

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For Quarter Ended February 28, 2015

Commission File Number 001-14920

McCORMICK & COMPANY, INCORPORATED

(Exact name of registrant as specified in its charter)

MARYLAND
(State or other jurisdiction of
incorporation or organization)

52-0408290
(I.R.S. Employer
Identification No.)

18 Loveton Circle, P. O. Box 6000,
Sparks, MD

(Address of principal executive offices)

21152-6000

(Zip Code)

Registrant's telephone number, including area code (410) 771-7301

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

	Shares Outstanding
	<u>February 28, 2015</u>
Common Stock	11,969,465
Common Stock Non-Voting	115,816,466

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
(in millions except per share amounts)

	Three months ended February 28,	
	2015	2014
Net sales	\$ 1,010.4	\$ 993.4
Cost of goods sold	620.7	601.9
Gross profit	389.7	391.5
Selling, general and administrative expense	267.6	266.9
Special charges	28.4	—
Operating income	93.7	124.6
Interest expense	12.9	12.4
Other expense (income), net	0.2	(0.2)
Income from consolidated operations before income taxes	80.6	112.4
Income taxes	20.0	35.0
Net income from consolidated operations	60.6	77.4
Income from unconsolidated operations	9.9	5.1
Net income	\$ 70.5	\$ 82.5
Earnings per share – basic	\$ 0.55	\$ 0.63
Average shares outstanding – basic	128.2	131.1
Earnings per share – diluted	\$ 0.55	\$ 0.62
Average shares outstanding – diluted	129.3	132.2
Cash dividends paid per share	\$ 0.40	\$ 0.37

See notes to condensed consolidated financial statements (unaudited).

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(in millions)

	Three months ended February 28,	
	2015	2014
Net income	\$ 70.5	\$ 82.5
Net income attributable to non-controlling interest	1.2	1.0
Other comprehensive income (loss):		
Unrealized components of pension plans	9.6	3.8
Currency translation adjustments	(137.2)	4.3
Change in derivative financial instruments	1.2	0.3
Deferred taxes	(2.5)	(1.5)
Comprehensive income (loss)	\$ (57.2)	\$ 90.4

See notes to condensed consolidated financial statements (unaudited).

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEET
(in millions)

	February 28, 2015	February 28, 2014	November 30, 2014
	(unaudited)	(unaudited)	
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 81.8	\$ 89.4	\$ 77.3
Trade accounts receivables, net	384.1	428.0	493.6
Inventories			
Finished products	297.6	309.0	303.2
Raw materials and work-in-process	410.8	373.9	410.6
	708.4	682.9	713.8
Prepaid expenses and other current assets	130.4	139.8	131.5
Total current assets	1,304.7	1,340.1	1,416.2
Property, plant and equipment	1,457.2	1,423.0	1,481.4
Less: accumulated depreciation	(876.6)	(852.0)	(878.7)
Property, plant and equipment, net	580.6	571.0	602.7
Goodwill	1,651.2	1,809.1	1,722.2
Intangible assets, net	323.1	332.8	330.8
Investments and other assets	337.9	376.7	342.4
Total assets	\$ 4,197.5	\$ 4,429.7	\$ 4,414.3
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Short-term borrowings	\$ 310.5	\$ 280.2	\$ 269.6
Current portion of long-term debt	205.7	1.8	1.2
Trade accounts payable	334.6	348.0	372.1
Other accrued liabilities	370.2	382.1	479.1
Total current liabilities	1,221.0	1,012.1	1,122.0
Long-term debt	806.8	1,016.6	1,014.1
Other long-term liabilities	465.8	413.6	468.8
Total liabilities	2,493.6	2,442.3	2,604.9
Shareholders' Equity			
Common stock	372.6	356.0	367.2
Common stock non-voting	634.2	615.7	628.4
Retained earnings	992.0	993.2	982.6
Accumulated other comprehensive income (loss)	(314.9)	6.6	(186.0)
Non-controlling interests	20.0	15.9	17.2
Total shareholders' equity	1,703.9	1,987.4	1,809.4
Total liabilities and shareholders' equity	\$ 4,197.5	\$ 4,429.7	\$ 4,414.3

See notes to condensed consolidated financial statements (unaudited).

McCORMICK & COMPANY, INCORPORATED
 CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)
 (in millions)

	Three months ended February 28,	
	2015	2014
Operating activities		
Net income	\$ 70.5	\$ 82.5
Adjustments to reconcile net income to net cash flow provided by operating activities:		
Depreciation and amortization	24.9	26.8
Stock-based compensation	3.7	2.6
Income from unconsolidated operations	(9.9)	(5.1)
Changes in operating assets and liabilities	3.0	(34.1)
Dividends from unconsolidated affiliates	3.7	4.0
Net cash flow provided by operating activities	95.9	76.7
Investing activities		
Capital expenditures	(15.5)	(18.5)
Proceeds from sale of property, plant and equipment	—	0.5
Net cash flow used in investing activities	(15.5)	(18.0)
Financing activities		
Short-term borrowings, net	40.9	68.4
Long-term debt repayments	(0.2)	(0.4)
Proceeds from exercised stock options	11.3	8.9
Common stock acquired by purchase	(64.9)	(56.9)
Dividends paid	(51.3)	(48.6)
Net cash flow used in financing activities	(64.2)	(28.6)
Effect of exchange rate changes on cash and cash equivalents	(11.7)	(3.7)
Increase in cash and cash equivalents	4.5	26.4
Cash and cash equivalents at beginning of period	77.3	63.0
Cash and cash equivalents at end of period	\$ 81.8	\$ 89.4

See notes to condensed consolidated financial statements (unaudited).

McCORMICK & COMPANY, INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all the information and notes required by United States generally accepted accounting principles (U.S. GAAP) for complete financial statements. In our opinion, the accompanying condensed consolidated financial statements contain all adjustments, which are of a normal and recurring nature, necessary to present fairly the financial position and the results of operations for the interim periods presented.

The results of consolidated operations for the three month period ended February 28, 2015 are not necessarily indicative of the results to be expected for the full year. Historically, our net sales, net income and cash flow from operations are lower in the first half of the fiscal year and increase in the second half. The typical increase in net sales, net income and cash flow from operations in the second half of the year is largely due to the consumer business cycle in the U.S., where customers typically purchase more products in the fourth quarter due to the Thanksgiving and Christmas holiday seasons.

For further information, refer to the consolidated financial statements and notes included in our Annual Report on Form 10-K for the year ended November 30, 2014.

Accounting and Disclosure Changes

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2014-09 *Revenue from Contracts with Customers (Topic 606)*. This guidance is intended to improve and converge with international standards the financial reporting requirements for revenue from contracts with customers. It will be effective for our first quarter of 2018 and early adoption is not permitted. We have not yet determined the impact from adoption of this new accounting pronouncement on our financial statements.

2. ACQUISITIONS

In February 2015, we signed an agreement to purchase 100% of the shares of Drogheria & Alimentari (D&A), a privately held company based in Italy. The completion of the acquisition is expected to occur in mid-2015, subject to regulatory approval and customary closing conditions. As a supplier of both brand and private label products, D&A, which will be included in our consumer business segment following completion of the acquisition, is a leader of the spice and seasoning category in Italy. Annual sales of D&A were approximately €50 million. The purchase price will consist of a cash payment of €50 million, subject to certain closing adjustments, and a potential earn out payment in 2018 of up to €35 million, based upon the performance of the business.

3. SPECIAL CHARGES

We continue to evaluate changes to our organization structure to enable us to reduce fixed costs, simplify or improve processes, and improve our competitiveness.

In January 2015, we offered a voluntary retirement plan, which included enhanced separation benefits but did not include supplementary pension benefits, to certain U.S. employees aged 55 years or older with at least ten years of service to the Company. Upon our receipt of notification from participants that they accepted this plan, which closed in the first quarter of 2015, we accrued special charges of \$24.5 million, consisting of employee severance and related costs that will be paid in cash. Substantially all of the affected employees will leave the company in 2015, with the majority exiting in the second quarter.

