCE

Leveraging Our Culture as a Strength

Power of People



Employee Engagement and Development



We Listened to You





Investor Day 2024

Kasey Jenkins

Chief Growth Officer

- Building on a Strong Foundation with Effective Strategies



Positioned for Growth

Strong Global Flavor Demand



Focus on High-Growth Categories



Unique System of Growth Advantages

<p>Breadth and Reach of Focused Global Portfolio</p>	<p>Powerful Leading Brands</p>	<p>Global Heat Platform</p>
<p>Unmatched Consumer Insights</p>	<p>Global Sourcing Expertise</p>	<p>Acquisition Discipline and Integration</p>

Power of People Culture

Effective Strategy Execution



Strategic Roadmap

GROWTH	PERFORMANCE	PEOPLE
<p>Win With Consumers and Customers</p> <ul style="list-style-type: none"> Drive undisputed global leadership in herbs, spices and seasonings Advance leadership in global flavors Strengthen global heat leadership Expand branded condiments Accelerate new product innovation 	<p>Win With Purpose-led Performance</p> <ul style="list-style-type: none"> Expand system of competitive advantages Accelerate digital transformation Create value through higher returns on investments Drive operational excellence Strengthen organizational resiliency 	<p>Win With Talent and Engagement</p> <ul style="list-style-type: none"> Leverage our Power of People culture Elevate organizational effectiveness Foster an innovative and learning organization Advance diversity, equity, and inclusion Build future leaders and capabilities



Steadfast Focus on Long-Term Growth



Projected Flavor Growth

5 - 7%

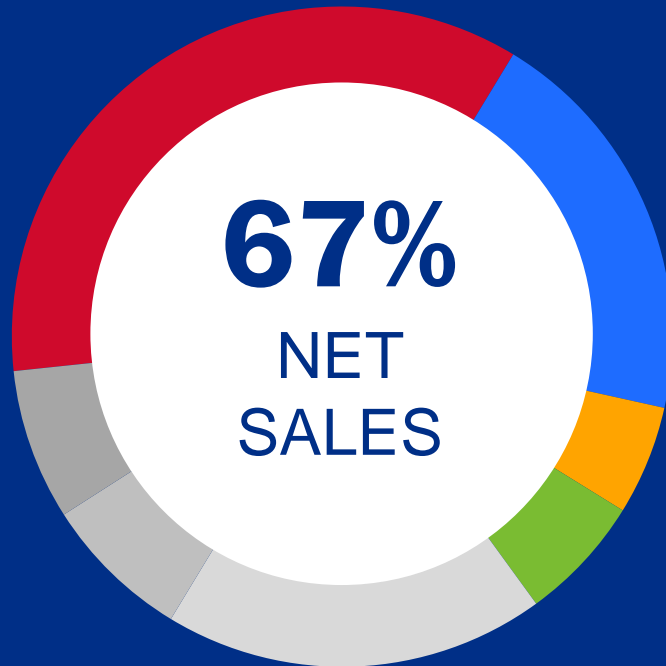
**Global CAGR
2025 - 2027**

3 - 5%

**McCormick Markets' CAGR
2025 - 2027**

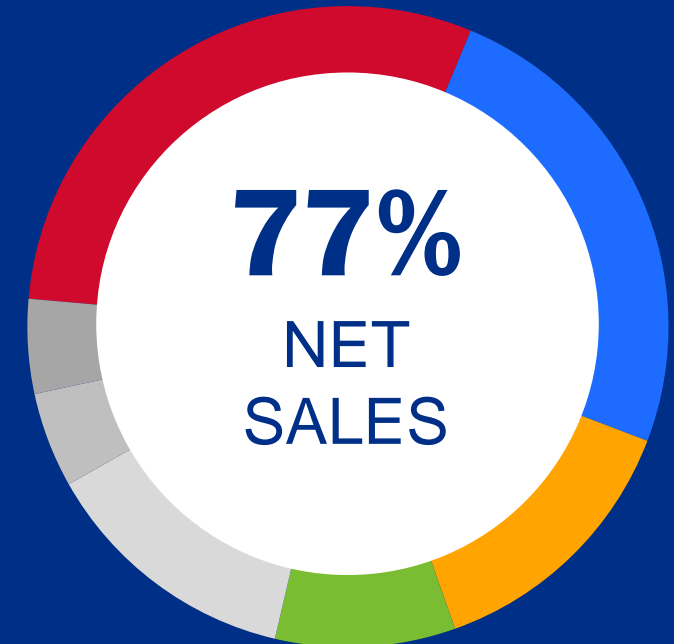
Intentionally Focused on High-Growth Categories

2015



Increasing
Portfolio
Share of
Focus
Categories

2023



KEY CATEGORIES

■ Spices, Seasonings & Recipe Mixes

■ Flavors

■ Condiments & Sauces

■ Branded Foodservice

OTHER

■ Regional Leaders

■ Custom Condiments

■ Coatings & Ingredients

A Diverse Global Flavor Solutions Portfolio

Flavors

Product type

- Seasonings (global leadership)
- Specialty flavors

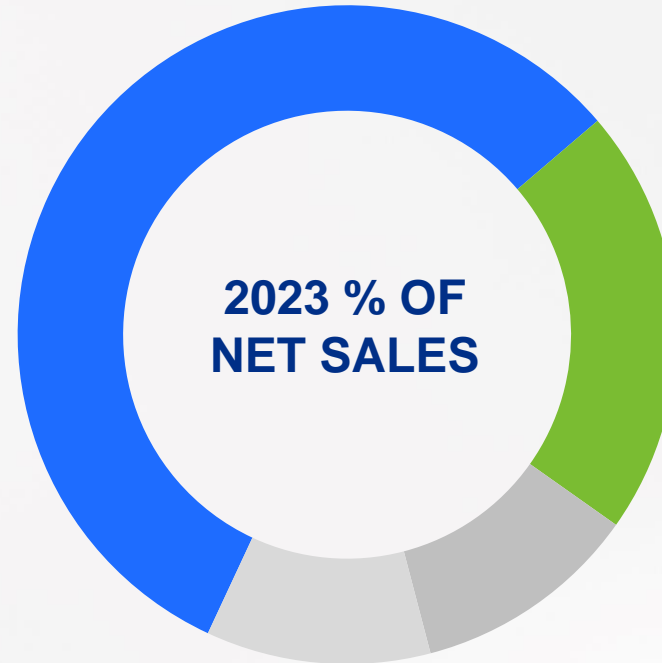
Taste competencies

- Savory, heat, naturally sweet, citrus & fruit

Primary customer base

- CPG manufacturers (concentrated)
- Consumer health companies
- Internal McCormick

Value-add and technically insulated



Branded Foodservice

Product type

- Branded spices, seasonings, condiments and sauces
- Private label spices and seasonings

Primary customer base

- Broadline and regional distributors
- Restaurants
- E-commerce

Significant brand equity

Custom Condiments, Coatings & Ingredients

Product type: Custom condiments and sauces, sweet syrups, bulk spices, protein coating systems

Primary customer base: Quick service & casual dining restaurants



Heat Is More Than a Trend ... It Is a Sustainable Flavor Profile



“

“I would describe food that is spicy as flavoursome, ethnic, cultured, and bursting with varying levels of taste. It takes you on a journey from flat to high.

- U.K. Consumer

Heat Is More Than a Trend ... It Is a Sustainable Flavor Profile



“

*“ I would say
**spiciness is
addictive** for me.
The spiciness
enhances and
lifts the flavor
and elevates the
meal overall.*

- U.S. Consumer



Uniquely Positioned to Win in Heat with Global Iconic Brands and Connected Capabilities

1

From the Farm



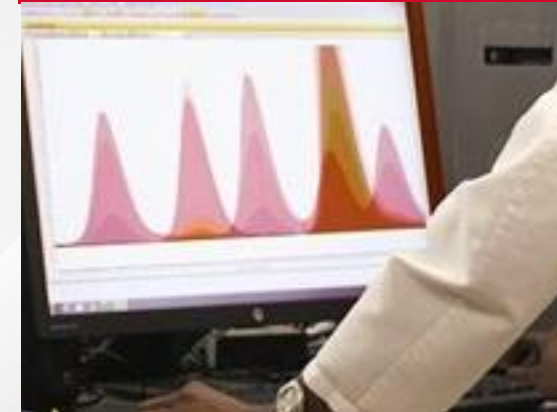
4

To Our Factories



2

In Our Labs and Research Centers



3

In Product Development



Global Heat Platform Is ~20% of McCormick's Portfolio



Projecting
Heat
Growth
3x Faster
than
Non-Heat

Our System of Competitive Growth Advantages

Breadth and Reach of Focused Global Portfolio



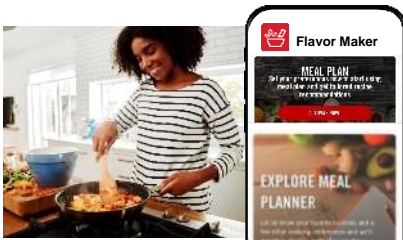
Powerful Leading Brands



Global Heat Platform



Unmatched Consumer Insights



Global Sourcing Expertise



Acquisition Discipline and Integration



Power of People Culture

Strategic Roadmap

Our Purpose: To Stand Together for the Future of Flavor™

Our Vision: A World United by Flavor—where Healthy, Sustainable and Delicious go Hand in Hand™

GROWTH

Win With Consumers and Customers

- Drive undisputed global leadership in herbs, spices and seasonings
- Advance leadership in global flavors
- Strengthen global heat leadership
- Expand branded condiments
- Accelerate new product innovation

PERFORMANCE

Win With Purpose-led Performance

- Expand system of competitive advantages
- Accelerate digital transformation
- Create value through higher returns on investments
- Drive operational excellence
- Strengthen organizational resiliency

PEOPLE

Win With Talent and Engagement

- Leverage our Power of People culture
- Elevate organizational effectiveness
- Foster an innovative and learning organization
- Advance diversity, equity, and inclusion
- Build future leaders and capabilities

McCORMICK PRINCIPLES

Passion for Flavor | Power of People | Taste you Trust | Driven to Innovate | Purpose-led Performance





Investor Day 2024

Andrew Foust and Ana Sanchez

President, Americas and President, EMEA

- Strengthening Core Category Performance Through Increased Investments



Intentionally Focused on High-Growth Categories

Consumer Segment

Flavor Solutions Segment

**Spices &
Seasonings**

**Condiments &
Sauces**

**Branded
Food Service**

Flavors



Consumer Demand Is Growing and Reshaping the Category

Heat



Value



Premiumization



Flavor Exploration





Spices & Seasonings

Andrew Foust
President - Americas



McCormick Brands Are Market Leaders



#1 Australia & US



#2 US



#1 France



#1 United Kingdom



#1 Grilling Segment US



#1 Gourmet Segment US



#1 Poland



#1 Canada

Our Integrated Building Blocks

Driving **robust category management**

Continued investment in **revenue growth management**

Doubling our **Innovation** agenda

Building on the success of **core renovation** to all segments

Investing in **category leading advertising** focused on differentiation



Our Strategies Are Working

+2.1% U.S. Unit Change vs YA
Q1 2024 – Q3 2024

+1.1% U.S. Distribution vs YA
Q1 2024 – Q3 2024



U.S. Volume Share

Q4 23

Q1 24

Q2 24

Q3 24



Inspiring Consumers Behind Strong Brand Marketing

Increasing Brand Marketing

96% SOV



End-to-End Category Solution Winning with Shoppers

Category Grew +2.2x

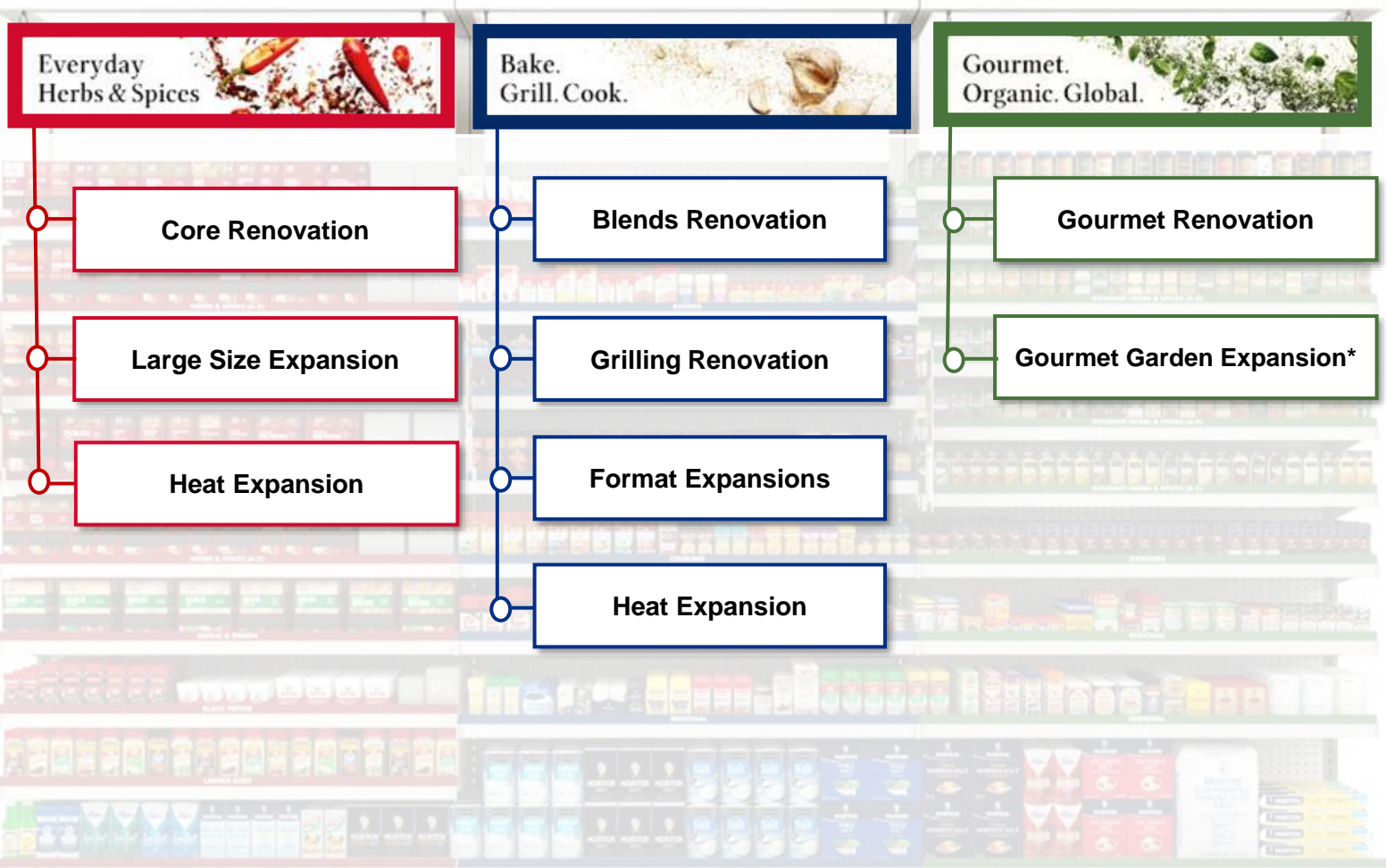
Unit Growth Executed Stores vs. Non-Executed

McCormick Grew +3.5x

Unit Growth Executed Stores vs. Non-Executed



Leading at Shelf with the Right Flavor Solutions



#1

- ✓ Core Straight-Fill Spice Brand
- ✓ Grilling Brand
- ✓ Gourmet Brand
- ✓ Grinders Brand
- ✓ Seafood Seasoning Brand
- ✓ Black Pepper Brand
- ✓ Vanilla and Extracts Brand
- ✓ Seasoned Salt Brand
- ✓ Garlic Salt Brand
- ✓ Blends Brand

* Gourmet Garden is in the Convenient Fresh category that sits in the produce aisle

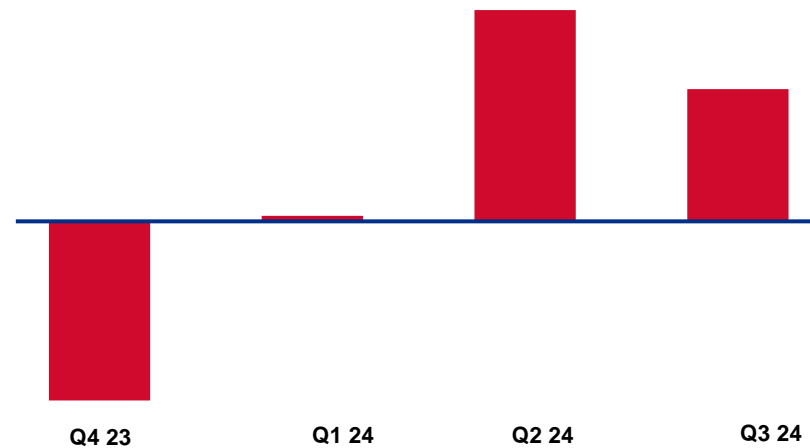
Leading Edge Approach to Revenue Growth Management