The voluntary retirement plan is part of our ongoing North American effectiveness initiative that, upon completion, is expected to generate cost savings of approximately \$10 million in 2015 and annual cost savings with a full year impact of approximately \$25 million beginning in 2016. We currently estimate the total cost to implement the North American effectiveness initiative to approximate \$26 million, including the cost of the voluntary early retirement plan and other actions necessary to achieve the cost savings previously described, consisting principally of severance and related benefits that will be paid in cash. The following table outlines the major components of accrual balances and activity relating to the special charges associated with our North American effectiveness initiative for the three months ended February 28, 2015 (in millions):

	Employee severance and related benefits	Other related costs	Total
Special charges	\$ 23.9	\$ 0.6	\$ 24.5
Amounts utilized	(0.4)	—	(0.4)
Balance as of February 28, 2015	\$ 23.5	\$ 0.6	\$ 24.1

In late 2013, we announced a reorganization in parts of the Europe, Middle East and Africa (EMEA) region to further improve EMEA's profitability and process standardization while supporting its competitiveness and long-term growth. These actions included the closure of our current sales and distribution operations in The Netherlands, with the transition to a third-party distributor model to continue to sell the Silvo brand, as well as actions intended to reduce selling, general and administrative activities throughout EMEA, including the centralization of shared service activity across the region into Poland. In fiscal years 2013 and 2014, we recorded a total of \$27.1 million of cash and non-cash charges related to this reorganization. We expect to realize annual cost savings of approximately \$10 million in 2015 for the EMEA reorganization.

The following table outlines the major components of accrual balances and activity relating to the special charges associated with the EMEA reorganization plan undertaken in 2013 and 2014 for the three months ended February 28, 2015 (in millions):

	Employee severance and related benefits	Other related costs	Total
Balance as of November 30, 2014	\$ 9.3	\$ 0.7	\$ 10.0
Amounts utilized	(1.9)	(0.4)	(2.3)
Balance as of February 28, 2015	\$ 7.4	\$ 0.3	\$ 7.7

In the first quarter of 2015, we recorded a special charge of \$3.9 million to undertake actions, principally consisting of severance and related costs, to change our organization structure to further reduce selling, general and administrative expenses throughout EMEA. The actions associated with this special charge are expected to be completed in 2015 and to generate annual

cost savings of \$3.0 million by 2016. The following table outlines the major components of accrual balances and activity relating to the special charges associated with the EMEA reorganization plan undertaken for the three months ended February 28, 2015 (in millions):

	Employee severance and related benefits	Other related costs	Total
Special charges	\$ 3.5	\$ 0.4	\$ 3.9
Amounts utilized	(0.5)	—	(0.5)
Balance as of February 28, 2015	\$ 3.0	\$ 0.4	\$ 3.4

Of the \$28.4 million of special charges recorded in the first quarter of 2015, \$19.2 million related to our consumer business segment and \$9.2 million related to our industrial business segment. All liability balances associated with our special charges are included in other accrued liabilities in our consolidated balance sheet.

4. FINANCING ARRANGEMENTS AND FINANCIAL INSTRUMENTS

We use derivative financial instruments to enhance our ability to manage risk, including foreign currency and interest rate exposures, which exist as part of our ongoing business operations. We do not enter into contracts for trading purposes, nor are we a party to any leveraged derivative instruments. The use of derivative financial instruments is monitored through regular communication with senior management and the use of written guidelines.

As of February 28, 2015, the maximum time frame for our foreign exchange forward contracts is 21 months. The amount of foreign exchange forward contracts greater than 12 months is not material. For all derivatives, the net amount of accumulated other comprehensive income expected to be reclassified in the next 12 months is \$5.7 million as an increase to earnings.

All derivatives are recognized at fair value in the balance sheet and recorded in either current or noncurrent other assets or other accrued liabilities or other long-term liabilities depending upon nature and maturity.

The following table discloses the fair values of derivative instruments on our balance sheet (in millions):

As of February 28, 2015

	Asset Derivatives			Liability Derivatives		
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Interest rate contracts	Other current assets	\$ 100.0	\$ 4.9			
Foreign exchange contracts	Other current assets	92.3	8.4	Other accrued liabilities	\$ 178.4	\$ 3.4
Total			\$ 13.3			\$ 3.4

As of February 28, 2014

	Asset Derivatives			Liability Derivatives		
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Interest rate contracts	Other current assets	\$ 100.0	\$ 9.7			
Foreign exchange contracts	Other current assets	138.7	2.4	Other accrued liabilities	\$ 64.9	\$ 1.9
Total			\$ 12.1			\$ 1.9

As of November 30, 2014

	Asset Derivatives			Liability Derivatives		
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Interest rate contracts	Other current assets	\$ 100.0	\$ 7.4			
Foreign exchange contracts	Other current assets	106.3	4.9	Other accrued liabilities	\$ 156.4	\$ 1.4
Total			\$ 12.3			\$ 1.4

The following tables disclose the impact of derivative instruments on our other comprehensive income (OCI), accumulated other comprehensive income (AOCI) and our income statement for the three month period ended February 28, 2015 and 2014 (in millions):

Fair Value Hedges -
For the 3 months ended February 28,

Derivative	Income statement location	Expense	
		2015	2014
Interest rate contracts	Interest expense	\$ 1.2	\$ 1.2

Cash Flow Hedges –

For the 3 months ended February 28,

Derivative	Gain or (Loss) recognized in OCI		Income statement location	Gain or (Loss) reclassified from AOCI	
	2015	2014		2015	2014
Interest rate contracts	\$ —	\$ —	Interest expense	\$ —	\$ —
Foreign exchange contracts	3.0	—	Cost of goods sold	1.1	(0.4)
Total	\$ 3.0	\$ —		\$ 1.1	\$ (0.4)

The amount of gain or loss recognized in income on the ineffective portion of derivative instruments is not material. The amounts noted in the tables above for OCI do not include any adjustments for the impact of deferred income taxes.

5. FAIR VALUE MEASUREMENTS

Fair value can be measured using valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow), and the cost approach (cost to replace the service capacity of an asset or replacement cost). Accounting standards utilize a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

Our population of financial assets and liabilities subject to fair value measurements on a recurring basis are as follows (in millions):

	February 28, 2015			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 81.8	\$ 81.8	\$ —	\$ —
Insurance contracts	106.8	—	106.8	—
Bonds and other long-term investments	7.8	7.8	—	—
Interest rate derivatives	4.9	—	4.9	—
Foreign currency derivatives	8.4	—	8.4	—
Total	\$ 209.7	\$ 89.6	\$ 120.1	\$ —
Liabilities				
Foreign currency derivatives	\$ 3.4	\$ —	\$ 3.4	\$ —

	February 28, 2014			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 89.4	\$ 89.4	\$ —	\$ —
Insurance contracts	92.3	—	92.3	—
Bonds and other long-term investments	15.2	15.2	—	—
Interest rate derivatives	9.7	—	9.7	—
Foreign currency derivatives	2.4	—	2.4	—
Total	\$ 209.0	\$ 104.6	\$ 104.4	\$ —
Liabilities				
Foreign currency derivatives	\$ 1.9	\$ —	\$ 1.9	\$ —

	November 30, 2014			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 77.3	\$ 77.3	\$ —	\$ —
Insurance contracts	104.5	—	104.5	—
Bonds and other long-term investments	8.5	8.5	—	—
Interest rate derivatives	7.4	—	7.4	—
Foreign currency derivatives	4.9	—	4.9	—
Total	\$ 202.6	\$ 85.8	\$ 116.8	\$ —
Liabilities				
Foreign currency derivatives	\$ 1.4	\$ —	\$ 1.4	\$ —

The fair values of insurance contracts are based upon the underlying values of the securities in which they are invested and are from quoted market prices from various stock and bond exchanges for similar type assets. The fair values of bonds and other long-term investments are based on quoted market prices from various stock and bond exchanges. The fair values for interest rate and foreign currency derivatives are based on values for similar instruments using models with market based inputs.

6. EMPLOYEE BENEFIT AND RETIREMENT PLANS

The following table presents the components of our pension expense of the defined benefit plans for the three months ended February 28, 2015 and 2014 (in millions):

	United States		International	
	2015	2014	2015	2014
Defined benefit plans				
Service cost	\$ 5.9	\$ 5.0	\$ 2.1	\$ 2.0
Interest costs	7.9	7.8	3.1	3.4
Expected return on plan assets	(10.0)	(9.7)	(4.4)	(4.7)
Amortization of prior service costs	—	—	0.1	0.1
Recognized net actuarial loss	4.2	2.9	1.5	1.2
Total pension expense	\$ 8.0	\$ 6.0	\$ 2.4	\$ 2.0

During the three months ended February 28, 2015 and 2014, we contributed \$7.3 million and \$8.9 million, respectively, to our pension plans. Total contributions to our pension plans in fiscal year 2014 were \$16.8 million.