Driving Total Sequential Unit Improvement

~1/3

Growth Coming from Revenue Growth Management
Q1 2024 - Q3 2024

Units % Growth



TikTok Worthy Innovation

✓ Ahead of Trends

✓ First to Shelf

✓ Technology Enabled

✓ e-Commerce Driven



Bringing Flavors that Win and Expand the Category



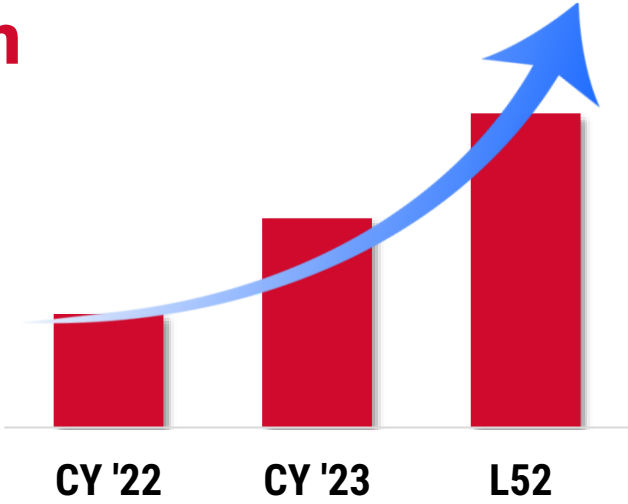

Holiday House 2024

End-to-End Category Solution Winning with Shoppers

+14% Velocity
Average Weekly Units

100% Portfolio
U.S. Renovated by 2027

Red Cap Renovation



Year	Sales
CY '22	Low
CY '23	Medium
L52	High



Grill Mates 2025

Winning on Trust, Quality & Freshness

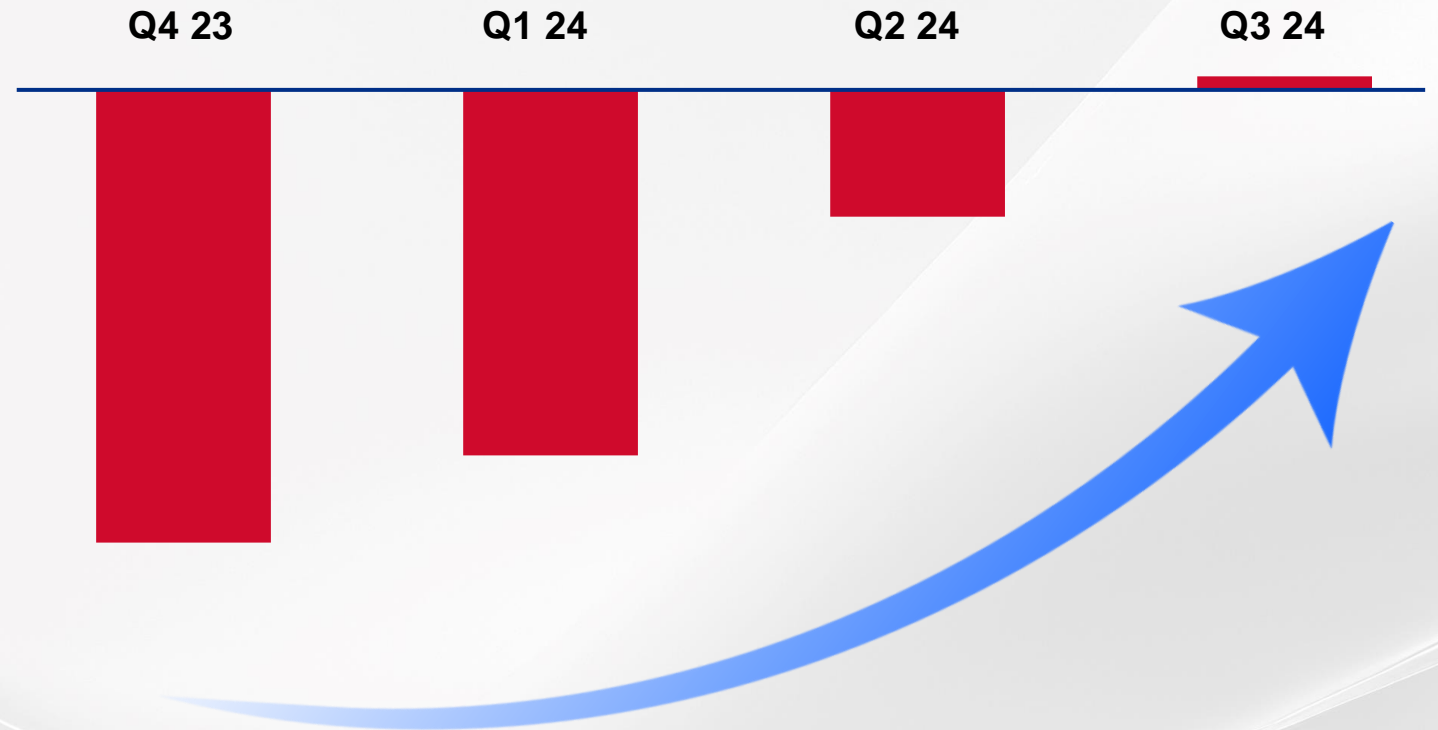
Introducing Our New McCormick Gourmet Line

Setting the Gold Standard with a New Counter Worthy Design Using Our Very Best Spices



**Our
Strategies
Will
Continue
to Drive
Growth**

Returning to Volume-Led Growth





Condiments & Sauces

Ana Sanchez
President - EMEA



McCormick Positioned to Win in Condiments & Sauces

Global Brand Leader



#1
Hot Sauce



#1
Mexican Hot Sauce



#1
Mustard

Regional Brand Leader



#1
Marinade U.S.



#1
Mayonnaise Mexico



#1
Premium BBQ U.S.



#2
Ketchup China



#1
Mustard Poland

3 Growth Pillars

Building

Hot Sauce

to Be the **Condiment of
the Next Generation**

Strengthening

**Mustard
Leadership**

Growing Our **Regionally
Strong Condiments
and Sauces**



Building Hot Sauce Behind Our Powerful Brands

Recruit

Innovate

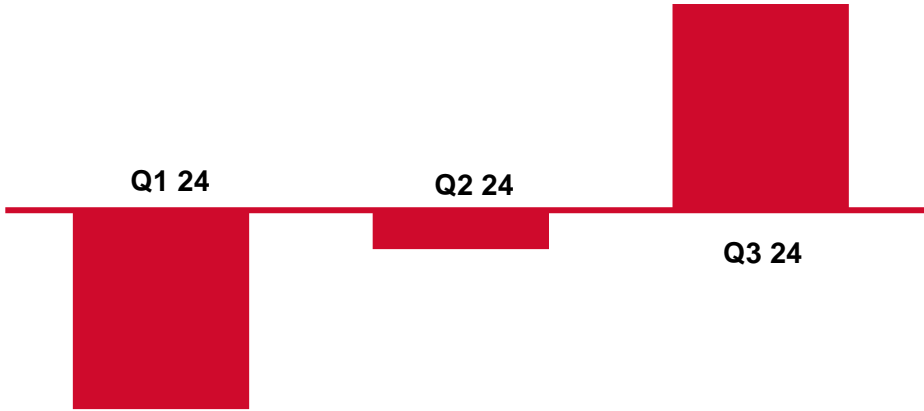
Expand



Changing Share Trajectory on Frank's RedHot in the U.S.

Frank's RedHot Growing Units Behind Strong Plans

Franks RedHot Unit Sales % Change

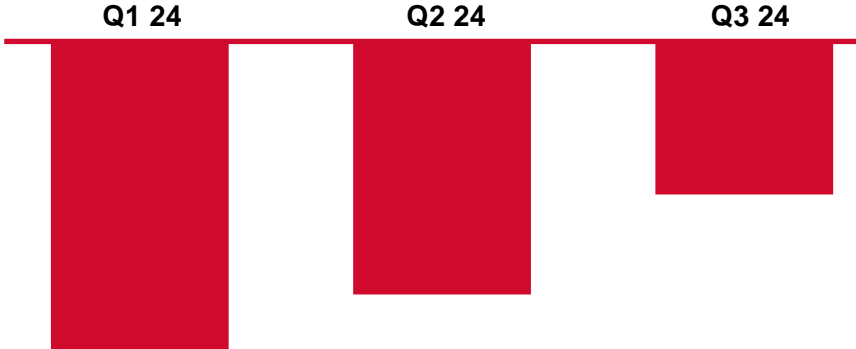


Source: Circana Total US-Multi Outlet, Unit Sales % Change vs. YA, from Q1 2024- Q3 2024.



Resulting in Sequential Improvement

Frank's RedHot Unit Share Change vs. YA



Source: Circana Total US-Multi Outlet, Unit Share of Segment Change vs. YA, from Q1 2024- Q3 2024.

Building an Iconic Brand Behind Distinct Equity

Leading Penetration with Growth Runway

Increasing Brand Marketing



I put that  on everything™



Driving Relevance of Frank's RedHot in the U.K.

Frank's #1 SKU

+550M Impressions



Innovating Across Flavors and Formats

"EASY TO USE. NO MESS."



"THE PLASTIC SQUEEZE BOTTLE NEARLY SOLD ME ON ITS OWN..."
-TEEN CONSUMER



Flavoring the Value Segment with Minis

#1 Mini Item at
Leading U.S. Retailer

+82% Incremental
to the Brand

+40% Incremental
to the Category



→ Hot \$1.00 Price Point ←

Source: Circana Total US-Multi Outlet, Turns, Latest 13 Weeks Ending 10-06-2024; Circana Total US- All Outlets, Latest 52 Weeks Ending Sep-08-2024.

Accelerating Cholula Leadership in Mexican Hot Sauce

Fueling Penetration on the Core



Expanding Reach with Innovation

Driving Cholula Incrementality Beyond Hot Sauce



82%
Incremental
to Cholula
brand

CHOLULA SEASONING MIX
ORIGINAL TACO MEDIUM
NET WT 1 OZ (28g)

CHOLULA SEASONING MIX
CHILI GARLIC TACO MILD
NET WT 1 OZ (28g)



79%
Incremental
to Cholula
brand

CHOLULA SALSA
ORIGINAL MEDIUM
NET WT 12 OZ (340g)

CHOLULA SALSA
SALSA VERDE MILD
NET WT 12 OZ (340g)

..... AUTHENTIC MEXICAN FLAVOR

Source: Circana Total US- All Outlets, Latest 52 Weeks Ending Sep-08-2024

Continue Expanding Our Hot Sauce Footprint Globally

Canada



#1 Hot Sauce Company

United Kingdom



#1 Hot Sauce SKU Overall

Australia



High Double-Digit Growth

Source: WD, France, Nielsen France HMSM, P9 2024 ending 09/29/2024.

Successfully Expanding Cholula in France

*La sauce
des sauces*



Strengthening Mustard Leadership with French's in U.S.

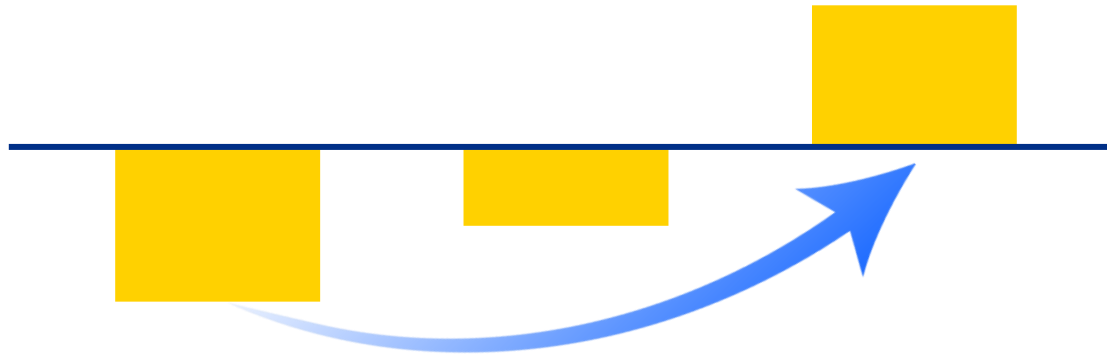
Improving Unit Share Trajectory

Unit Share Chg. vs. YA

L52

Fiscal YTD

Latest Quarter



Driving Continued Momentum



Source: Circana Total US-Multi Outlet, Unit Share Change vs. YA, Latest 52 Weeks Ending 10-08-24, Fiscal Year to Date Ending 10-08-2024 and Latest 13 Weeks Ending 10-08-2024.

Growing Internationally with #1 Mustard Brands

French's in the U.K.

Brand Marketing and In-Store Execution



Kamis #1 in Poland

On-Trend Flavors and Formats



Regional Powerhouses Across Condiments & Sauces

Americas



China



Southeast Asia



Accelerating McCormick Mayonesa

✓ #1 Mayo in Mexico

✓ #1 Flavored Mayo in the U.S.

✓ Strong Hispanic Consumer Index



Source: Circana Total US-Multi Outlet, Latest 52 Weeks Ending 10-06-2024; Circana Total US- All Outlets, Latest 52 Weeks Ending Sep-08-2024

Condiments & Sauces Is a Growth Engine

Our Plans Are Working

Winning with Younger Consumers

Scaling and Growing Globally





Branded Foodservice

Ana Sanchez
President - EMEA





Strengthening Our Branded Foodservice Leadership



Restaurants



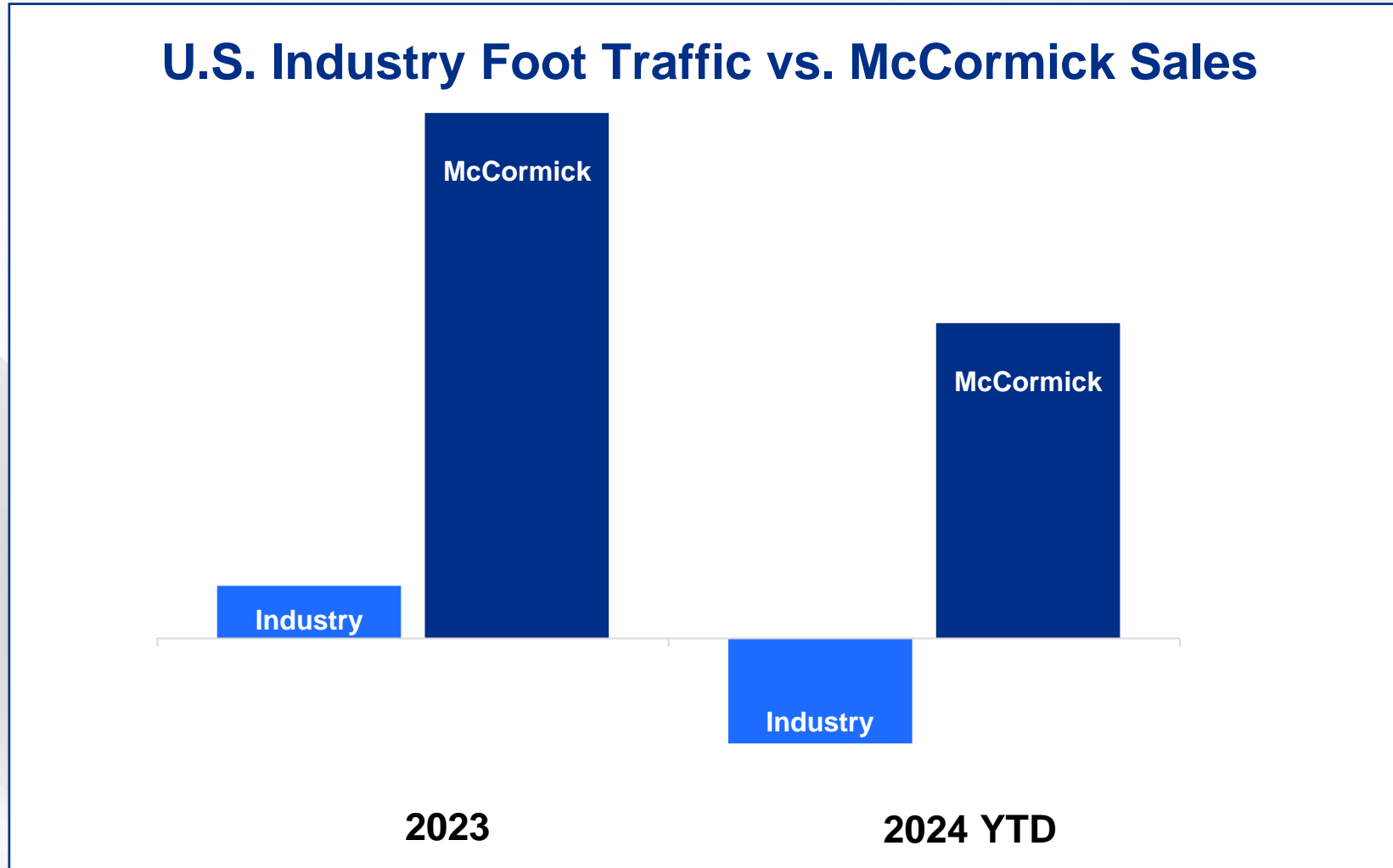
Delivery & Take-out



Stadiums & Venues



McCormick Driving Outpaced Performance



- Foodservice Industry Foot Traffic
- McCormick Branded Foodservice Sales

Source: Circana CREST Dashboard, 2023 and 2024 YTD

Investing to Continue Our Growth Momentum

Increasing
**Innovation and
Renovation**

**Reaching
Consumers and
Operators**
with Brand Marketing

Expanding Our
Channel Presence



Fueling Growth with Innovation and Renovation

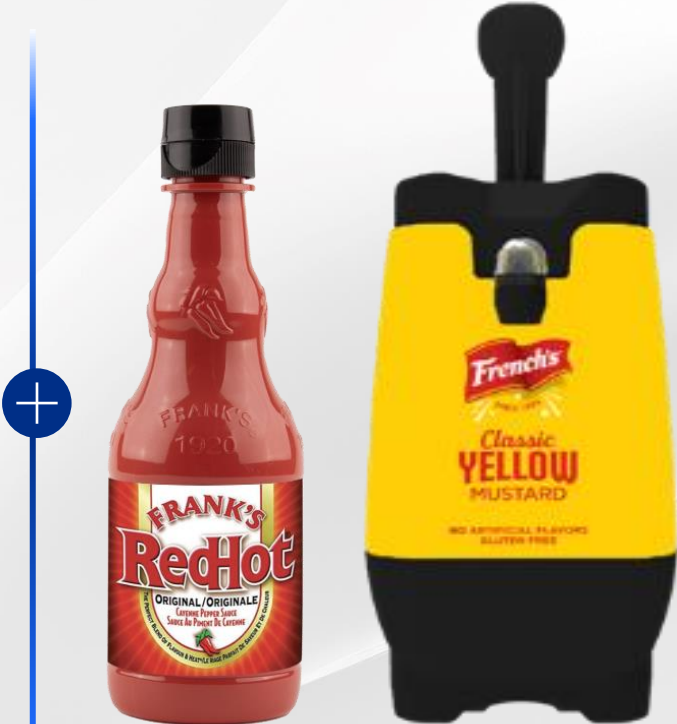
+67%

**Increase
in Innovation
Sales**

New Flavors



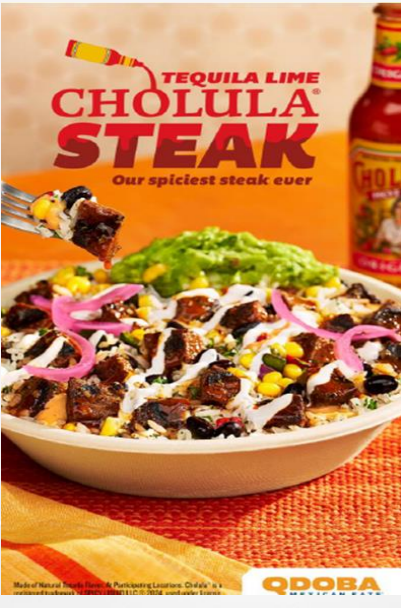
Packaging Innovation



Reaching Consumers on Menus and in Restaurants



Tim Hortons



+34% Increase
in Locations with Branded Placements

Driving Brand Awareness Among Operators

Increasing Brand Marketing

High Single-Digit Increases

Reaching 70% of Operators

A woman wearing glasses and a patterned shirt is smiling while holding a large piece of breaded food on a stick. She is also holding a tray of similar food. In the top left corner is the McCormick Culinary logo. In the bottom left corner is a jar of McCormick Culinary Cajun Seasoning. The text at the bottom reads "YOUR SKILLS. OUR SPICES." and "EXPLORE PRODUCTS".