The following table presents the components of our other postretirement benefits expense (in millions):

	Three months ended February 28,	
	2015	2014
Other postretirement benefits		
Service cost	\$ 0.8	\$ 1.0
Interest costs	0.9	1.0
Total other postretirement expense	\$ 1.7	\$ 2.0

7. STOCK-BASED COMPENSATION

We have three types of stock-based compensation awards: restricted stock units (RSUs), stock options and company stock awarded as part of our long-term performance plan (LTPP). The following table sets forth the stock-based compensation expense recorded in selling, general and administrative (SG&A) expense (in millions):

	Three months ended February 28,	
	2015	2014
Stock-based compensation expense	\$ 3.7	\$ 2.6

Our 2015 annual grant of stock options and RSUs is expected to occur in the second quarter, similar to the 2014 annual grant.

The following is a summary of our stock option activity for the three months ended February 28, 2015 and 2014:

(shares in millions)	2015		2014	
	Number of Shares	Weighted-Average Exercise Price	Number of Shares	Weighted-Average Exercise Price
Outstanding at beginning of period	4.8	\$ 54.17	4.6	\$ 47.73
Exercised	(0.3)	39.90	(0.3)	32.19
Outstanding at end of the period	4.5	54.89	4.3	48.87
Exercisable at end of the period	2.7	\$ 47.10	2.4	\$ 40.98

As of February 28, 2015 the intrinsic value (the difference between the exercise price and the market price) for all options outstanding was \$92.5 million and for options currently exercisable was \$76.2 million. The total intrinsic value of all options exercised during the three months ended February 28, 2015 and 2014 was \$8.5 million and \$11.7 million, respectively.

The following is a summary of our RSU activity for the three months ended February 28, 2015 and 2014:

(shares in thousands)	2015		2014	
	Number of Shares	Weighted-Average Grant-Date Fair Value	Number of Shares	Weighted-Average Grant-Date Fair Value
Outstanding at beginning of period	239	\$ 67.60	161	\$ 60.86
Vested	—	—	(2)	38.28
Forfeited	(3)	71.19	(1)	65.23
Outstanding at end of period	236	\$ 67.55	158	\$ 61.10

The following is a summary of our LTPP activity for the three months ended February 28, 2015 and 2014:

(shares in thousands)	2015		2014	
	Number of Shares	Weighted-Average Grant-Date Fair Value	Number of Shares	Weighted-Average Grant-Date Fair Value
Outstanding at beginning of period	231	\$ 61.94	334	\$ 51.73
Granted	96	74.02	105	69.04
Vested	(65)	48.78	(118)	44.47
Forfeited	—	—	(2)	44.47
Outstanding at end of period	262	\$ 69.64	319	\$ 60.15

8. INCOME TAXES

Income taxes for the three months ended February 28, 2015 included \$3.8 million of discrete tax benefits. Of that amount, \$1.8 million related to the reversal of unrecognized tax benefits and interest associated with a statute of limitation expiration in an international jurisdiction and the remainder principally related to the recognition of a 2014 research tax credit. A new law was enacted in the first quarter 2015 that retroactively granted the credit for our tax year 2014. Other than the \$1.8 million reversal previously described and additions for current year tax positions, there were no significant changes to unrecognized tax benefits during the three months ended February 28, 2015. We believe that it is reasonably possible that the total amount of unrecognized tax benefits as of February 28, 2015 could decrease by approximately \$7.0 million in the next 12 months as a result of various statute expirations, audit closures, and/or tax settlements.

During the three months ended February 28, 2014, the Company reached a settlement with respect to the French taxing authority's audits of the 2007-2011 tax years. In connection with that settlement, the Company recognized international tax expense of \$2.2 million related to adjustments agreed as part of the settlement and a tax benefit of \$5.8 million associated with the reversal of unrecognized tax benefits and interest related to the settlement. Income taxes for the three months ended February 28, 2014, included the following discrete tax items in addition to those associated with the French tax settlement: (i) international tax expense of \$0.6 million related to an increased valuation allowance associated with prior year losses of a non-U.S. subsidiary due to a change in our assessment of the likely realization of such losses; and (ii) international tax expense of \$3.7 million related to fiscal year 2013 arising from a retroactive change in French tax law enacted in the three months ended February 28, 2014. (Later in 2014, final legislative guidance on that French tax law change was issued, which resulted in our reversal, during the third quarter of 2014, of the \$3.7 million of tax expense that was provided in the first quarter of 2014.)

9. EARNINGS PER SHARE AND STOCK ISSUANCE

The following table sets forth the reconciliation of average shares outstanding (in millions):

	Three months ended February 28,	
	2015	2014
Average shares outstanding – basic	128.2	131.1
Effect of dilutive securities:		
Stock options/RSUs/LTPP	1.1	1.1
Average shares outstanding – diluted	129.3	132.2

The following table sets forth the stock options and RSUs for the three months ended February 28, 2015 and 2014 which were not considered in our earnings per share calculation since they were anti-dilutive (in millions):

	Three months ended February 28,	
	2015	2014
Anti-dilutive securities	0.4	0.9

The following table sets forth the common stock activity for the three months ended February 28, 2015 and 2014 under the Company's stock option and employee stock purchase plans and the repurchases of common stock under its stock repurchase program (in millions):

	Three months ended February 28,	
	2015	2014
Shares issued under stock option, employee stock purchase plans and RSUs	0.3	0.3
Shares repurchased in connection with the stock repurchase program	0.9	0.9

As of February 28, 2015, \$51 million remained of the \$400 million share repurchase authorization that was authorized by the Board of Directors in April 2013.

10. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table sets forth the components of accumulated other comprehensive income (loss), net of tax where applicable (in millions):

	February 28, 2015	February 28, 2014	November 30, 2014
Foreign currency translation adjustment	\$ (105.1)	\$ 170.0	\$ 32.1
Unrealized gain (loss) on foreign currency exchange contracts	3.7	(0.2)	3.0
Unamortized value of settled interest rate swaps	2.8	2.1	2.9
Pension and other postretirement costs	(216.3)	(165.3)	(224.0)
Accumulated other comprehensive income (loss)	\$ (314.9)	\$ 6.6	\$ (186.0)

The following table sets forth the amounts reclassified from accumulated other comprehensive income (loss) and into consolidated net income for the three months ended February 28, 2015 and 2014 (in millions):

Accumulated Other Comprehensive Income (Loss) Components	Three months ended February 28,		Affected Line Items in the Condensed Consolidated Income Statement
	2015	2014	
Gains (losses) on cash flow hedges:			
Interest rate derivatives	—	—	Interest expense
Foreign exchange contracts	\$ 1.1	\$ (0.4)	Cost of goods sold
Total before tax	1.1	(0.4)	
Tax effect	(0.3)	0.1	Income taxes
Net, after tax	\$ 0.8	\$ (0.3)	
Amortization of pension and postretirement benefit adjustments:			
Amortization of prior service costs (1)	\$ 0.1	\$ 0.1	SG&A expense/ Cost of goods sold
Amortization of net actuarial losses (1)	5.7	4.1	SG&A expense/ Cost of goods sold
Total before tax	5.8	4.2	
Tax effect	(2.0)	(1.4)	Income taxes
Net, after tax	\$ 3.8	\$ 2.8	

(1) This accumulated other comprehensive income (loss) component is included in the computation of total pension expense (refer to note 6 for additional details).

11. BUSINESS SEGMENTS

We operate in two business segments: consumer and industrial. The consumer and industrial segments manufacture, market and distribute spices, seasoning mixes, condiments and other flavorful products throughout the world. Our consumer segment sells to retail outlets, including grocery, mass merchandise, warehouse clubs, discount and drug stores under the “McCormick” brand and a variety of brands around the world, including “Lawry’s”, “Zatarain’s”, “Simply Asia”, “Thai Kitchen”, “Ducros”, “Vahine”, “Schwartz”, “Club House”, “Kamis”, “Kohinoor” and “DaQiao”. Our industrial segment sells to food manufacturers and the foodservice industry both directly and indirectly through distributors.

In each of our segments, we produce and sell many individual products which are similar in composition and nature. With their primary attribute being flavor, we regard the products within each of our segments to be fairly homogenous. It is impracticable to segregate and identify sales and profits for individual product lines.

We measure segment performance based on operating income excluding special charges as this activity is managed separately from the business segments. Although the segments are managed separately due to their distinct distribution channels and marketing strategies, manufacturing and warehousing are often integrated to maximize cost efficiencies. We do not segregate jointly utilized assets by individual segment for internal reporting, evaluating performance or allocating capital. Because of manufacturing integration for certain products within the segments, products are not sold from one segment to another but rather inventory is transferred at cost. Intersegment sales are not material.

	Consumer	Industrial	Total
	(in millions)		
<u>Three months ended February 28, 2015</u>			
Net sales	\$ 620.3	\$ 390.1	\$ 1,010.4
Operating income excluding special charges	91.5	30.6	122.1
Income (loss) from unconsolidated operations	10.2	(0.3)	9.9
<u>Three months ended February 28, 2014</u>			
Net sales	\$ 615.3	\$ 378.1	\$ 993.4
Operating income	94.3	30.3	124.6
Income from unconsolidated operations	5.0	0.1	5.1

A reconciliation of operating income excluding special charges (which we use to measure segment profitability) to operating income is as follows:

(millions)	Three months ended February 28, 2015
Operating income	\$ 93.7
Add: Special charges	28.4
Operating income excluding special charges	<u>\$ 122.1</u>

12. SUBSEQUENT EVENTS

On March 9, 2015, we acquired 100% of the shares of Brand Aromatics, a privately held company located in New Jersey. Brand Aromatics is a supplier of natural savory flavors, marinades, and broth and stock concentrates to the packaged food industry. Its addition will expand the breadth of value-added products in our industrial business. Annual sales were \$28 million in 2014. The purchase price for Brand Aromatics is approximately \$63 million, subject to certain closing adjustments, and it will be included in our industrial business segment. Due to the estimated impact of transaction, integration and financing costs, we do not expect this acquisition to be accretive to earnings per share in 2015.

On March 25, 2015, our Board of Directors authorized a new share repurchase program to purchase up to \$600 million of the company's outstanding shares.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Our Business

We are a global leader in flavor, with the manufacturing, marketing and distribution of spices, seasoning mixes, condiments and other flavorful products to the entire food industry. Customers range from retail outlets and food manufacturers to food service businesses. Our major sales, distribution and production facilities are located in North America, Europe and China. Additional facilities are based in Australia, Mexico, India, Singapore, Central America, Thailand and South Africa. Annually, approximately 40% of our sales have been outside of the United States.

We operate in two business segments, consumer and industrial. Consistent with market conditions in each segment, our consumer business has a higher overall profit margin than our industrial business. Historically, the consumer business contributes approximately 60% of sales and 80% of operating income and the industrial business contributes approximately 40% of sales and 20% of operating income. Across both segments, we have the customer base and product breadth to participate in all types of eating occasions, whether it is cooking at home, dining out, purchasing a quick service meal or enjoying a snack. We offer consumers a range of products from premium to value-priced.

Our Growth Model and Outlook

Our growth model is straightforward – we are increasing sales and profits by investing in the business and funding these investments, in part, with cost savings from our Comprehensive Continuous Improvement (CCI) program. This simple model has been the driver of our success and is our plan for growth in the future.

Increasing Sales and Profits – Our long-term annual growth objectives are to increase sales 4% to 6%, increase operating income 7% to 9% and increase earnings per share 9% to 11%. Over time, we expect to grow sales with similar contributions from: 1) our base business-driven by brand marketing support, customer intimacy and category growth; 2) product innovation; and 3) acquisitions. We are fueling our investment in growth mainly with cost savings from our Comprehensive Continuous Improvement (CCI) program, an ongoing initiative to improve productivity and reduce costs throughout the organization. In addition to funding brand marketing support, product innovation and other growth initiatives, our CCI program helps offset higher material costs and is contributing to higher operating income and earnings per share.

In 2015, sales are projected to grow 4% to 6% on a constant currency basis, driven by building brand equity and a strong innovation pipeline. We expect foreign currency exchange rates to have an unfavorable impact on this projected sales growth rate. Diluted earnings per share was \$3.34 in 2014. Excluding the earnings per share impact of the aforementioned special charges, adjusted diluted earnings per share in 2014 was \$3.37. Adjusted diluted earnings per share (excluding an estimated \$0.16 of special charges) are projected to be between \$3.44 and \$3.51 in 2015, or an increase of between 2% to 4%. On a constant currency basis, we expect the growth in adjusted diluted earnings per share in 2015 to range from 6% to 8% over adjusted diluted earnings per share of \$3.37 in 2014. We expect this growth rate to be mainly driven by increased operating income and income from unconsolidated operations.

Our business generates strong cash flow, and we have a balanced use of cash. We are using our cash to fund shareholder dividends, with annual increases in each of the past 29 years, and to fund capital expenditures, acquisitions and share repurchases.

Investing in the Business – We are investing for growth through innovation, brand marketing support and acquisitions.

In recent years, 8% to 10% of sales came from new products launched in the past three years. For our consumer business, innovation continues to be one of the best ways to distinguish our brands from our competition, including private label. We are introducing products for every type of cooking occasion, from gourmet, premium items to convenient and value priced flavors. In 2015, these include a relaunch of our entire gourmet product line with new packaging, new varieties and a flavor seal technology. Other innovation includes flavored sea salt grinders across North America, an Indian range of seasoning blends in the U.K. and further extensions of our Vahine dessert items in France. For industrial customers, we are developing seasonings for snacks and other food products, as well as flavors for new menu items. In 2015, we have a solid pipeline of new flavor solutions aligned with our customers' new product launch plans. With more than 20 technical innovation centers and product development facilities around the world, we are supporting the growth of our brands and those of our industrial customers with products that appeal to local consumers. In addition, much of our innovation is designed to meet the increasing consumer demand for healthy eating. We founded the McCormick Science Institute in 2007 to fund the advancement of scientific knowledge of the potential health benefits of culinary spices and herbs. This institute is also committed to educating consumers, nutritionists and dietitians about these potential health benefits.

In 2014, we increased our investment in brand marketing by 9% over 2013 and more than 50% from five years ago. Further increases in brand marketing support are planned in 2015. We measure the return on this investment and have identified digital marketing as one of highest return investments in brand marketing support. Through digital marketing, we are connecting with consumers in a personalized way to deliver recipes, provide cooking advice and discover new products. Digital marketing is expected to be approximately one third of total advertising in 2015, compared to 11% in 2010.

Through acquisitions, we are adding leading brands to extend our reach into new geographic regions where we currently have little or no distribution. We have a particular interest in emerging markets that offer high growth potential, such as China and India. Sales in emerging markets accounted for 17% of total company net sales in fiscal year 2014, up from 10% of net sales in 2011. In our developed markets, we are seeking consumer brands that have a defensible market position and meet a growing consumer trend for flavor.

Cost Savings – CCI is our ongoing initiative to improve productivity and reduce costs throughout the company. With CCI, each business unit develops cost reduction opportunities and sets specific goals. Our projects fall into the areas of cost optimization, cost avoidance and productivity that includes streamlining processes. However, the only amounts we report are actual cost reductions where costs have decreased from the prior year. CCI cost savings totaled \$65 million in fiscal year 2014, of which \$54 million lowered cost of goods sold. In 2015, CCI-related cost savings are expected to reach at least \$65 million, with a large portion impacting our cost of goods sold. Another \$20 million of cost savings are expected mainly from streamlining actions underway in North America and reorganization activities in our Europe, Middle East and Africa (EMEA) region. Material cost inflation is expected to be in the mid single-digit range in 2015, compared to approximately 2% in 2014. We anticipate the 2015 impact of material cost inflation will be largely offset by our cost savings and pricing actions.

RESULTS OF OPERATIONS - COMPANY

(in millions)	Three months ended February 28,	
	2015	2014
Net sales	\$ 1,010.4	\$ 993.4
Percent increase	1.7%	6.3%
Gross profit	\$ 389.7	\$ 391.5
Gross profit margin	38.6%	39.4%

Sales for the first quarter of 2015 increased by 1.7% over the prior year level and included a 3.9% unfavorable impact from foreign currency exchange rates as the U.S. dollar strengthened against most other currencies. On a constant currency basis (that is, excluding the impact of foreign currency exchange as more fully described under the caption, Non-GAAP Financial Measures), our sales increased 5.6% over the prior year level as higher volume and product mix, driven by both our consumer and industrial businesses, increased net sales by 4.6% and pricing actions added 1.0%.

Gross profit for the first quarter of 2015 decreased by \$1.8 million, or 0.5%, over the comparable period in 2014, while our gross profit margin decreased by 80 basis points over the year ago quarter to 38.6%. This margin decrease was primarily due to higher material costs, partially offset by CCI cost savings and pricing actions.