A man wearing a black cap with "EKIBEN" on it and a white shirt is smiling while cooking in a wok. In the top left corner is the McCormick Culinary logo. In the bottom left corner is a jar of McCormick Culinary Duck Fat Garlic Chili Noodles. The text at the bottom reads "EKIBEN CHEF STEVE CHU'S DUCK FAT GARLIC CHILI NOODLES" and "EXPLORE PRODUCTS".

A red banner at the top says "FRANK'S RedHot" and "FRANK UP YOUR MENU!". Below it is a black banner for "CATTLEMEN'S BBQ" with the text "WE'VE GOT YOUR BACK OF HOUSE" and "LEARN MORE". On the right side is a photo of a chef in a kitchen. In the bottom left corner are several jars of Cattlemen's BBQ sauce. The text at the bottom reads "LEARN MORE".

**Branded
Foodservice
and
Consumer
Businesses
Fuel One
Another**

Integrated Experiences At Home and Away From Home

Consumer

Foodservice



Expanding Our Channel Presence

Retail Foodservice



Hispanic Channel



Non-Commercial Sector



Consumers Love Our Brands

**Spices & Seasonings
Continuing to Win**

**Condiments & Sauces
Driving Growth**

**Branded Foodservice
Extending Our Reach**





Flavors

Andrew Foust
President - Americas



We are the **SECRET** _____ for your **Favorite** _____



Attractive Flavor Industry

**Large Market
Opportunity**

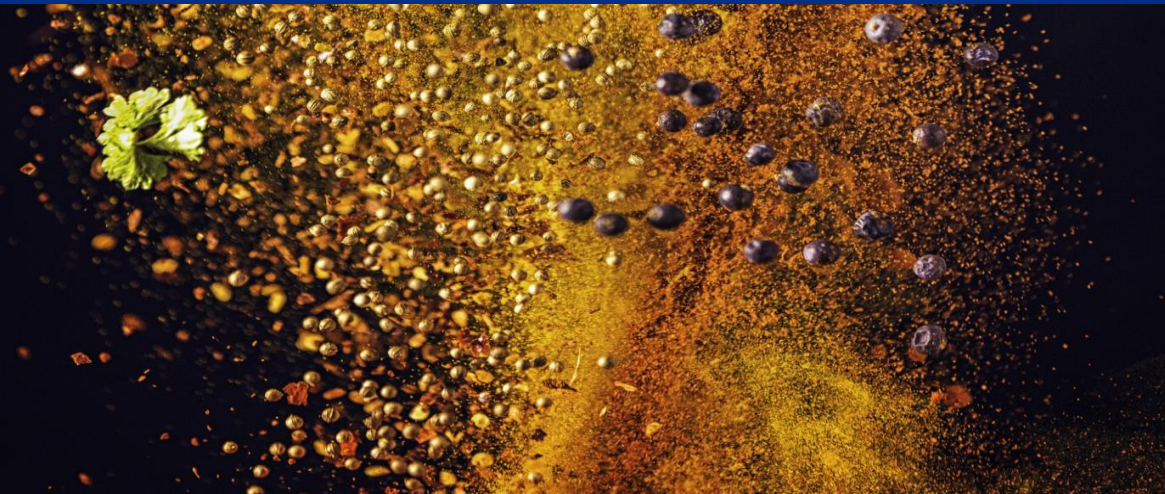
**Technically
Insulated**

**Attractive
Margin Profile**



Our Leadership in Global Flavors

Global Leadership in Seasonings



#1

Flavor House in North
America



Distinctly Positioned From Other Flavor Houses



100% Focused on Flavor



**Culinary
foundation and
food heritage**



**Global consumer
brand leader with
strength in insights**



**Leading expertise
in spices and
seasonings**



**Core taste
competencies in
savory and heat**

Taste Competency Platforms

End-to-End Expertise

**NATURALLY
ADVANTAGED**



**INTEGRATED
SOURCING**



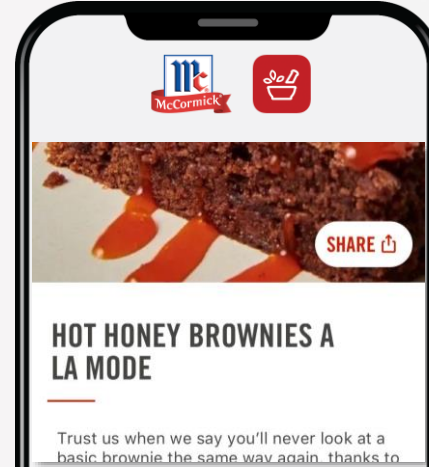
**DYNAMIC
INSIGHTS**



**GLOBALY
RESOURCED**



**CUSTOMER
CENTRICITY**



Focused on Right-to-Win Taste Competencies

SAVORY



HEAT

Focused on Right-to-Win Taste Competencies

NATURALLY SWEET



CITRUS & FRUIT

Our Product Offering



Seasonings

**Blends of ingredients, including spices,
with embedded flavor technology**



Specialty Flavors

**Complex flavor systems: Flavor
encapsulation, modulation,
and natural extracts**



Leverage Our Strength in Seasonings

Expand Geographically



Capitalize on Savory and Heat



Develop Naturally Sweet Further

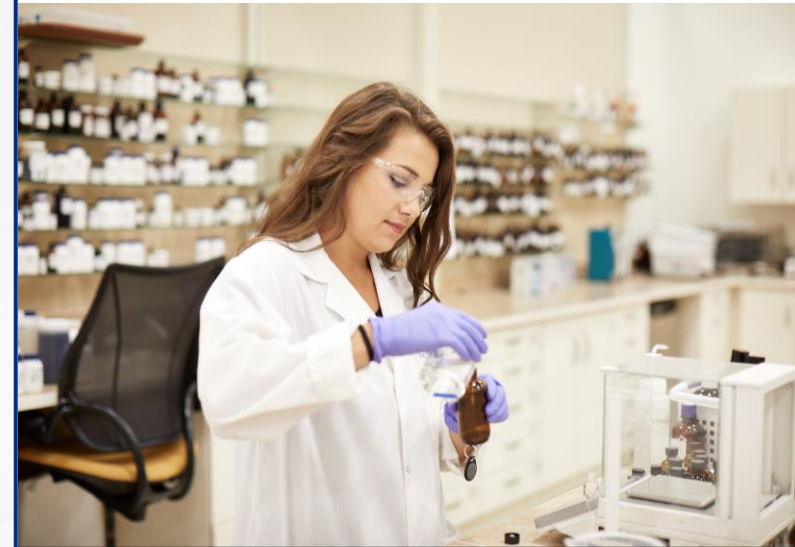


Building Specialty Flavors Scale and Expertise

**Amplify the Power
of McCormick,
Giotti and FONA**



**Invest in Talent
and Technologies**





**Distinctly Positioned Based
on Our Strengths and
Go-to-Market Approach**

Intentionally Focused on High-Growth Categories

Consumer Segment

Flavor Solutions Segment

Spices &
Seasonings

Condiments &
Sauces

Branded
Food Service

Flavors





Investor Day 2024

Sumeet Vohra

President – Asia Pacific (APAC)

○ Capitalizing on Emerging Growth Opportunities



Capitalizing on Emerging Market Growth Opportunities

**APAC and
LATAM Are
Growth
Accelerators**

**China
Restoration
to Stronger
Growth**

**Leadership and
Capabilities
Support
Growth Plans**



Asia Pacific Offers Strong Growth Potential for McCormick

Large Market with Increasing Income Levels and Urbanization

4B population

56% of world's population



4.4%
GDP growth

Faster
than global average



Priority region
for **top global**
customers



Consumers
embracing
heat-based
flavors



Well-Positioned to Seize APAC Growth Opportunities

LEADERSHIP TEAM

**Newly
Structured
Leadership
Team with
Extensive
Experience**

- Dedicated APAC region leader
- New R&D leader
- New China leader
- Average Experience
 - MKC: **9** years
 - Industry: **27** years

REGIONAL OVERVIEW

60%
Consumer Segment
Includes Branded Foodservice

40%
Flavor Solutions

Scale
in
Largest Market
China

Leading Brands
in Multiple Categories

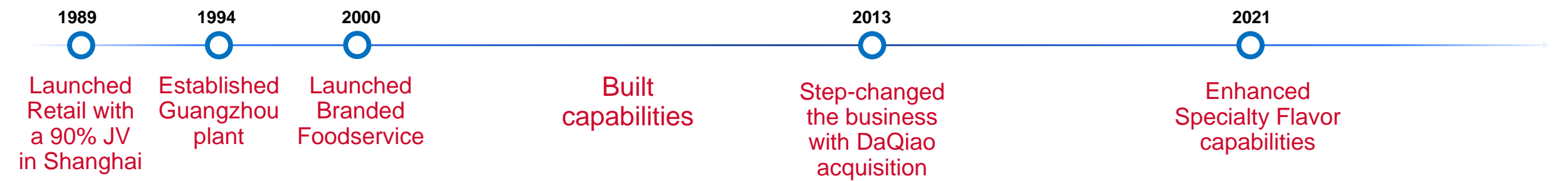
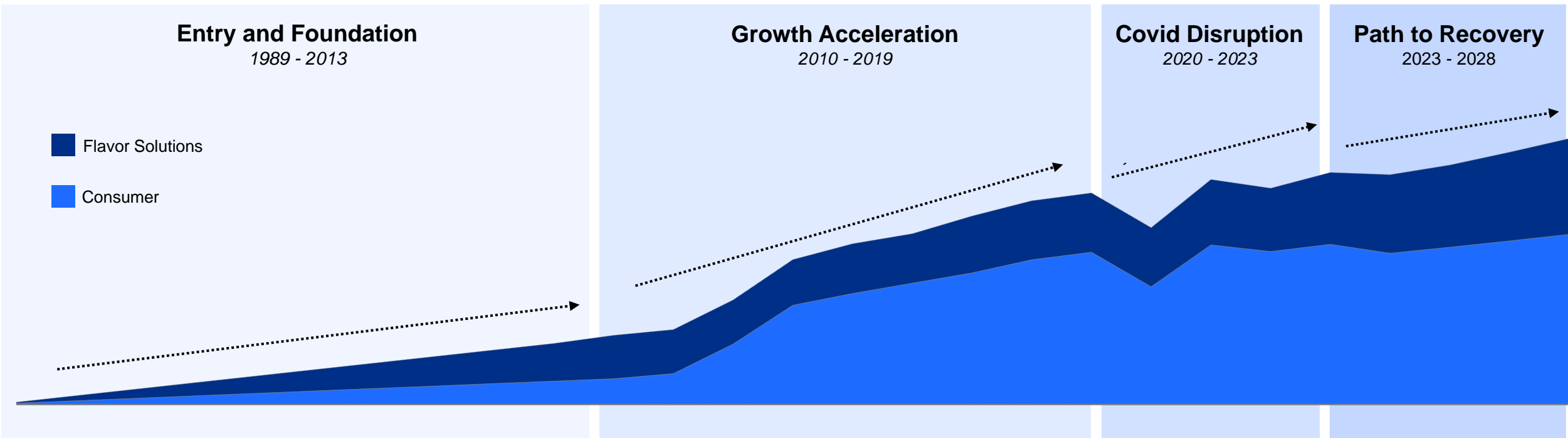
Established
Distribution Network

Broad Footprint with
Capacity
for Growth

A Broad Footprint with Capacity for Growth



Our History in China



Restoring China as a Stronger Growth Market: Consumer Segment

Consumer Trends

Increasing urbanization

Shifting to emerging channels

Growing local brand preference

Growth Plans

Expanding in mid-tier cities

Gaining new distribution

Expanding DaQiao



Restoring China as a Stronger Growth Market: Capitalizing on Flavor Solutions Opportunities

Global QSRs

Local QSRs

Protein Processors



Planting the Seeds in India for the Long-Term

History and Foundation

Existing asset base and capabilities
Heat and seasonings competency



Measured Approach

Focus on global seasonings customers
Address other opportunities over time



Latin America Is an Emerging Growth Opportunity for McCormick

Large, Growing and Resilient Market

8% of world's population



Diverse food and flavor culture



Largest international region for key customers



High growth heat market



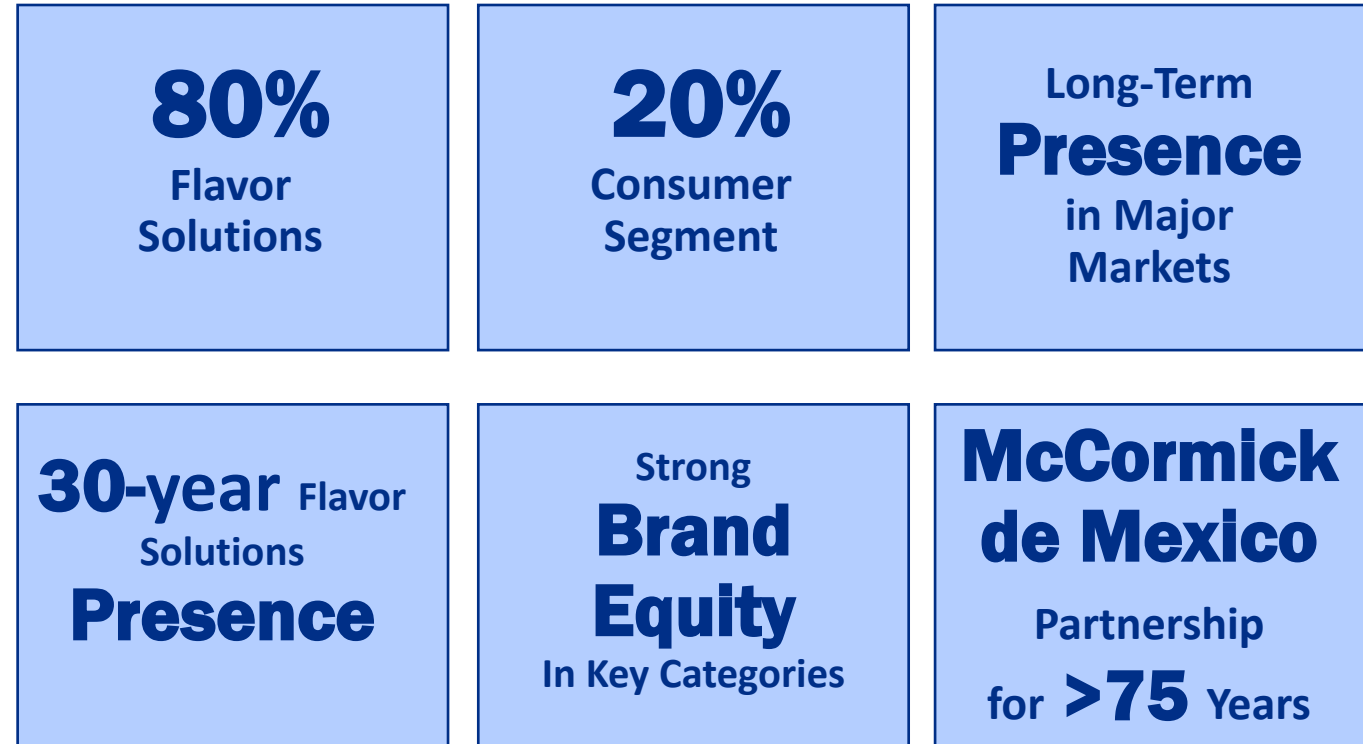
Well-Positioned to Seize Latin American Growth Opportunities

LEADERSHIP TEAM

Revitalized Leadership Team with Extensive Multinational Experience

- Dedicated regional leaders
- New Flavor Solutions leader
- New R&D Leader
- Average experience:
 - MKC: **9** years
 - Industry: **28** years

REGIONAL OVERVIEW



Building Further Scale in Latin America: Leverage Seasonings Leadership in Flavor Solutions

New End-Market
Applications



Snack Seasonings
Expansion



Building Further Scale in Latin America: Invest in Consumer Segment Growth Levers



**Extend Presence in
New Countries**



**Continued Momentum in
Existing Markets**



Capitalizing on Emerging Market Growth Opportunities

**APAC and
LATAM Are
Growth
Accelerators**

**China
Restoration
to Stronger
Growth**

**Leadership and
Capabilities
Support
Growth Plans**





Advancing Our Leadership and Differentiation

McCormick & Company, Inc. Investor Day 2024





Investor Day 2024

Tabata Gomez

Chief Marketing Officer

Leveraging Marketing to Drive Brand Growth



We Market to Three Distinct Audiences

To Be Efficient and Effective, Our Marketing Messaging and Tactics are Uniquely Designed for Each