(in millions)	Three months ended February 28,	
	2015	2014
Selling, general & administrative expense (SG&A)	\$ 267.6	\$ 266.9
Percent of net sales	26.5%	26.9%

SG&A as a percent of net sales decreased by 40 basis points for the first quarter of 2015 as compared to the corresponding period in 2014. Driving the decrease in SG&A as a percentage of sales were lower distribution costs and the leveraging of fixed and semi-fixed costs over a higher sales basis. Brand marketing support for the three months ended February 28, 2015 was \$0.7 million higher than for the same period in 2014. Included in SG&A for the first quarter of 2015 are \$1.1 million of transaction costs that were incurred in connection with our acquisition of Brand Aromatics, which occurred on March 9, 2015, as well as the anticipated purchase of Drogheria & Alimentari, which we announced on February 20, 2015, and is expected to close in mid-2015 pending regulatory approval and satisfaction of customary closing conditions.

(in millions)	Three months ended February 28,	
	2015	
Special charges	\$ 28.4	

As described in note 3, in the first quarter 2015, we recorded a total of \$28.4 million of special charges. Of that amount, \$24.5 million related to a voluntary early retirement plan offered to certain U.S. employees aged 55 years or older with at least ten years of service to the company as part of our North American effectiveness initiative. We also recorded \$3.9 million in special charges, principally consisting of severance and related costs, to change our organization structure to reduce SG&A expenses in the Europe, Middle East and Africa (EMEA) region.

We currently have operating units comprised of both commercial and support functions that manage our consumer and industrial businesses in the U.S. and Canada. Through our North American effectiveness initiative, we are moving to commercial units for our consumer and industrial businesses in these locations, comprised of sales, marketing, and research and development and to centralized support functions for groups, such as finance, human relations and supply chain.

(in millions)	Three months ended February 28,	
	2015	2014
Interest expense	\$ 12.9	\$ 12.4
Other expense (income), net	0.2	(0.2)

Interest expense for the three months ended February 28, 2015 increased compared to the corresponding period in 2014 primarily due to higher average borrowings.

(in millions)	Three months ended February 28,	
	2015	2014
Income from consolidated operations before income taxes	\$ 80.6	\$ 112.4
Income taxes	20.0	35.0
Effective tax rate	24.8%	31.1%

The provision for income taxes is based on the then-current estimate of the annual effective tax rate adjusted to reflect the tax impact of items discrete to the fiscal period. We record tax expense or tax benefits that do not relate to ordinary income in the current fiscal year discretely in the period in which such items occur pursuant to the requirements of U.S. GAAP. Examples of such types of discrete items include, but are not limited to, changes in estimates of the outcome of tax matters related to prior years, provision-to-return adjustments, and the settlement of tax audits.

Income tax expense for the three months ended February 28, 2015 included a net of \$3.8 million of discrete tax benefits. Income tax expense for the three months ended February 28, 2014 included a net of \$0.7 million of discrete tax expense. See note 8 for a further description of these discrete items.

Absent any additional discrete items associated with prior years, we expect our annual effective tax rate for 2015 to range from 27% to 28%, which represents a decrease from our estimate of the 2014 annual effective tax rate at the end of the first quarter of 2014. This decrease resulted from the expected mix of business across tax jurisdictions in 2015 as well as from the issuance of final legislative guidance on a French tax law change during the third quarter of 2014. Our estimate of the 2014 annual effective tax rate at the end of the first quarter of last year did not factor in favorability associated with that final legislative guidance.

(in millions)	Three months ended February 28,	
	2015	2014
Income from unconsolidated operations	\$ 9.9	\$ 5.1

Income from unconsolidated operations for the three months ended February 28, 2015 was \$4.8 million higher than the corresponding period for 2014. This increase was attributable to our joint venture in Mexico, which experienced both higher sales and an increase in gross margin percentage in the first quarter of 2015 compared to the first quarter of 2014. The increase in gross margin percentage was due largely to lower commodity costs.

The following table outlines the major components of the change in diluted earnings per share from 2014 to 2015:

	Three months ended February 28,	
2014 Earnings per share – diluted	\$	0.62
Impact of special charges		(0.15)
Lower operating income		(0.01)
Impact of lower effective tax rate		0.04
Higher unconsolidated income		0.04
Impact of lower shares outstanding		0.01
2015 Earnings per share – diluted	\$	0.55

RESULTS OF OPERATIONS - SEGMENTS**CONSUMER BUSINESS**

	Three months ended February 28,	
	2015	2014
(in millions)		
Net sales	\$ 620.3	\$ 615.3
Percent increase	0.8%	8.0%
Operating income, excluding special charges	91.5	94.3
Operating income margin, excluding special charges	14.8%	15.3%

Our global consumer business grew sales by 0.8% in the first quarter of 2015, which included a 4.1% unfavorable impact from foreign currency rates, as compared to the first quarter of 2014. On a constant currency basis, global consumer sales increased by 4.9% in the first quarter of 2015, due to higher volume and product mix of 5.1% and pricing changes that reduced sales by 0.2%.

In the Americas, consumer sales rose 3.7% in the first quarter of 2015 as compared to the first quarter of 2014, which included a 1.1% unfavorable impact from foreign currency rates. On a constant currency basis, Americas consumer sales increased by 4.8%, which included a 4.2% increase attributable to higher volume and product mix, due to strength in items such as recipe mixes and Grill Mates, and a 0.6% increase in pricing.

In the EMEA region, consumer sales decreased 9.8% in the first quarter of 2015 as compared to the prior year, but included an unfavorable impact of 12.2% from foreign exchange rates. On a constant currency basis, consumer sales rose 2.4%, all of which was attributable to higher volumes and product mix. The growth in volume and product mix was led by France where our brand marketing support and innovation drove increased sales both of core spices and seasonings as well as homemade dessert products. Partially offsetting this increase was a low single-digit decline in the U.K. due to lower volumes and product mix in that country where we operate in a challenging retail environment.

In the Asia/Pacific region, consumer sales increased 7.3% in the first quarter of 2015, compared to the first quarter of 2014, with a 2.4% decrease from unfavorable foreign exchange rates. On a constant currency basis, consumer sales in the Asia/Pacific region rose 9.7%, driven by a 12.8% increase in volume and product mix, partially offset by a 3.1% decrease from lower pricing. In this region, sales were led by China, which rose 18.1% principally as a result of higher volume and product mix. We are realizing sales synergies with our acquisition of Wuhan Asia-Pacific Condiments Co. Ltd., as that integration is substantially complete. On a constant currency basis, sales in Australia rose this period, while sales in India declined due in part to lower market prices.

Operating income for the first quarter of 2015, excluding special charges, for our consumer business decreased \$2.8 million, or 3.0%, compared to the first quarter of 2014. On a constant currency basis, operating income for the first quarter of 2015, excluding special charges, declined by 0.3%, compared to the first quarter of 2014. The benefit of sales growth and cost savings was more than offset by higher material costs, increased retirement benefit expense, less favorable product mix, and higher brand marketing costs and acquisition-related transaction costs. Our brand marketing costs and transaction costs in the 2015 period were up \$0.7 million and \$0.9 million, respectively, from the first quarter of 2014.

INDUSTRIAL BUSINESS

(in millions)	Three months ended February 28,	
	2015	2014
Net sales	\$ 390.1	\$ 378.1
Percent increase	3.2%	3.7%
Operating income, excluding special charges	30.6	30.3
Operating income margin, excluding special charges	7.8%	8.0%

During the quarter ended February 28, 2015, our global industrial business grew sales by 3.2% from the first quarter of 2014, which included an unfavorable foreign exchange rate impact of 3.6%. Global industrial sales increased 6.8% on a constant currency basis in the first quarter of 2015, with higher volume and product mix that increased sales by 3.9% and pricing actions that added 2.9% to sales.

In the Americas, industrial sales increased 2.8% during the first quarter of 2015 from the prior year level, which included an unfavorable impact of 1.9% from foreign currency rates. Sales rose by 4.7% on a constant currency basis as pricing actions added 3.4% to sales, while higher volume and product mix increased industrial sales by 1.3%. In this region throughout 2014, snack seasonings had been a source of strong growth and this trend continued in the first quarter of 2015, with a strong pipeline of innovation. This performance, along with increased sales of branded food service products, was partially offset by continued weakness in sales to quick service restaurant customers.

In the EMEA region, our industrial business increased sales in the first quarter of 2015 over the prior year level by 0.5%, which included an unfavorable foreign currency impact of 8.1%. On a constant currency basis, industrial sales increased 8.6% in the first quarter of 2015, with higher volume and product mix contributing 6.4% and pricing actions adding 2.2% to sales growth. As we experienced throughout 2014 and into the first quarter of 2015, we continued to have strong demand from quick service restaurants. We are supporting the growth and geographic expansion of leading quick service restaurants and food manufacturers in this region.