RETAIL



**Flavor
Made Easy**

Consumers

BRANDED FOOD SERVICE



Restaurant Operators

FLAVOR B2B



Customers



Consumers are Hyper Connected



To Win, We Need to Meet Consumers Where They Are

RIGHT CONTENT

RIGHT CONTENT



RIGHT PERSON



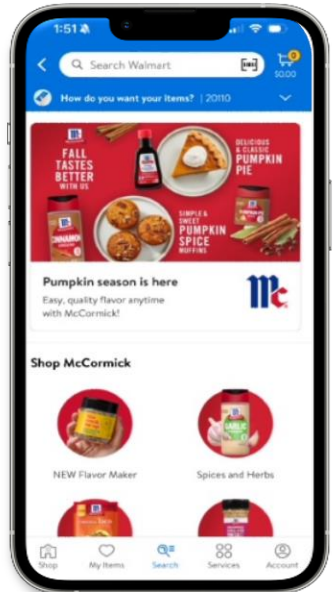
RIGHT PLACE



RIGHT TIME



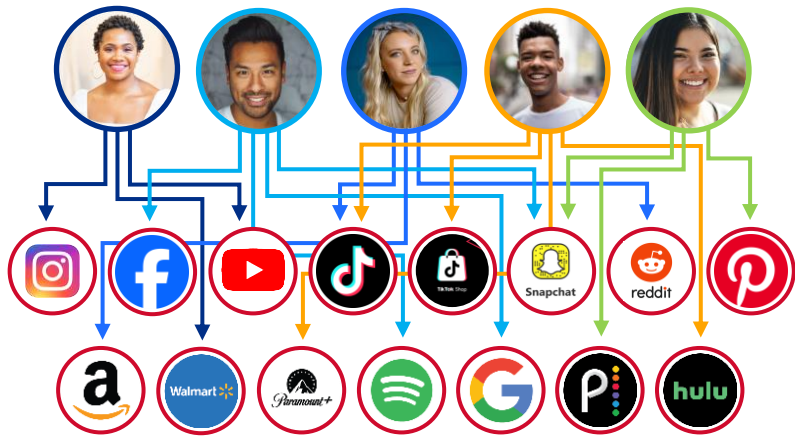
RIGHT CHANNEL



**E-COMMERCE IS
13% OF TOTAL SALES**

DYNAMIC MEDIA

CONSUMERS MEDIA BEHAVIORS ARE DYNAMIC



The Impact Flywheel Ensures an Omnichannel Approach

Impact Flywheel

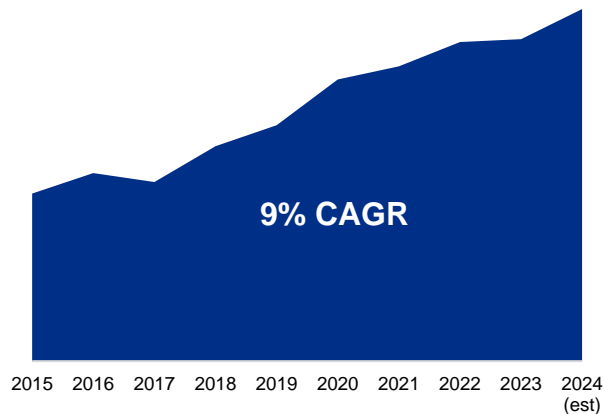


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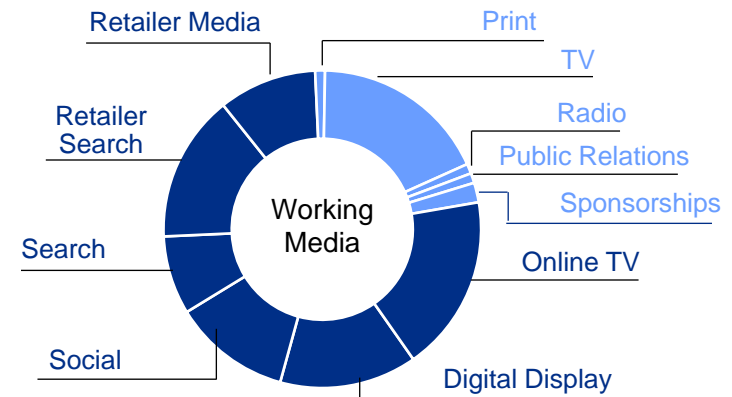
Our A&P Strategy Is Efficient, Effective and Drives Brand Growth

Continue to Invest in Working Media to Drive Incremental Brand Growth



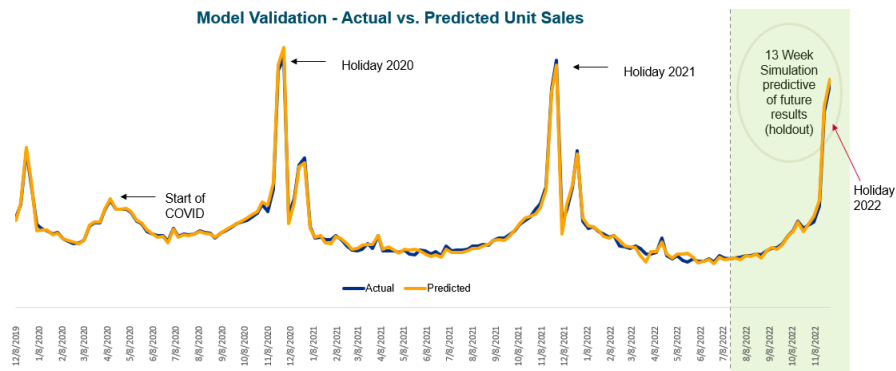
Global Annual Working Media Investment

Digital Is 77% of Spend

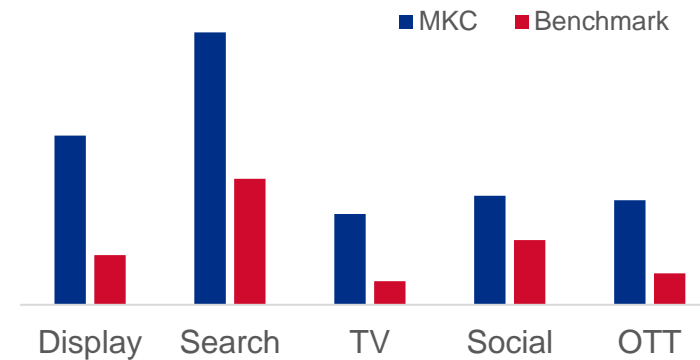


Our A&P Strategy Is Efficient, Effective and Drives Brand Growth

Best in Class Marketing Mix Modeling Enables Optimization of 80+% of A&P Spend



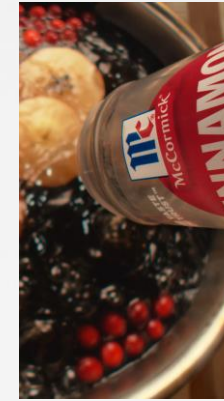
Our ROIs Consistently Beat Industry Benchmarks



McCormick Brand U.S. Returns vs Peer Set



Modernizing Our Brands to Appeal to Today's Consumers





Case Study

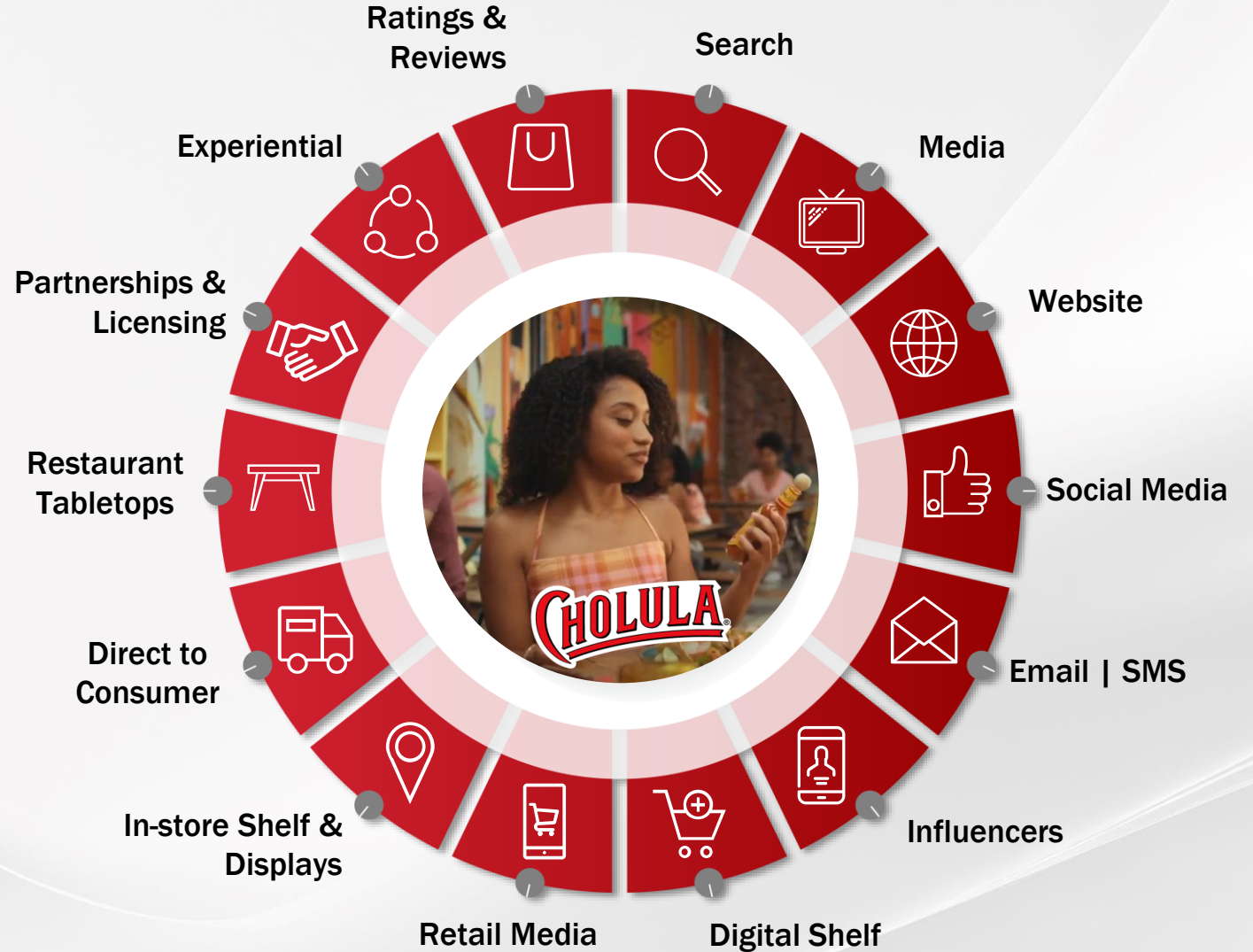
Driving Awareness & Trial



New Millennial Families



Gen Z Quality-seekers

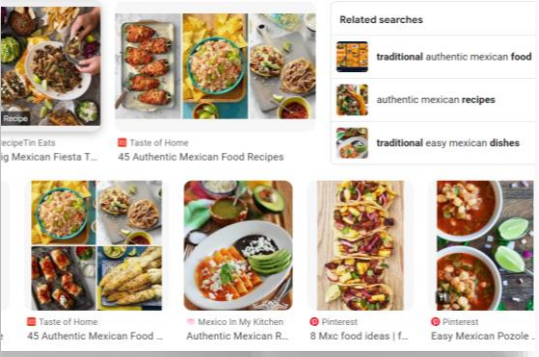


Leverage Search to Mine Insights to Create the Right Content



SEARCH INSIGHTS

AUTHENTIC MEXICAN FLAVOR TREND

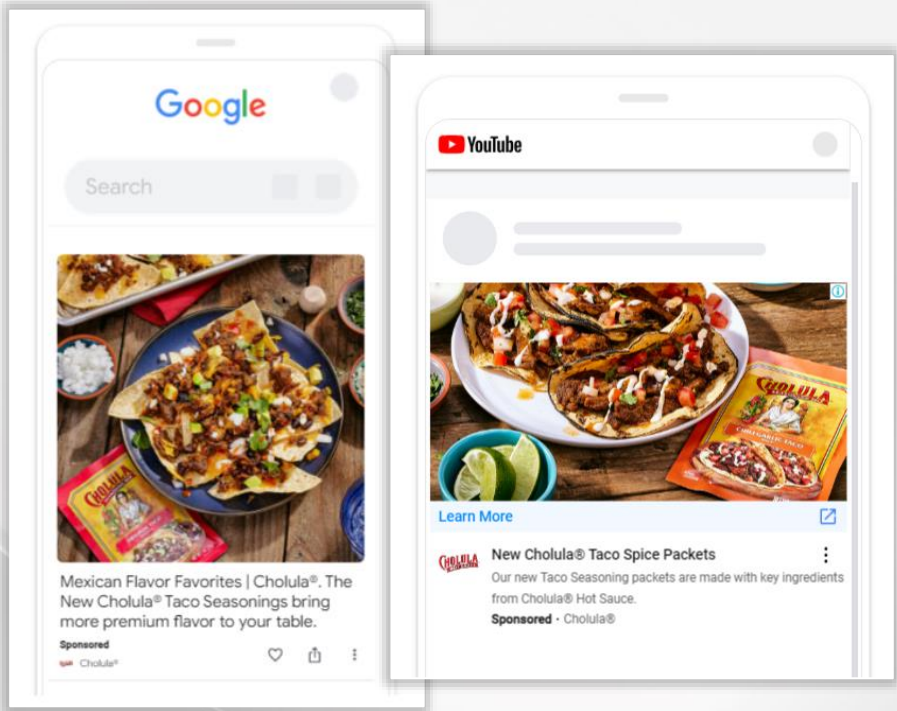


“HEAT” SUBCULTURE TREND

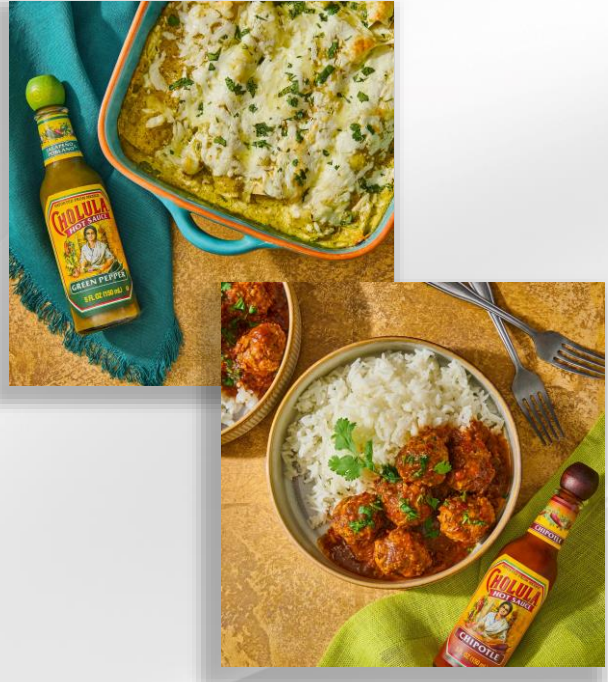


PAID SEARCH + OPTIMIZED CONTENT ON WEBSITE

PAID SEARCH



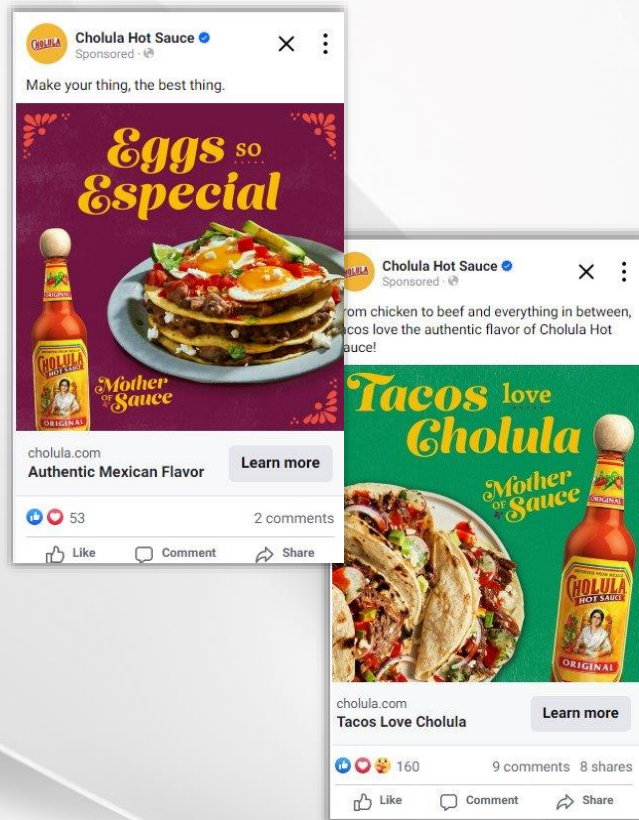
WEBSITE CONTENT FEATURING AUTHENTIC MEXICAN RECIPES



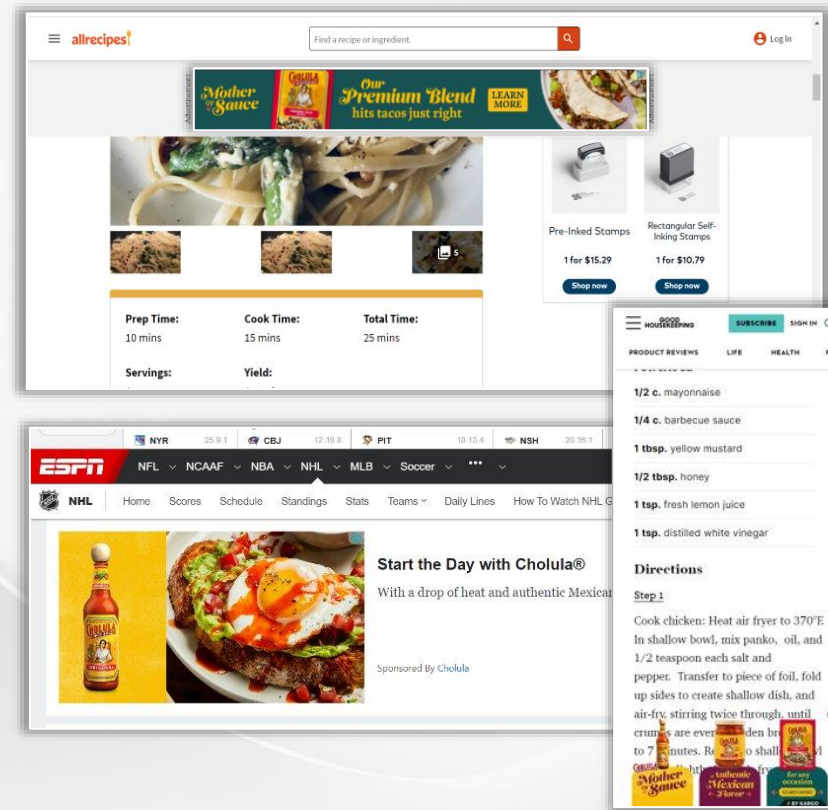
With Media We Reach Consumers with Dynamic Experiences



PAID SOCIAL



DIGITAL AD PLACEMENTS



STREAMING TV



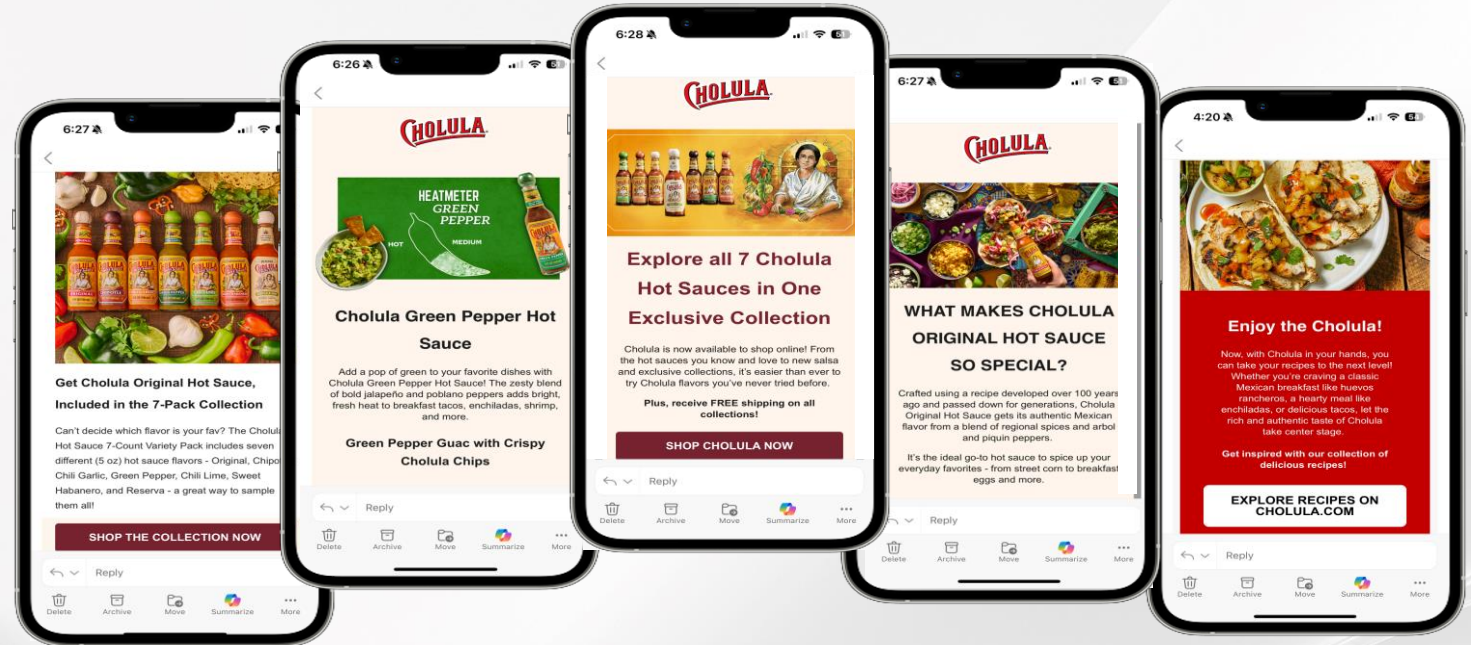
Digital Owned Properties Drive Authentic and Relevant Connections



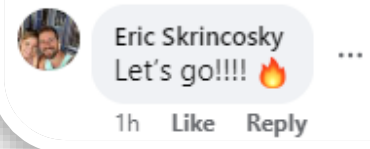
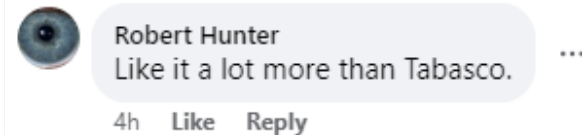
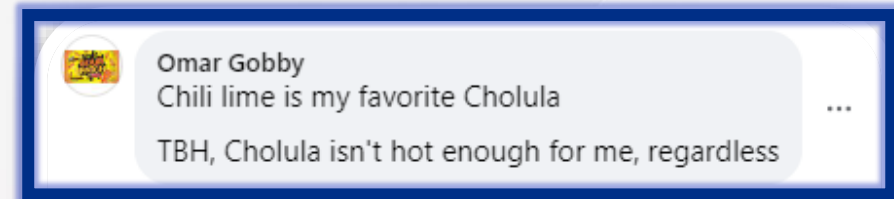
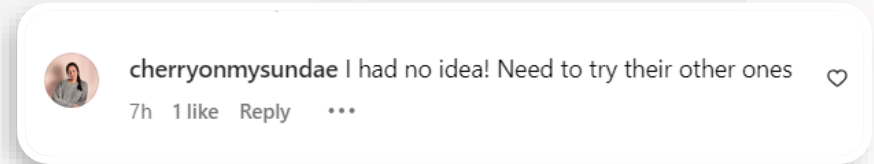
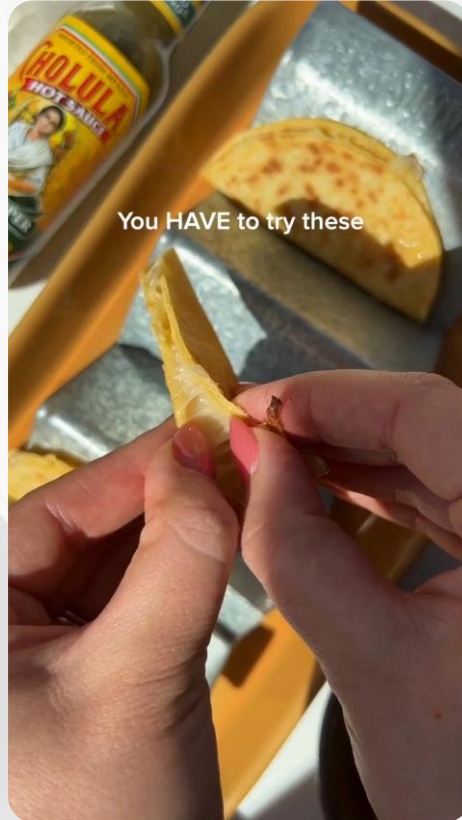
ORGANIC SOCIAL



EMAIL



Influencers Drive Awareness, Inspiration and Purchase



Introducing Cholula Extra Hot!



DRIVE INCREMENTAL TRIAL & FILL FLAVOR GAP



59%
of Gen Z / Millennial
consumers enjoy **VERY
SPICY** foods¹



Cholula Hot Sauce
over-indexes with
Millennials and
Young Families
w/ **Teens**²



Oppty for
**Incremental
Heat Level**

Mild

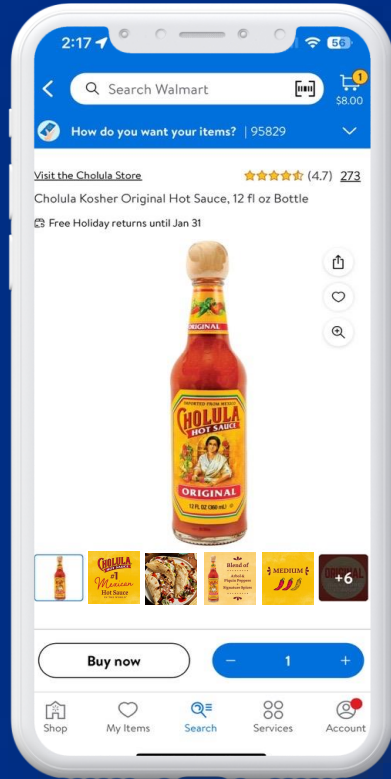
Extra Hot

2X HOTTER THAN ORIGINAL



Sources:
1: Consumer Heat Journey Spicy POME Landscape Assessment
2: Circana PNL L52 WE 03-24-24

Digital Shelf Drives Purchase



3D Modeled Product Images



Nutrition & Ingredient Information



Brand Message



Product Message



Environment



Usage Inspiration



Flavor Cue



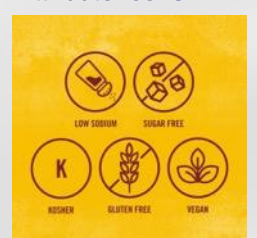
Recipe Overlay



Heat Level



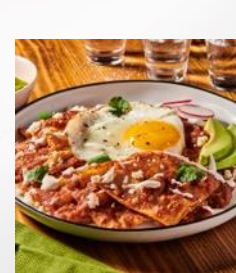
Attribute Icons



Hero Recipe



Secondary Recipe



Application



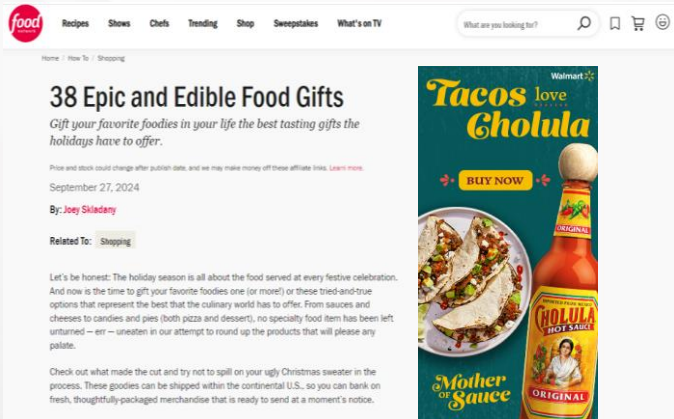
Video



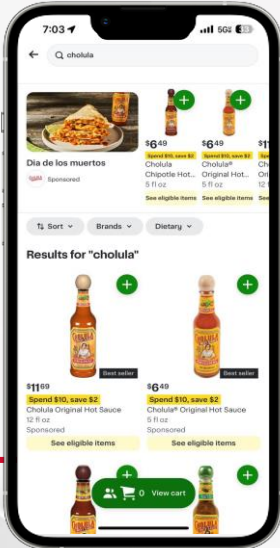
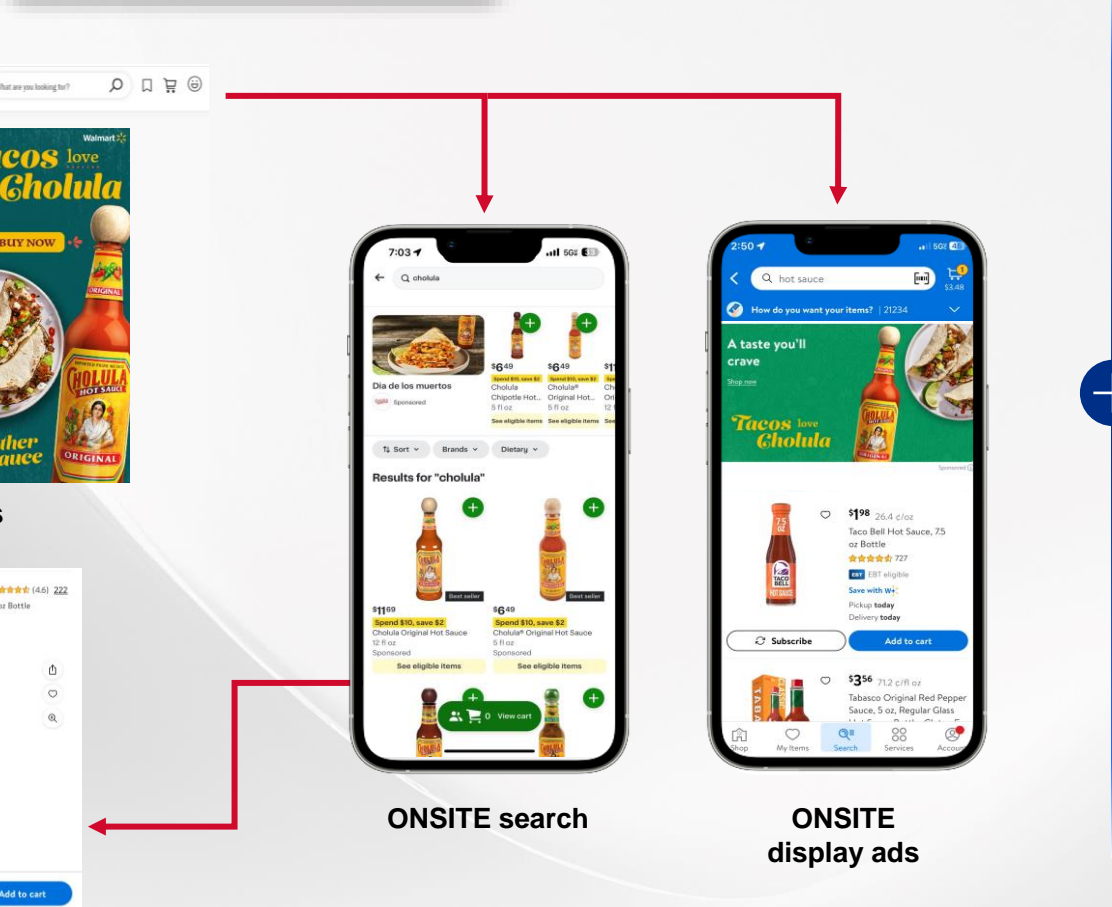
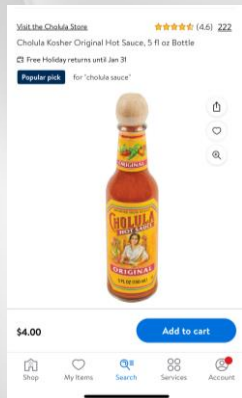
Retail Media and In-Store Capture, Inform and Close the Sale At the Point of Purchase



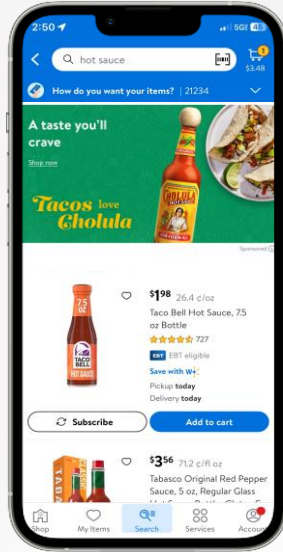
RETAIL MEDIA



OFFSITE search & display ads



ONSITE search



ONSITE display ads

INSTORE

Innovation across aisles to drive Cholula discovery



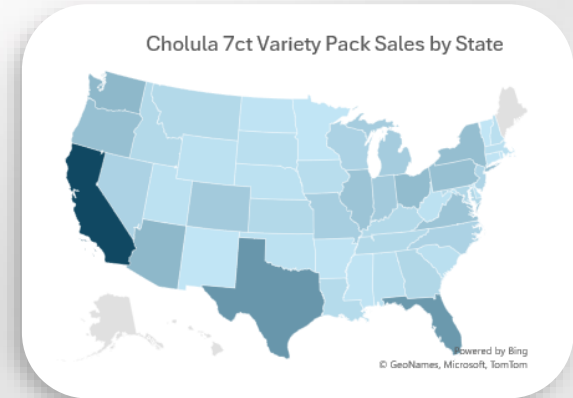
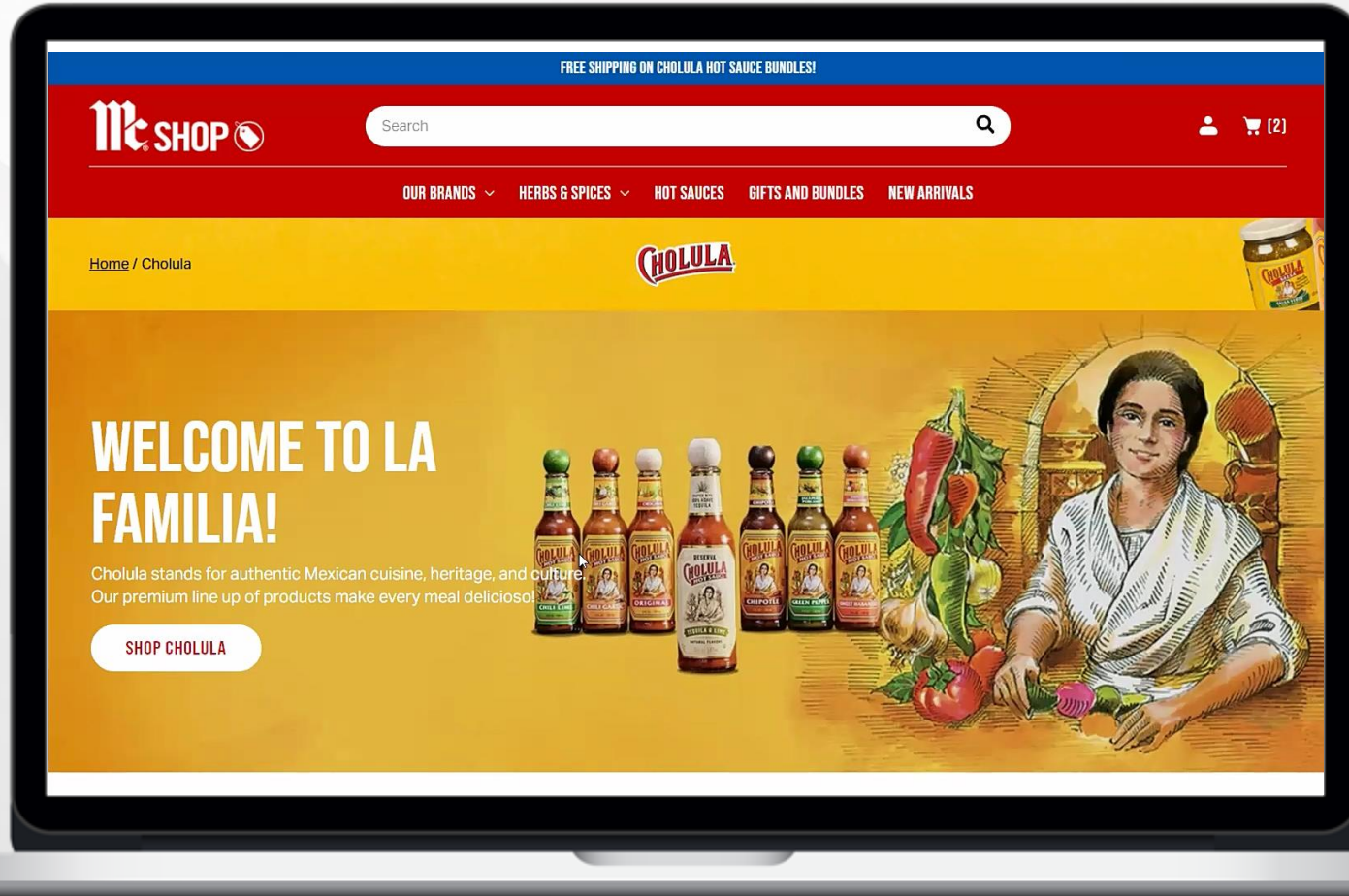
Partnerships to drive incremental instore placement