In the Asia/Pacific region, industrial sales increased 10.0% in the first quarter of 2015 compared to the first quarter of 2014, which included an unfavorable foreign exchange rate impact of 4.8%. On a constant currency basis, sales increased 14.8% led by higher volume and product mix that increased sales by 13.7%, and higher pricing that added 1.1% to net sales. We were pleased with a return to sales growth in China where the demand from quick service restaurants has been volatile. In 2015, these customers are expecting a gradual improvement in sales to Chinese consumers. Our first quarter industrial sales in China rose at a double-digit rate due to new limited time items and products we are manufacturing in China for export to other markets for these customers.

For the first quarter of 2015, operating income, excluding special charges, for the industrial business increased by \$0.3 million, or 1.0%, compared to the first quarter of 2014. On a constant currency basis, operating income, excluding special charges, for the industrial business increased by 4.7% in the first quarter of 2015, compared to the corresponding period in 2014, with the benefit of higher sales and cost savings more than offsetting the unfavorable impact of higher material costs and retirement benefit expense.

MARKET RISK SENSITIVITY

Foreign Exchange Risk

We utilize foreign currency exchange contracts to enhance our ability to manage foreign currency exchange risk. We do not enter into contracts for trading purposes, nor are we a party to any leveraged derivative instrument and all derivatives are designated as hedges.

The following table sets forth the notional values and unrealized gain of the portfolio of our forward foreign currency contracts (in millions):

	February 28, 2015	February 28, 2014	November 30, 2014
Notional value	\$ 270.7	\$ 203.6	\$ 262.7
Unrealized gain	5.0	0.5	3.5

The quarterly fluctuation in notional value is a result of our decisions on foreign currency exposure coverage, based on our foreign currency exposures.

Interest Rate Risk

We manage our interest rate exposure by entering into both fixed and variable rate debt arrangements. In addition, we use interest rate swaps to minimize worldwide financing costs and to achieve a desired mix of fixed and variable rate debt. We do not enter into contracts for trading purposes, nor are we a party to any leveraged derivative instrument and all derivatives are designated as hedges. As of February 28, 2015, we had a total of \$100 million notional value of interest rate swap contracts outstanding. The fair value of our interest rate swaps was a \$4.9 million accumulated gain as of February 28, 2015, compared to a \$7.4 million accumulated gain as of November 30, 2014. The change in fair values is due to changes in interest rates and the remaining duration of our interest rate derivatives.

Commodity Risk

We purchase certain raw materials which are subject to price volatility caused by weather, market conditions, growing and harvesting conditions, governmental actions and other factors beyond our control. Our most significant raw materials are pepper, dairy products, rice, capsicums (red peppers and paprika), onion, garlic and wheat flour. While future movements of raw material costs are uncertain, we respond to this volatility in a number of ways, including strategic raw material purchases, purchases of raw material for future delivery and customer price adjustments. We generally have not used derivatives to manage the volatility related to this risk. To the extent that we have used derivatives for this purpose, it has not been material to our business.

Credit Risk

The customers of our consumer business are predominantly food retailers and food wholesalers. Consolidations in these industries have created larger customers, some of which are highly leveraged. In addition, competition has increased with the growth in alternative channels including mass merchandisers, dollar stores, warehouse clubs and discount chains. This has caused some customers to be less profitable and increased our exposure to credit risk. We continue to closely monitor the credit worthiness of our customers and counterparties. We believe that our allowance for doubtful accounts properly recognizes trade receivables at net realizable value. We consider nonperformance credit risk for other financial instruments to be insignificant.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

As of February 28, 2015, there have been no material changes in our contractual obligations and commercial commitments outside the ordinary course of business since November 30, 2014.

NON-GAAP FINANCIAL MEASURES

The table below includes financial measures of adjusted operating income, adjusted net income and adjusted diluted earnings per share, each excluding the impact of special charges for the periods presented. 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. 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 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, comprised of our Chairman and Chief Executive Officer; Chief Operating Officer and President, and President Global Consumer; Executive Vice President and Chief Financial Officer; President Global Industrial, and President EMEA and Asia Pacific; and Senior Vice President, Human Relations. Upon presentation of any such proposed action (including details with respect to estimated costs, which generally consist principally of employee severance and related benefits, together with ancillary costs associated with the action that may include a non-cash component; impacted employees

or operations; expected timing; and expected benefits) 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. Details with respect to the composition of special charges recorded for the periods and in the amounts set forth below are included in note 3 of the accompanying financial statements.

We believe that these non-GAAP financial measures are important for purposes of comparison to prior periods and 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 it 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 this non-GAAP financial measure will provide consistency in our financial reporting. A reconciliation of these non-GAAP financial measures to the related GAAP financial measures is provided below (in millions, except per share data):

	For the year ended November 30, 2014	For the three months ended February 28, 2015	Estimated for the year ending November 30, 2015
Operating income	\$ 603.0	\$ 93.7	
Impact of special charges	5.2	28.4	
Adjusted operating income	<u>\$ 608.2</u>	<u>\$ 122.1</u>	
Net income		\$ 70.5	
Impact of special charges (net of taxes of \$8.5)		19.9	
Adjusted net income		<u>\$ 90.4</u>	
Earnings per share - diluted	\$ 3.34	\$ 0.55	\$3.28 to \$3.35
Impact of special charges	0.03	0.15	0.16
Adjusted earnings per share - diluted	<u>\$ 3.37</u>	<u>\$ 0.70</u>	<u>\$3.44 to \$3.51</u>

Percentage changes in sales and adjusted operating income expressed in "constant currency" are presented excluding the impact of foreign currency exchange. To present this information for historical periods, current period results 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 prior fiscal year, rather than at the actual average exchange rates in effect during the current fiscal year. As a result, the foreign currency impact is equal to the current year results in local currencies multiplied by the change in the average foreign currency exchange rate between the current fiscal period and the corresponding period of the prior fiscal year.

Constant currency growth rates follow:

Three Months Ended February 28, 2015

	Percentage Change as Reported	Impact of Foreign Currency Exchange	Percentage Change on Constant Currency Basis
Net sales:			
Consumer business:			
Americas	3.7 %	(1.1)%	4.8 %
EMEA	(9.8)%	(12.2)%	2.4 %
Asia/Pacific	7.3 %	(2.4)%	9.7 %
Total Consumer	0.8 %	(4.1)%	4.9 %
Industrial business:			
Americas	2.8 %	(1.9)%	4.7 %
EMEA	0.5 %	(8.1)%	8.6 %
Asia/Pacific	10.0 %	(4.8)%	14.8 %
Total Industrial	3.2 %	(3.6)%	6.8 %
Total net sales	1.7 %	(3.9)%	5.6 %

Adjusted operating income:

Consumer business	(3.0)%	(2.7)%	(0.3)%
Industrial business	1.0 %	(3.7)%	4.7 %
Total adjusted operating income	(2.0)%	(3.0)%	1.0 %

To present “constant currency” information for the fiscal year 2015 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 2015 and are compared to the 2014 results, translated into U.S. dollars using the same 2015 budget exchange rates, rather than at the average actual exchange rates in effect during fiscal year 2014. 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 (however, no adjustment is made for the company’s share of income of unconsolidated operations that are denominated in currencies other than the U.S. dollar) divided by historical shares outstanding for fiscal year 2014 or projected shares outstanding for fiscal year 2015, as appropriate.

	Projection for Year Ending November 30, 2015
Percentage change in adjusted earnings per share	2% to 4%
Impact of foreign currency exchange rate	(4)%
Percentage change in adjusted earnings per share in constant currency	6% to 8%

In addition to the above non-GAAP financial measures, we use total debt to adjusted earnings before interest, tax, depreciation and amortization (adjusted EBITDA) as a measure of leverage. We define adjusted EBITDA as net income plus expenses for interest, income taxes, depreciation and amortization, special charges and loss on voluntary pension settlement. EBITDA and the ratio of total debt to adjusted EBITDA are both non-GAAP financial measures. This ratio measures our ability to repay outstanding debt obligations. Our target for total debt to adjusted EBITDA, excluding the temporary impact from acquisition activity, is 1.5 to 1.8. We believe that total debt to adjusted EBITDA is a meaningful metric to investors in evaluating our financial leverage and may be different than the method used by other companies to calculate total debt to EBITDA.