Feature + display to drive incremental units



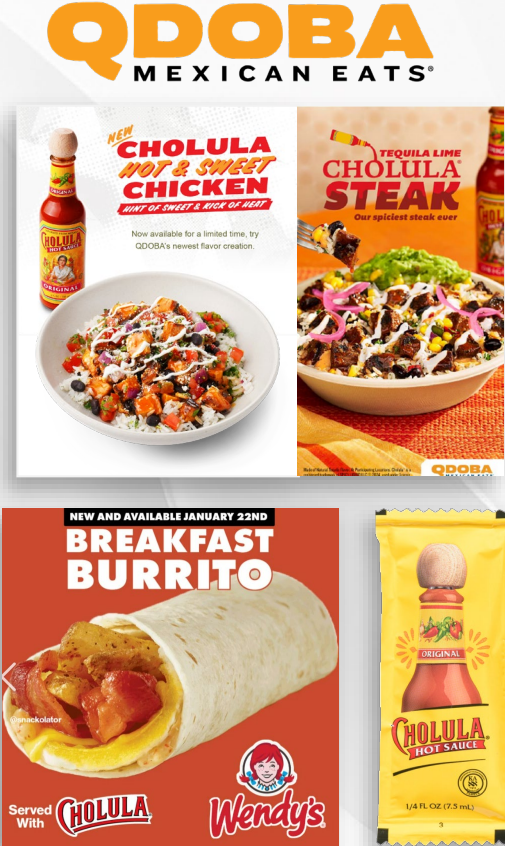
Driving Trial and Insights Through Direct-to-Consumer Platform



Driving Trial Where Millennial and Gen Z Consumers Are



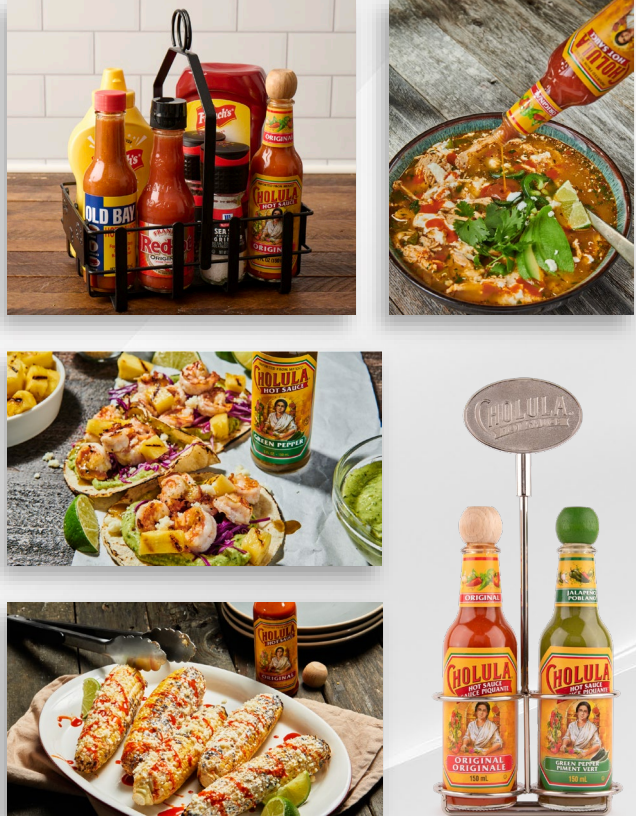
MENUS



BACK OF HOUSE

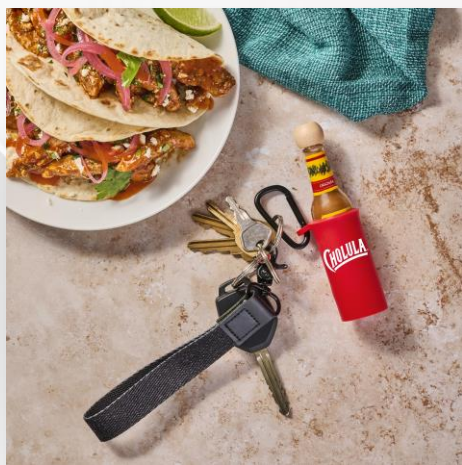


TABLETOPS



We Will Continue to Build Brand Love

LIFESTYLE



EXPERIENCES



This image was created using artificial intelligence







Investor Day 2024

Anju Rao

Chief Science Officer

Accelerating Growth Through Innovation



Driven to Innovate



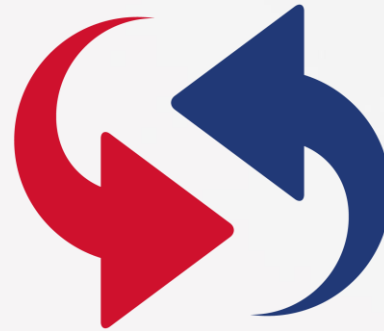
Our Research & Development Network



Two Segments Innovating Together

Leveraging Differentiated Capabilities ...

**Consumer
Segment
Teams**



**Flavor
Solutions
Teams**

... Driving Consumer-Preferred Innovation

Inspired By Passion for Flavor

Culinary Heritage



Sensory Science



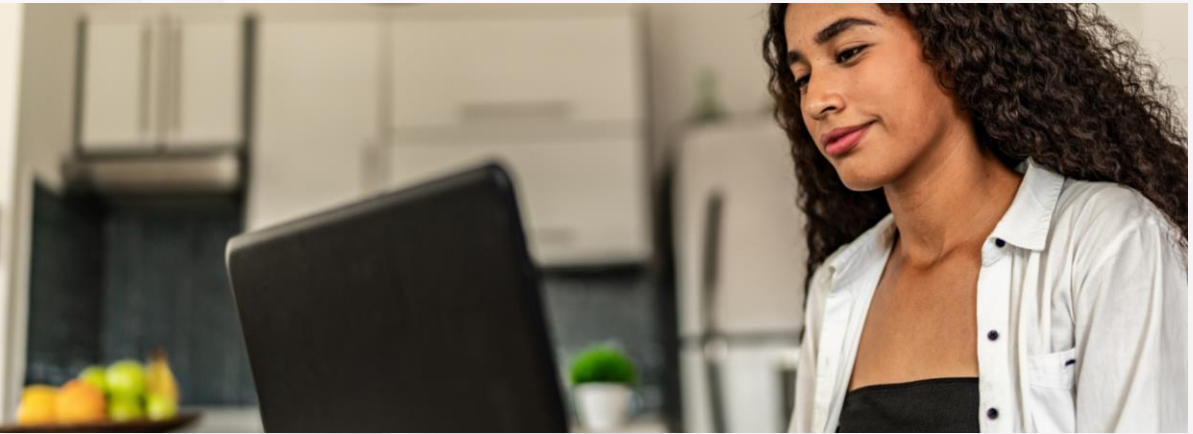
Breakthrough Technology



THE TASTE YOU TRUST™

Integrating Science with Culinary Expertise

Sensory Science



Culinary

Elevating Flavor Experiences with Technology



Natural Flavor Platform | Controlled Release | Better-for-You



Creating Novel Winning Flavors with SAGE



SAGE

SMART AGILE GROWTH ENABLER

Differentiated Customer Engagement with MKC Flavor University



Savory Flavor 201®



Beverage Flavor 201®



Flavor 101®



Confection Flavor 201®



Cereal, Bars, Bakery & Snacks Flavor 201®



Taste Modification 201





**Innovation to Drive One-Third
of Our Long-Term Sales Growth
Objective**



Tasting Is Believing



Investor Day 2024

Kasey Jenkins

Chief Growth Officer

○ Strengthening Our Flavor Leadership with Acquisitions



Acquisitions Are a Core Strength

M&A
2% Sales
Growth

Initial impact
one-third of growth since 2015

Acquisitions
significantly
contribute to
industry-
leading growth



Disciplined Approach to Acquisitions

Pipeline Strategy Criteria

Strengthen
leadership
positions

Expand
capabilities
and **categories**

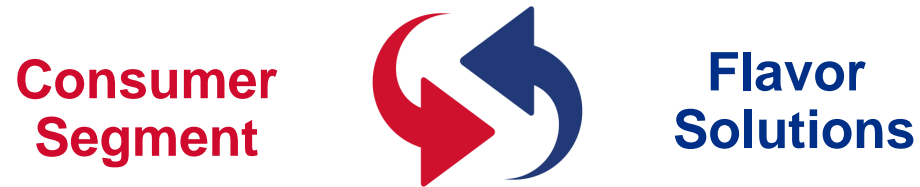
Drive **scale**
and
global reach

Extend
competitive
advantages

Stringent Financial Criteria to Drive Greater Shareholder Value

Assets to Fit Strategic Vision of Being a Leading Flavor Company

Flavor Asset to Benefit Both Segments



Focus on Specific Value Proposition



Tell Me Why McCormick Is the Right Owner for the Asset

Track Record of Outstanding Integrations

**Focus on maximizing
profitable growth**

**Integration plans
tailored to each asset**



**Enhanced performance of
acquired assets**

**Stronger McCormick
flavor leadership**



Frank's RedHot and French's Value Creation



- ✓ Advanced leadership position in condiments
- ✓ Driven sales growth at high-end of objective
- ✓ Expanded Frank's into new categories
- ✓ Grown repeat and buy rates for Frank's hot sauce
- ✓ Returned French's Mustard to growth
- ✓ Gained momentum Internationally

FONA's Value Creation



- ✓ **Driven high single-digit sales growth**
- ✓ **Cross-selling across customer bases driving growth**
- ✓ **Achieved record new FONA product wins**
- ✓ **Using capabilities in Consumer innovation**



Cholula's Value Creation



- ✓ Driven high single-digit sales growth
- ✓ Advanced Cholula to #2 U.S. hot sauce brand
- ✓ Increased household and menu penetration
- ✓ Grown repeat and buy rates
- ✓ Expanded with new formats

History of Driving Value Through Acquisitions

McCormick Was the Right Owner for These Assets





Delivering on Our Long-Term Objectives

Investor Day 2024 | 



Investor Day 2024

Mike Smith

Executive Vice President and Chief Financial Officer

○ Delivering on Our Long-Term Objectives



Achieving Top-Tier Performance

Building on a proven track record

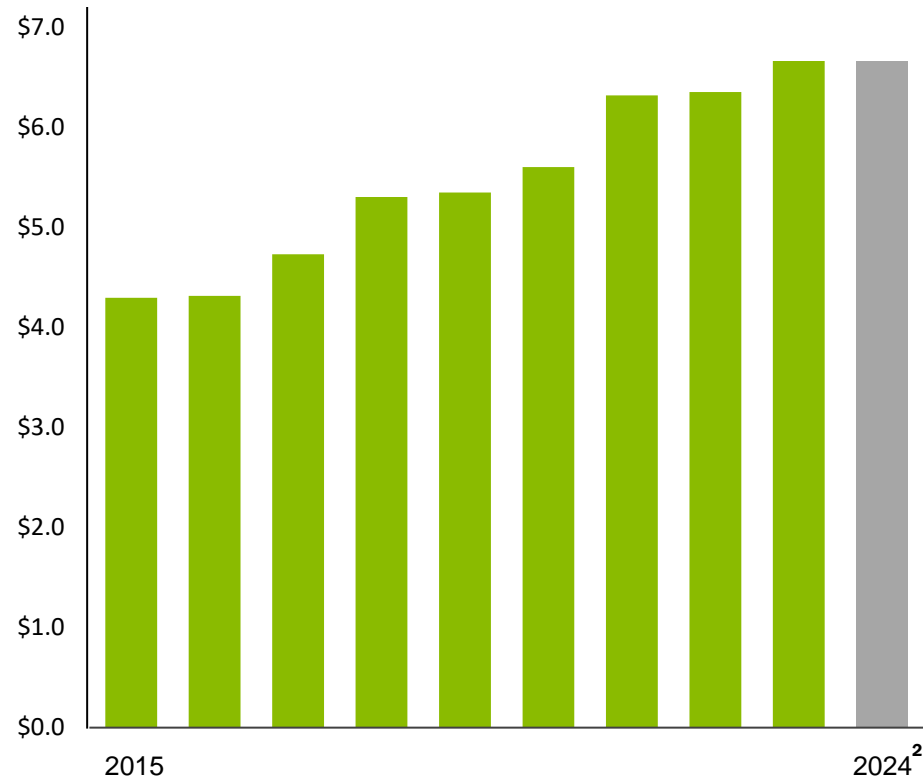
Reaffirming sustainable long-term objectives

Generating strong cash flow with disciplined capital allocation

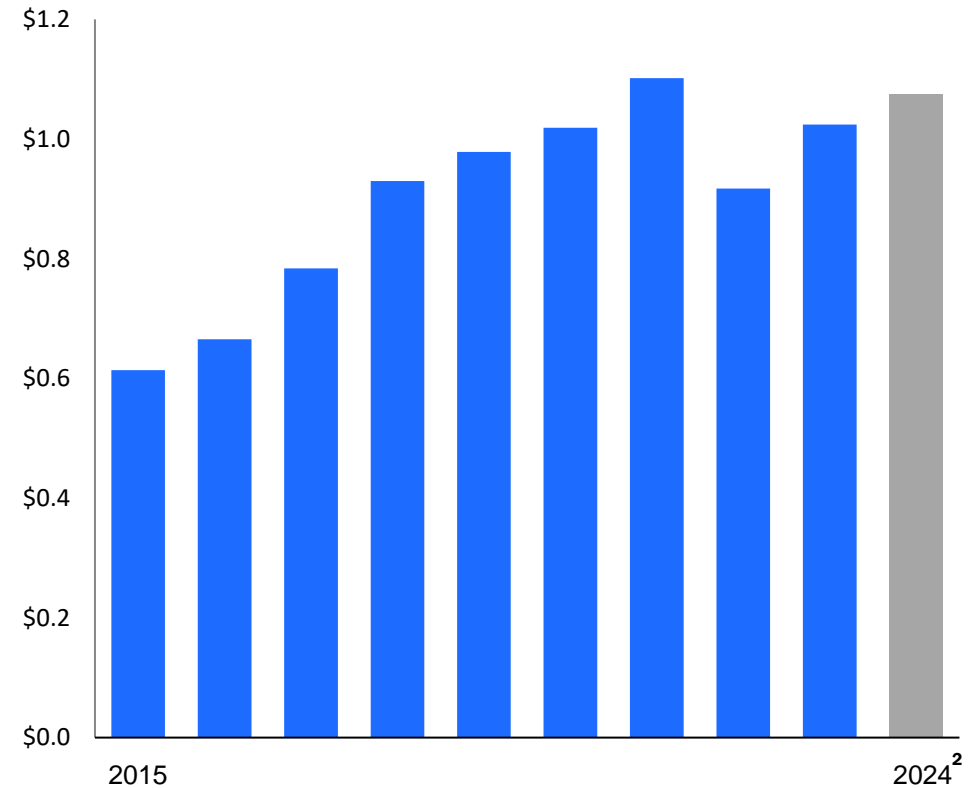


Proven Track Record

Net Sales¹



Adjusted Operating Income



¹ Net sales amounts as reported prior to recast for adoption of Revenue Recognition ASU as recast information not available for 2015. Recast trend expected to be consistent. ² 2024 mid-point of 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 in the appendix, including the impact of currency.

Historical Volume-Led Organic Sales Growth 2015 - 2023

Organic Sales Growth CAGR

4%

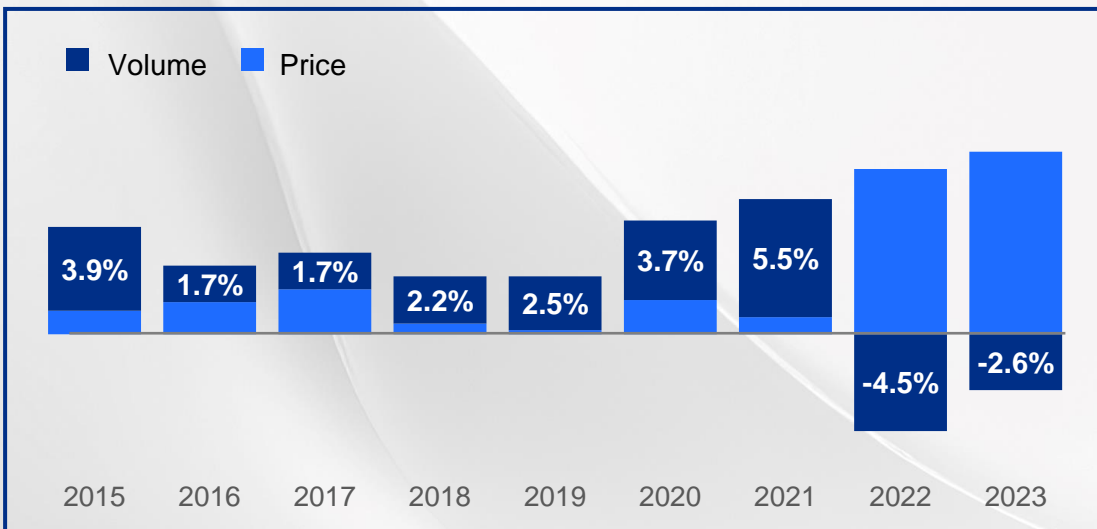
Acquisition Contribution

+

2%

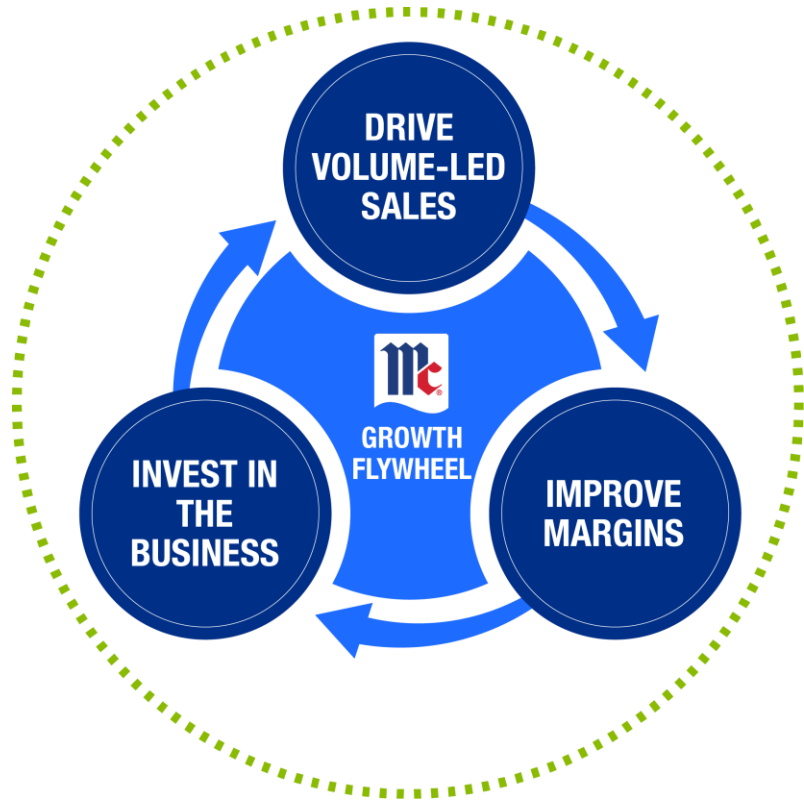
=

6%

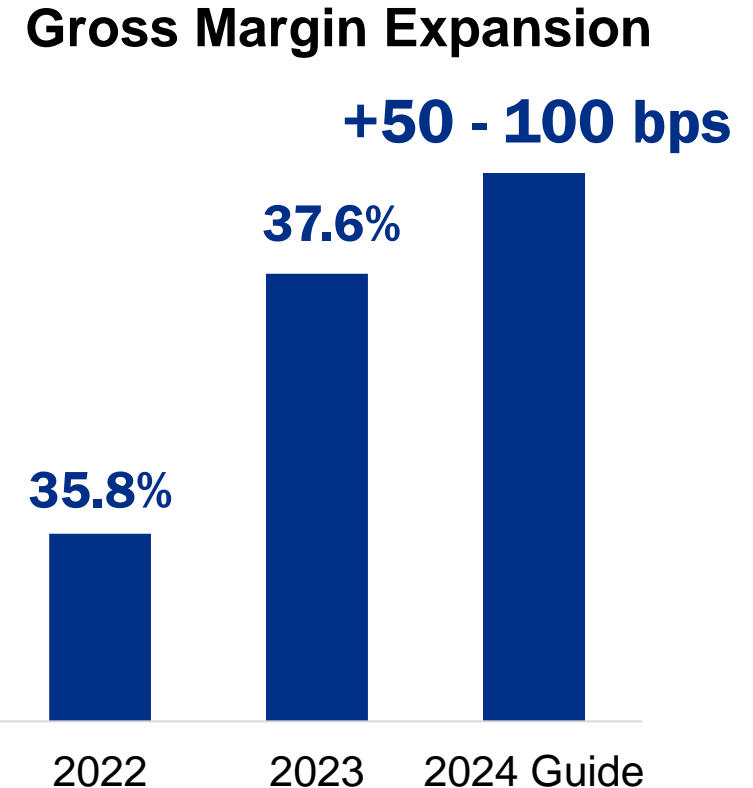


In constant currency. Net sales amounts as reported prior to recast for adoption of Revenue Recognition ASU as recast information not available for 2015. Recast trend expected to be consistent. See reconciliation of GAAP to non-GAAP financial measures, including the impact of currency, in the in the appendix.

Drive Margin Expansion and Invest for Growth



- ✓ Optimized portfolio and mix favorability
- ✓ Delivered CCI commitment
- ✓ Prioritized investments to drive value
- ✓ Improved operating profit through gross margin





Investor Day 2024

Marcos Gabriel

Incoming Executive Vice President and
Chief Financial Officer

○ Delivering on Our Long-Term Objectives



Reaffirming Our Sustainable Long-Term Objectives

**Net
Sales**

4 – 6%

**Operating
Income**

7 – 9%

**Earnings
Per Share**

9 – 11%



Long-Term Objectives: Net Sales



Drivers of Total Organic Net Sales

Organic
~3 to 4%
Growth

Contributions from both segments

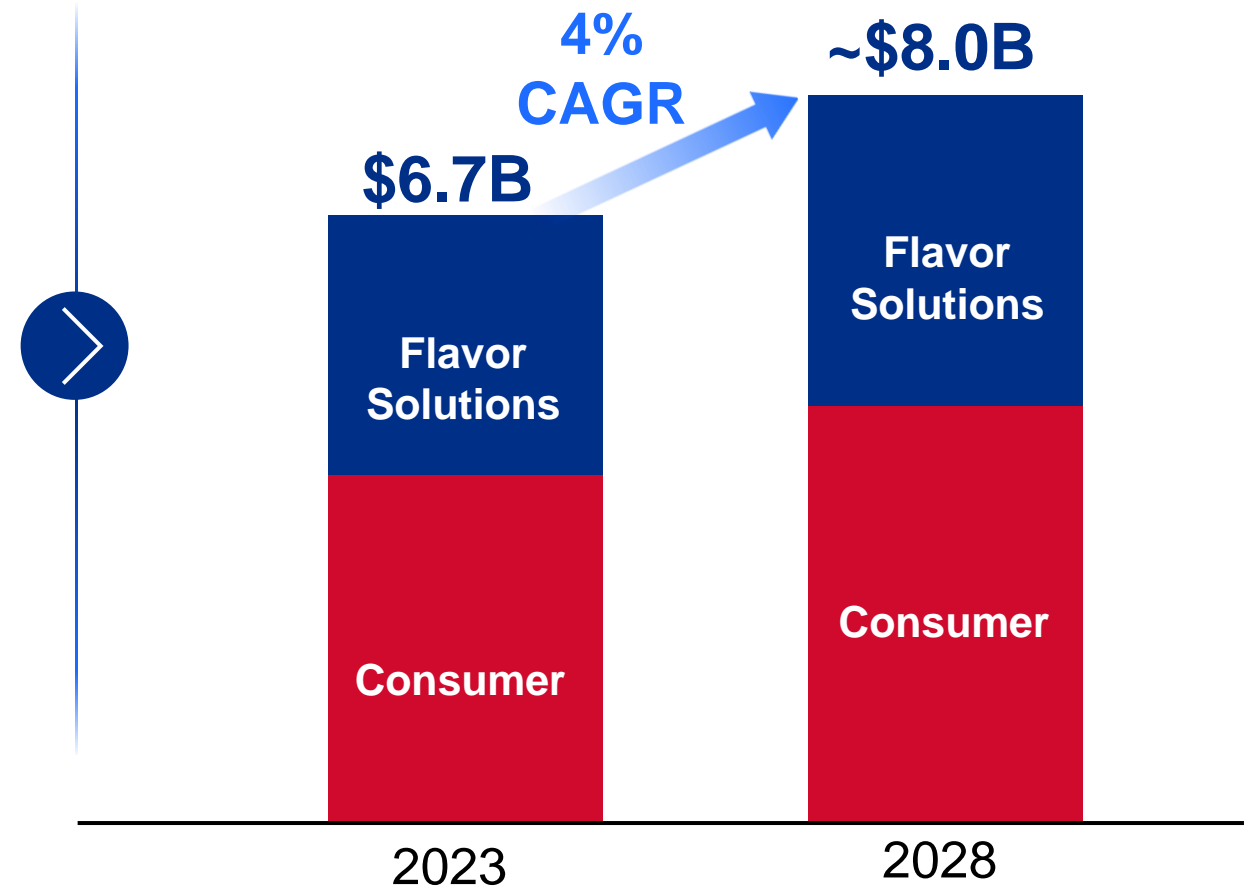
Focus on core categories

Spices & Seasonings

Condiments & Sauces

Flavors

Branded Foodservice



Organic Growth Drivers

Organic
~3 to 4%
Growth

Consumer

Spices & Seasonings + Condiments & Sauces

- Invest in enhanced brand marketing
- Increase in distribution points
- Launch renovation and new packaging
- Drive innovation in line with consumer insights
- Leverage revenue growth management
- Expand in high-growth markets and channels

Flavor Solutions

Flavors

- Invest behind taste competencies
- Leverage strength in Seasonings
- Expand in high-growth markets

Branded Foodservice

- Leverage brand power
- Increase innovation and renovation
- Expand in emerging channels



Acquisitions a Key Growth Lever

M&A
~2%
Growth

Value creation with sales, margin and earnings accretion

Timely and successful integration

EVA and ROIC focus

Pipeline Strategy

Fits
Strategic
Vision

Meets
Financial
Thresholds

Drives
Shareholder
Value

Disciplined Financial Criteria

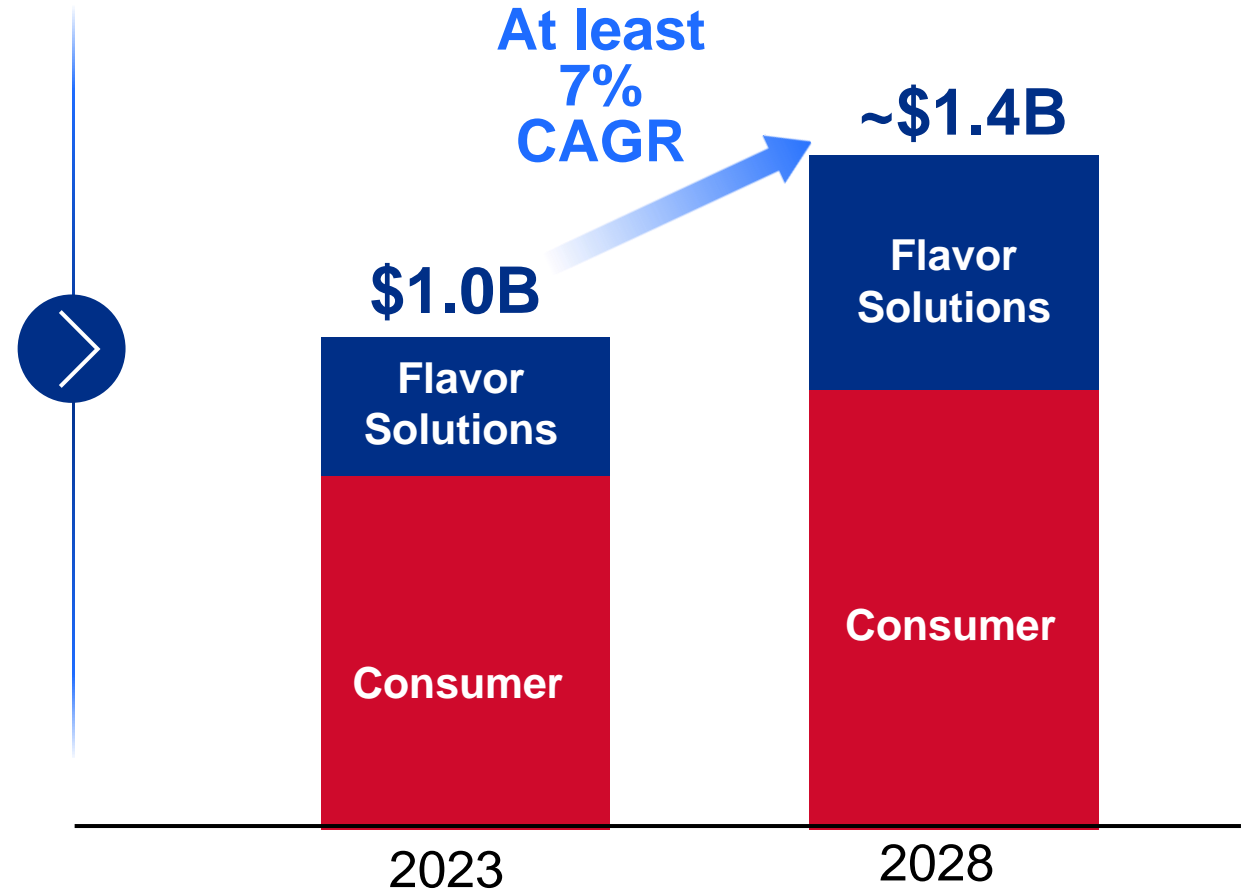
Proven Track Record of Successful Acquisitions and Integrations



Operating Income Growth: 7 to 9%

- + Volume growth across segments
- + Product mix driven by core categories
- Comprehensive Continuous Improvement

- Brand marketing
- Research & Development
- Digital acceleration



2023 reflects adjusted operating income, which is a non-GAAP measure as it excludes the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures in the appendix.

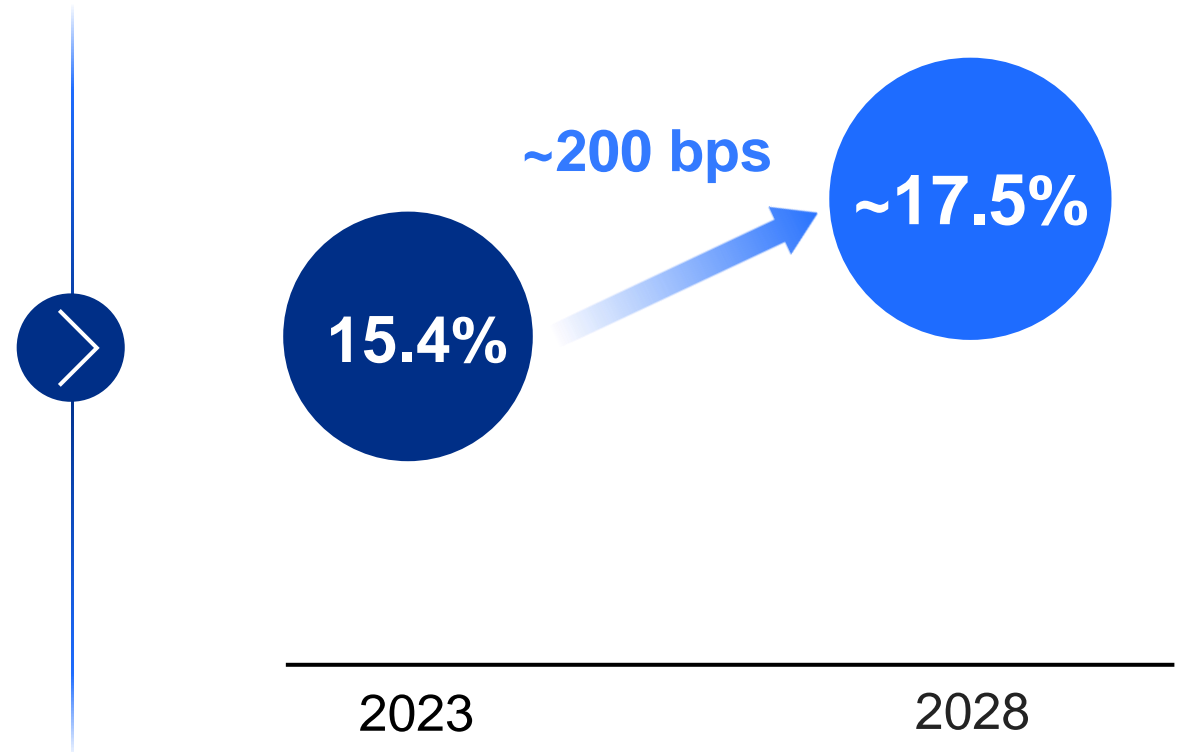


Expanding Operating Margin

- + **3/4 Volume and mix**
Volume leverage
Continued focus on higher margin products

- + **1/4 Cost savings net of investments**

Contributions from both segments, with greater expansion from Flavor Solutions



Implies at Least ~40 bps Improvement per Year

2023 reflects adjusted operating income margin, which is a non-GAAP measure as it excludes the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures in the appendix.

Improving Flavor Solutions Operating Margin

Operating leverage from volume growth

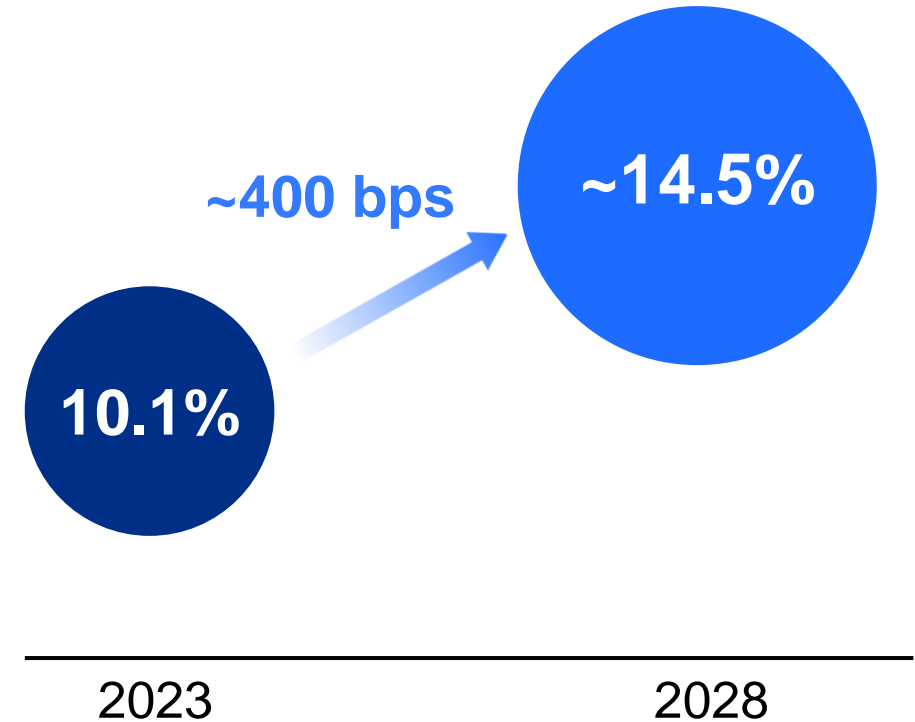
Portfolio shift to higher margin products including Branded Foodservice and Flavors



Cost savings and efficiencies

Portfolio optimization / reshaping

... including investments to drive further growth and differentiation



Implies ~80 bps Improvement per Year

2023 reflects adjusted operating income margin, which is a non-GAAP measure as it excludes the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures in the appendix.