The following table reconciles our adjusted EBITDA to our net income for the trailing twelve month periods ended February 28, 2015, February 28, 2014 and November 30, 2014 (dollars in millions):

	February 28, 2015	February 28, 2014	November 30, 2014
Net income	\$ 425.9	\$ 395.5	\$ 437.9
Special charges and the loss on voluntary pension settlement	33.6	40.3	5.2
Depreciation and amortization	100.8	106.6	102.7
Interest expense	50.2	51.8	49.7
Income tax expense	130.9	140.5	145.9
Adjusted EBITDA	\$ 741.4	\$ 734.7	\$ 741.4
Total debt	\$ 1,323.0	\$ 1,298.6	\$ 1,284.9
Total debt/Adjusted EBITDA	1.78	1.77	1.73

LIQUIDITY AND FINANCIAL CONDITION

	Three months ended February 28,	
	2015	2014
	(in millions)	
Net cash provided by operating activities	\$ 95.9	\$ 76.7
Net cash used in investing activities	(15.5)	(18.0)
Net cash used in financing activities	(64.2)	(28.6)

In the statement of cash flows, the changes in operating assets and liabilities are presented excluding the translation effects of changes in foreign currency exchange rates, as these do not reflect actual cash flows. Accordingly, the amounts in the statement of cash flows do not agree with changes in the operating assets and liabilities that are presented in the balance sheet.

Due to the cyclical nature of a portion of our business, we generate much of our cash flow in the fourth quarter of the fiscal year.

Operating Cash Flow – Net cash provided by operating activities ("cash flow from operations") is typically lower in the first and second quarters and then builds in the third and fourth quarters of our fiscal year. For the three months ended February 28, 2015, cash flow from operations was \$19.2 million higher than the same period of 2014. While net income for the first quarter of 2015 declined by \$12.0 million from the prior year level, that decline was offset by the non-cash impact of special charges of \$28.4 million (\$19.9 million after tax) that was reflected in changes in operating assets and liabilities. Most of the remaining increase was due to an unusually high level of collections of trade accounts receivable in the first three months of 2015 that is not expected to recur in the balance of the year. That high level arose principally as a result of our participation in a vendor financing program by one of our large customers that accelerated our collection of amounts due from that customer.

Investing Cash Flow – The change in net cash used in investing activities was due to a lower level of capital expenditures. During the three months ended February 28, 2015, we spent \$15.5 million on capital expenditures, compared to \$18.5 million for the same period last year. Capital expenditures for fiscal year 2015 are expected to be \$130 million to \$140 million.

Financing Cash Flow – The \$35.6 million increase in net cash used in financing activities in the first three months of 2015, when compared to the prior year level, is primarily due to a decrease in net short-term borrowings coupled with an increase in share repurchase activity. In the first three months of 2015, we had a net increase in short-term borrowings of \$40.9 million compared to a net increase in short-term borrowings of \$68.4 million for the same period last year.

The following table outlines the activity in our share repurchase program for the three months ended February 28 (in millions):

	2015		2014	
Number of shares of common stock repurchased		0.9		0.9
Dollar amount	\$	64.9	\$	56.9

As of February 28, 2015, \$51 million remained of the \$400 million share repurchase authorization that was authorized by the Board of Directors in April 2013. On March 25, 2015, the Board of Directors authorized an additional \$600 million of share repurchases.

During the three months ended February 28, 2015, we received proceeds of \$11.3 million from exercised options compared to \$8.9 million received in the first three months of last year. We increased dividends paid to \$51.3 million for the first three months of 2015 compared to \$48.6 million in the same period last year. Dividends paid in the first quarter of 2015 were declared on November 25, 2014.

The following table presents the ratios of our total debt to our adjusted EBITDA for the trailing twelve month periods ended February 28, 2015, February 28, 2014 and November 30, 2014:

	February 28, 2015	February 28, 2014	November 30, 2014
Total debt/Adjusted EBITDA	1.78	1.77	1.73

Our ratio of total debt to adjusted EBITDA of 1.78 as of February 28, 2015 is slightly higher than the ratios of 1.73 and 1.77 as of November 30, 2014 and February 28, 2014, respectively, reflecting an increase in total debt principally as a result of a higher level of short-term borrowings to support a seasonal reduction in trade accounts payable and other accrued liabilities.

Most of our cash is denominated in foreign currencies. We manage our worldwide cash requirements by considering available funds among the many subsidiaries through which we conduct our business and the cost effectiveness with which those funds can be accessed. The permanent repatriation of cash balances from certain of our subsidiaries could have adverse tax consequences; however, those balances are generally available without legal restrictions to fund ordinary business operations, capital projects and any possible future acquisitions. At February 28, 2015, we temporarily used \$199.4 million of cash from our foreign subsidiaries to pay down short-term debt in the U.S. At February 28, 2014, we temporarily used \$104.4 million of cash from our foreign subsidiaries to pay down short-term debt in the U.S. During a quarter, our short-term borrowings vary, but are lower at the end of a quarter. The average short-term borrowings outstanding for the three months ended February 28, 2015 and February 28, 2014 were \$484.7 million and \$336.4 million, respectively. Total average debt outstanding for the three months ended February 28, 2015 and February 28, 2014 was \$1,489.7 million and \$1,341.4 million, respectively.

The reported values of our assets and liabilities are significantly affected by fluctuations in foreign exchange rates between periods. At February 28, 2015, the exchange rates for the Euro, the Canadian dollar, Australian dollar, the British pound sterling and the Polish zloty were lower than at February 28, 2014 and at November 30, 2014.

Credit and Capital Markets

Cash flows from operating activities are our primary source of liquidity for funding growth, dividends, capital expenditures and share repurchases. We also rely on our revolving credit facilities, or borrowings backed by these facilities, to fund seasonal working capital needs and other general corporate requirements. We generally use these facilities to support our issuance of commercial paper. If the commercial paper market is not available or viable we could borrow directly under our revolving credit facilities. The facilities are made available by syndicates of banks, with various commitments per bank. If any of the banks in these syndicates are unable to perform on their commitments, our liquidity could be impacted, which would reduce our ability to grow through funding of seasonal working capital.

We engage in regular communication with all of the banks participating in our revolving credit facilities. During these communications, none of the banks have indicated that they may be unable to perform on their commitments. In addition, we periodically review our banking and financing relationships, considering the stability of the institutions, pricing we receive on services, and other aspects of the relationships. Based on these communications and our monitoring activities, we believe the likelihood of one of our banks not performing on its commitment is remote.

We hold investments in equity and debt securities in both our qualified defined benefit pension plans and a rabbi trust for our nonqualified defined benefit pension plan. We estimate total contributions to our pension plans in 2015 of approximately \$16 million, which is comparable to the \$16.8 million of contributions in 2014. Future increases or decreases in pension liabilities and required cash contributions are highly dependent on changes in interest rates and the actual return on plan assets.

We will continue to have cash requirements to support seasonal working capital needs and capital expenditures, to fund our announced acquisition, to pay interest, and to service debt. In order to meet these cash requirements, we intend to use our existing cash, cash equivalents, and internally generated funds, to borrow under our existing credit facilities or other short-term borrowing facilities, and to consider an increase to our credit facilities and/or additional term financing. We believe that cash provided from these sources will be adequate to meet our cash requirements over the next twelve months.

ACQUISITIONS

Acquisitions are part of our strategy to increase sales and profits. We have a particular interest in emerging markets.

In February 2015, we signed an agreement to purchase 100% of the shares of Drogheria & Alimentari (D&A), a privately held company based in Italy. The completion of the acquisition is expected to occur in mid-2015, subject to regulatory approval and customary closing conditions. As a supplier of both brand and private label products, D&A, which will be included in our consumer business segment following completion of the acquisition, is a leader of the spice and seasoning category in Italy. Annual sales of D&A were approximately €50 million. The purchase price will consist of a cash payment of €50 million, subject to certain closing adjustments, and a potential earn out payment in 2018 of up to €35 million, based upon the performance of the business.

As described in note 12 of the financial statements, we acquired 100% of Brand Aromatics, a privately held company located in New Jersey, on March 9, 2015. Brand Aromatics, with annual sales of \$28 million in 2014, is a supplier of natural savory flavors, marinades, and broth and stock concentrates to the packaged food industry and will be included in our industrial business segment. The purchase price for Brand Aromatics is approximately \$63 million, subject to certain closing adjustments.

ACCOUNTING AND DISCLOSURE CHANGES

New accounting pronouncements are issued periodically that affect our current and future operations. See Note 1 of the financial statements for further details of these impacts.