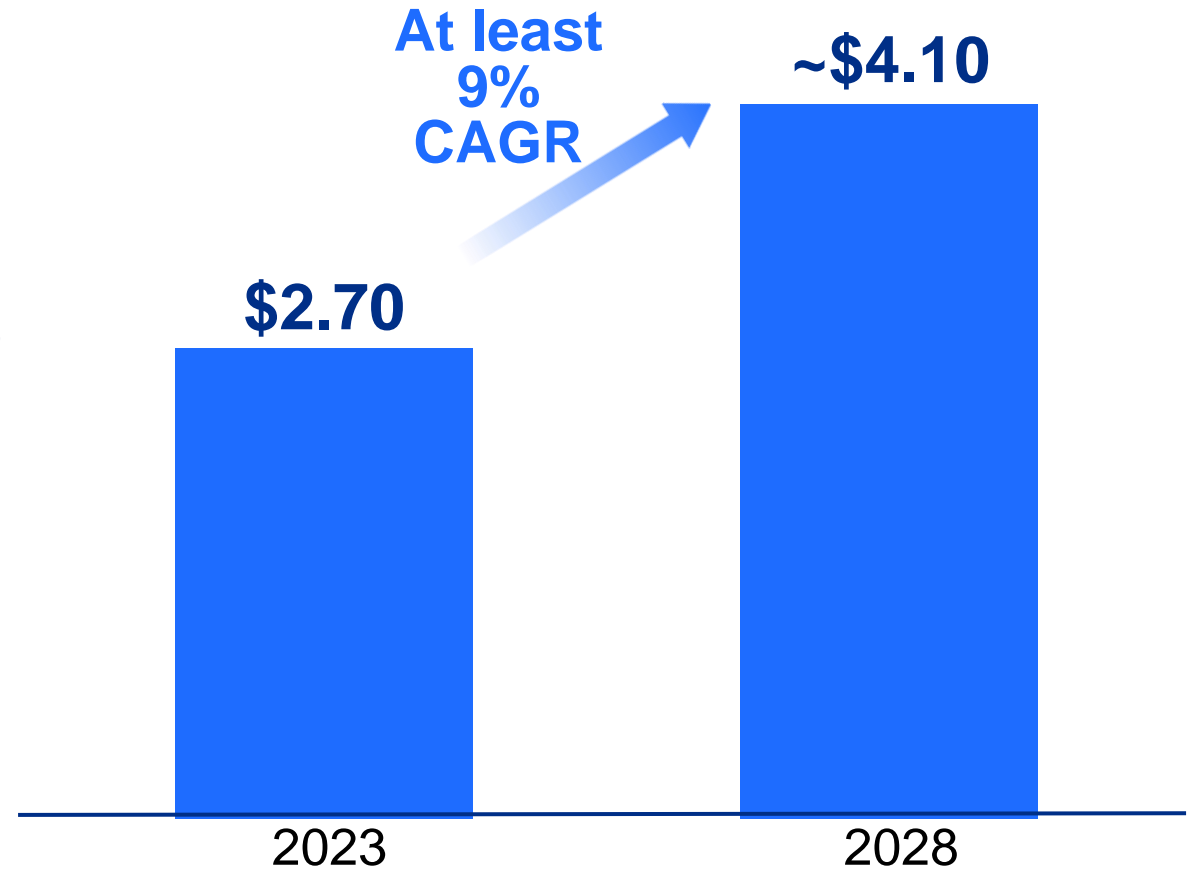
Earnings Per Share: 9 - 11% EPS Growth



Operating Income growth
Joint ventures contribution
Share repurchase



Neutral tax rate and interest expense



2023 reflects adjusted earnings per share, which is a non-GAAP measure as it excludes the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures in the appendix.



Reaffirming Our Sustainable Long-Term Objectives

**Net
Sales**

4 – 6%

**Operating
Income**

7 – 9%

**Earnings
Per Share**

9 – 11%



Disciplined Capital Allocation Priorities

Generating Strong Cash Flow

Investments to
Drive Growth

Returns to
Shareholders

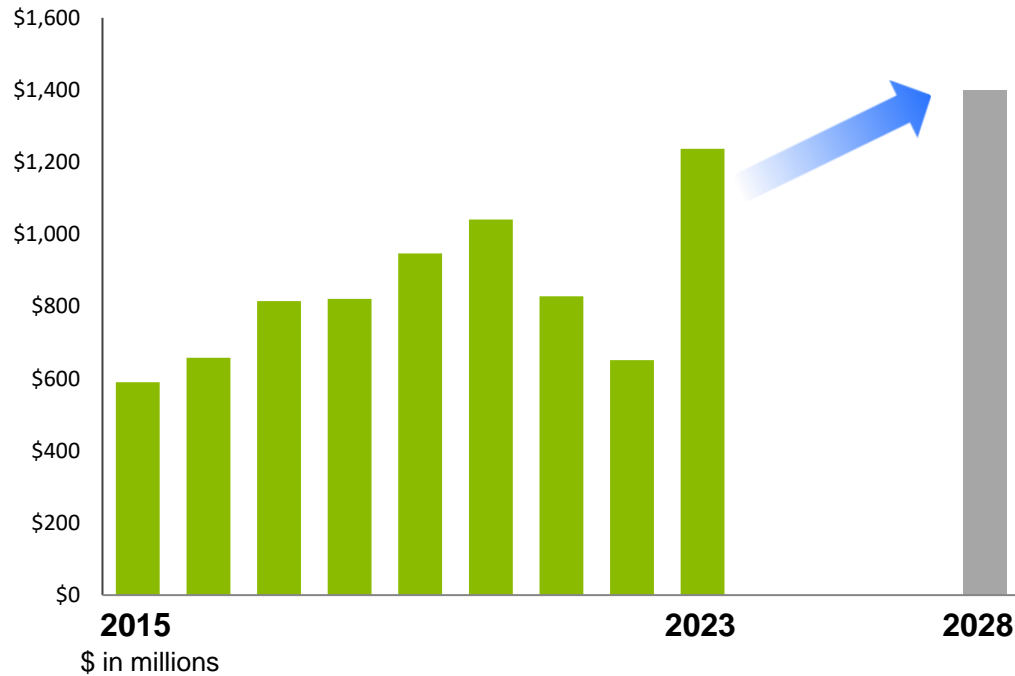
Strong and Flexible
Balance Sheet

Balanced Use of Cash

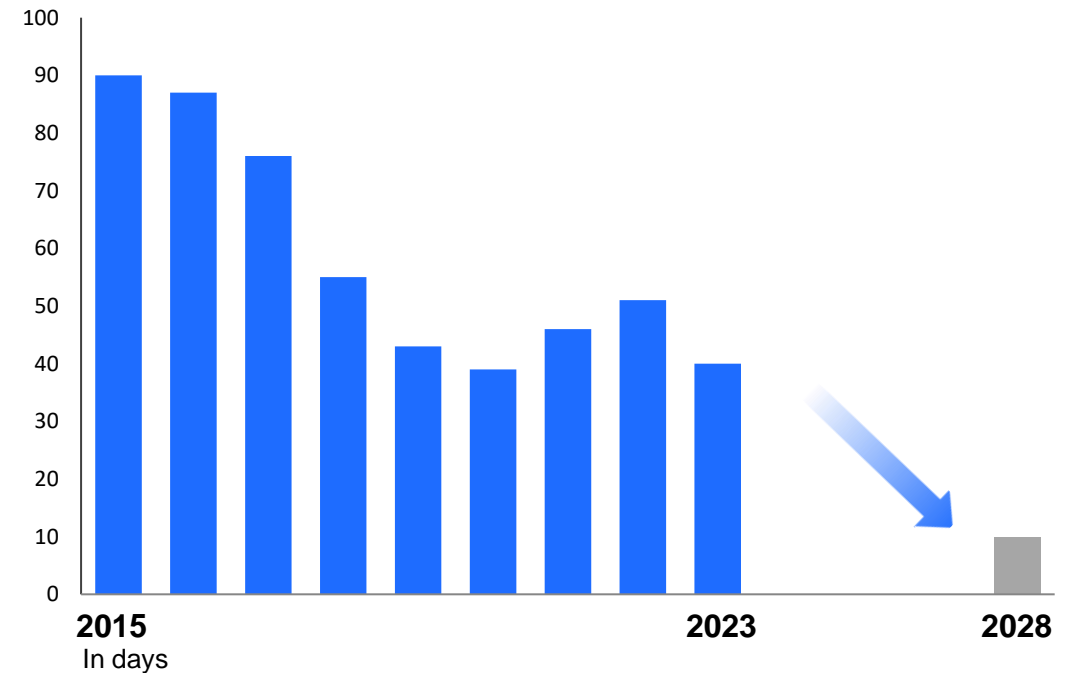


Generating Strong Cash Flow

Operating Cash Flow



Cash Conversion Cycle (days)



>95% of Net Income Converted to Free Cash Flow

See reconciliation of GAAP to non-GAAP financial measures in our appendix, including free cash flow.

Strategic Capital Investments to Support Growth

Invest in Capacity



Strengthen Capabilities



Advance Cost Savings and Efficiencies



Accelerate Our Digital Transformation



Capital Investments Targeted at 3.5 - 4% of Net Sales

Digital Transformation Priorities

Growth

**Digitizing
Consumer /
Customer
Experience**



Performance

**Building
Operations
Efficiency &
Resiliency**



**Scaling Data &
Analytics Across
the Enterprise**



People

**Transforming
Talent & Ways of
Working**



**Enterprise Digital
Foundation**

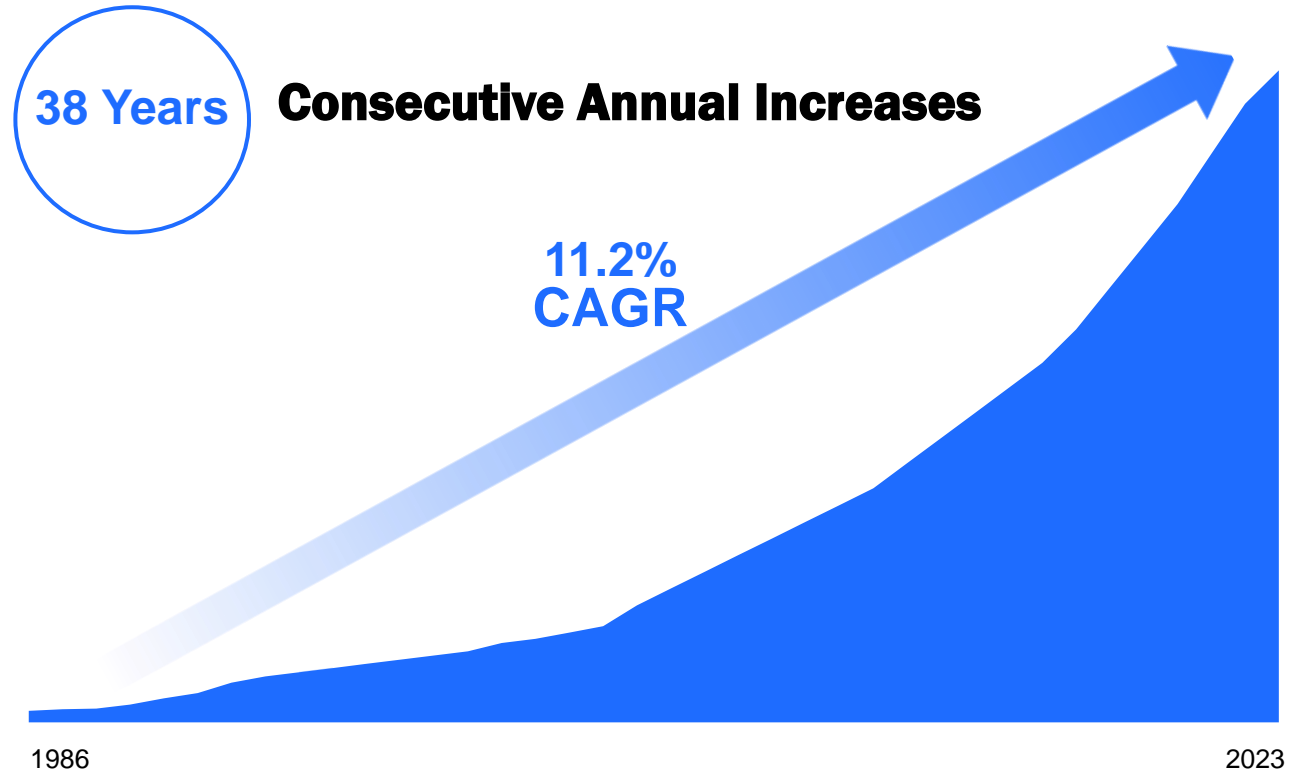
Enterprise Resource Planning, Data Strategy & Foundation,
Trade Promotion Management



Returning Cash to Shareholders

Dividend growth in line with
Earnings per Share growth

Share repurchases



McCormick Has Paid Dividends for the Past 100 Years and Is Proud to Be a Dividend Aristocrat

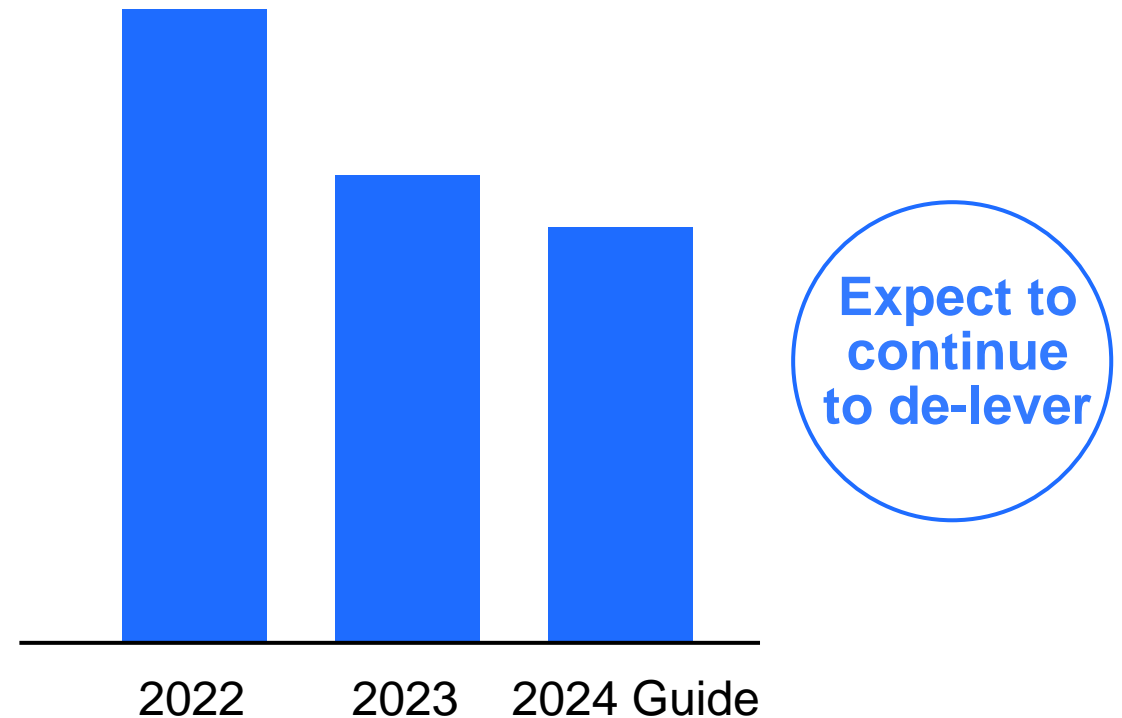


Maintaining Our Balance Sheet Flexibility

Committed to strong investment grade rating

Balance Sheet flexibility to fund acquisitions

Leverage Ratio



Reaffirming Our 2024 Outlook

**Net
Sales**

-1 to 1%

**Adjusted
Operating
Income**

4 to 6%

**Adjusted
EPS**

\$2.85 to \$2.90

**Adjusted
EPS
Growth**

5 to 7%

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 in the appendix.



Continued Momentum in 2025

Positive volume growth across Consumer and Flavor Solutions

Volume growth in line with long-term objectives

Increased investments in areas that drive the greatest returns

Improving profitability growth rate and driving margin expansion

Strong Balance Sheet and disciplined capital allocation





Advancing Our Leadership and Differentiation

McCormick & Company, Inc. Investor Day 2024





Investor Day 2024

Non-GAAP Reconciliations



Non-GAAP Financial Measures

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

We believe that these non-GAAP financial measures are important. The presentation of information on a constant currency basis, the exclusion of special charges and the associated income tax effect, as applicable, and free cash flow provide additional information that enables enhanced comparisons to prior periods and, accordingly, facilitates the development of future projections and earnings growth prospects or is a meaningful metric to investors in evaluating our liquidity. This information is also used by management to measure the profitability of our ongoing operations and analyze our business performance and trends.

Special charges consist of expenses and income, as applicable, associated with certain actions undertaken by us 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. Expenses associated with the approved actions are classified as special charges upon recognition and monitored on an on-going basis through completion.

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.



Reconciliation of Non-GAAP Financial Measures

A reconciliation of these non-GAAP financial measures to the related GAAP financial measures follows.

For the year ended
November 30, 2023

Operating income	\$963.0
Impact of special charges	<u>61.2</u>
Adjusted operating income	\$1,024.2
Operating income margin	14.5%
Impact of special charges	<u>0.9%</u>
Adjusted operating income margin	15.4%
Earnings per share – diluted	\$2.52
Impact of special charges	<u>0.18</u>
Adjusted earnings per share – diluted	\$2.70

Operating income margin, impact of special charges, and adjusted operating income margin are calculated as operating income, impact of special charges, and adjusted operating income as a percentage of net sales for each period presented.



Reconciliation of 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 time. 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. 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 company's budgeted exchange rate for 2023 for all periods.

A reconciliation of McCormick’s actual CAGR and constant currency CAGR for the period from December 1, 2014 to November 30, 2023 follows:

	<u>Total Sales</u>	<u>Organic Sales</u>	<u>Acquisition Contribution</u>
CAGR – Net sales	5%	3%	2%
Impact of foreign currency exchange rates	1%	1%	0%
CAGR – Net sales on a constant currency basis	6%	4%	2%



Reconciliation of 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 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 Statement 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 that is most directly comparable to free cash flow as well as information regarding our free cash flow as a percentage of net income from the period December 1, 2014 to November 30, 2023.

	For the period from December 1, 2014 to November 30, 2023
Operating cash flow	\$7,589.8
Less: Capital expenditures	<u>1,836.6</u>
Free cash flow	\$5,753.2
Net income	\$5,852.7
Free cash flow as a percentage of net income	98%