FORWARD-LOOKING INFORMATION

Certain statements contained in this report, including statements concerning expected performance such as those relating to net sales, earnings, cost savings, acquisitions and brand marketing support, are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of words such as “may,” “will,” “expect,” “should,” “anticipate,” “intend,” “believe” and “plan.” These statements may relate to: the expected results of operations of businesses acquired by us, the expected impact of raw materials costs and our pricing actions on our results of operations and gross margins, the expected productivity and working capital improvements, expectations regarding growth potential in various geographies and markets, expected trends in net sales and earnings performance and other financial measures, the expectations of pension and postretirement plan contributions and anticipated charges associated with such 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, our ability to issue additional debt or equity securities, and our expectations regarding purchasing shares of our common stock under the existing authorizations.

These and other forward-looking statements are based on our current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: damage to our reputation or brand name; loss of brand relevance; increased private label use; product quality, labeling, or safety concerns; negative publicity about our products; business interruptions due to natural disasters or unexpected events; actions by, and the financial condition of, competitors and customers; our ability to achieve expected and/or needed cost savings or margin improvements; the successful acquisition and integration of new businesses; issues affecting our supply chain and raw materials, including fluctuations in the cost and availability of raw and packaging materials; government regulation, and changes in legal and regulatory requirements and enforcement practices; global economic and financial conditions generally, including the availability of financing, and interest and inflation rates; the investment return on retirement plan assets, and the costs associated with pension obligations; foreign currency fluctuations; the stability of credit and capital markets; risks associated with our information technology systems, the threat of data breaches and cyber attacks; volatility in our effective tax rate; impact of climate change on raw materials; infringement of our intellectual property rights, and those of customers; litigation, legal and administrative proceedings; and other risks described in our filings with the Securities and Exchange Commission.

Actual results could differ materially from those projected in the forward-looking statements. We undertake 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.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For information regarding our exposure to certain market risks, see “Market Risk Sensitivity” in the Management’s Discussion and Analysis of Financial Condition and Results of Operations above and Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in our Annual Report on Form 10-K for the year ended November 30, 2014. Except as described in Management’s Discussion and Analysis of Financial Condition and Results of Operations above, there have been no significant changes in our financial instrument portfolio or market risk exposures since our November 30, 2014 fiscal year end.

ITEM 4. CONTROLS AND PROCEDURES

The Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as of the end of the period covered by this report. Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report, the Company’s disclosure controls and procedures were effective.

No change occurred in our “internal control over financial reporting” (as defined in Rule 13a-15(f)) during our last fiscal quarter which was identified in connection with the evaluation required by Rule 13a-15(a) as materially affecting, or reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

There are no material pending legal proceedings in which we or our subsidiaries is a party or in which any of our or their property is the subject.

ITEM 1.A RISK FACTORS

There have been no material changes in our risk factors from those disclosed in Part I, Item 1A to our Annual Report on Form 10-K for the fiscal year ended November 30, 2014.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table summarizes our purchases of Common Stock (CS) and Common Stock Non-Voting (CSNV) during the first quarter of 2015:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
December 1, 2014 to December 31, 2014	CS – 0	\$ —	—	\$99 million
	CSNV – 218,900	\$ 73.26	218,900	
January 1, 2015 to January 31, 2015	CS – 0	\$ —	—	\$84 million
	CSNV – 203,538	\$ 74.06	203,538	
February 1, 2015 to February 28, 2015	CS – 0	\$ —	—	\$51 million
	CSNV – 456,500	\$ 74.00	456,500	
Total	CS – 0	\$ —	—	\$51 million
	CSNV – 878,938	\$ 73.83	878,938	

As of February 28, 2015, \$51 million remained of a \$400 million share repurchase authorization approved by the Board of Directors in April 2013. On March 25, 2015, the Board of Directors authorized a new share repurchase program to purchase up to an additional \$600 million of the company's outstanding shares. There is no expiration date for either of our repurchase programs. The timing and amount of any shares repurchased is determined by our management based on its evaluation of market conditions and other factors. The repurchase program may be suspended or discontinued at any time.

In certain circumstances, we issue shares of CS in exchange for shares of CSNV, or issue shares of CSNV in exchange for shares of CS, in either case pursuant to the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended. Typically, these exchanges are made in connection with the administration of our employee benefit plans, executive compensation programs and dividend reinvestment/direct purchase plans. The number of shares issued in an exchange is generally equal to the number of shares received in the exchange, although the number may differ slightly to the extent necessary to comply with the requirements of the Employee Retirement Income Security Act of 1974. During the first quarter of 2015, we issued 182,282 shares of CSNV in exchange for shares of CS and issued 4,763 shares of CS in exchange for shares of CSNV.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

Executive Severance Plan

On March 25, 2015, the Board of Directors of McCormick & Company, Incorporated (the “Company”) adopted and approved the McCormick & Company, Incorporated Severance Plan for Executives (the “Severance Plan”), in which the Company’s executive officers participate.

The Severance Plan provides for severance and other benefits to eligible employees if they experience an involuntary termination without “cause” or a voluntary termination for “good reason,” each as defined in the Severance Plan. An eligible employee who experiences such a termination and executes (and does not revoke) a general release of claims against the Company will receive the following payments and benefits:

- a lump sum cash payment equal to 100% of the sum of the employee’s annual base salary plus target annual incentive bonus (or 150% in the case of the Chief Executive Officer);
- pro-rata payment of the employee’s target annual incentive bonus for the year in which the termination occurs;
- accelerated vesting of all outstanding stock options and stock appreciation rights that would have vested during the 12-month period (or the 18-month period for the Chief Executive Officer) following the termination, and, potentially, an extended exercise period for these awards;
- pro-rata vesting of all other equity compensation rights held by the employee;
- pro-rata payment of any outstanding awards under the Company’s Long-Term Performance Plan based on actual performance through the end of the performance period; and
- outplacement services for six months.

In the event of a termination described above that occurs within six months before a “change in control” or within two years after a “change in control” as defined in the Severance Plan, if the employee executes (and does not revoke) a general release of claims against the Company, instead of the payments and benefits described above, the employee will receive:

- a lump sum cash payment equal to 200% of the sum of the employee’s annual base salary plus target annual incentive bonus (or 250% in the case of the Chief Executive Officer);
- pro-rata payment of the employee’s target annual incentive bonus for the year in which the termination occurs;
- accelerated vesting of all outstanding equity awards, including stock options and stock appreciation rights that are in-the-money at the time of the termination, and, potentially, an extended exercise period for these awards;
- full payment at target of any outstanding awards under the Company’s Long-Term Performance Plan; and
- outplacement services for six months.

Eligible employees are subject to a number of covenants, including a covenant not to compete with the Company or solicit its customers or employees for a period ranging from 12 months (or 18 months for the Chief Executive Officer) to 24 months following termination of employment.

The Severance Plan does not provide for any tax gross-up payments to any eligible employee to offset any excise taxes that may be imposed as a result of the severance benefits. Instead, if the payments described above would be subject to the excise tax, then the payments will be reduced to a level at which no payments would be subject to the excise tax if doing so would result in the employee being able to retain a greater benefit after giving effect to the income tax consequences (including the excise tax).

The above description is a summary of the terms of the Severance Plan and is subject to and qualified in its entirety by the terms of the Severance Plan, a copy of which is attached hereto as Exhibit 10(xix) and incorporated herein by reference.

Omnibus Incentive Plan

On March 25, 2015, the Board of Directors of the Company adopted and approved Amendment No. 1 to the McCormick & Company, Incorporated 2013 Omnibus Incentive Plan (the “2013 Omnibus Plan”), in which the Company’s executive officers are eligible to participate. Before the amendment, the 2013 Omnibus Plan provided that all outstanding awards (whether or not vested) would become fully exercisable and payable immediately upon a “change in control” as defined in the plan. Amendment No. 1 grants the Compensation Committee the discretion to include in any award agreement a provision providing for different treatment of the award (other than it becoming fully exercisable and payable) in connection with a “change in control.”

The above description is a summary of the terms of Amendment No. 1 to the 2013 Omnibus Plan and is subject to and qualified in its entirety by the terms of the amendment, a copy of which is attached hereto as Exhibit 10(x) and incorporated herein by reference.

New Form of Non-Qualified Stock Option Award Agreement

In connection with the approval and adoption of Amendment No. 1 to the 2013 Omnibus Plan, on March 25, 2015, the Board of Directors of the Company approved a new form of Non-Qualified Stock Option Award Agreement (the “New Option Agreement”) to govern awards of non-qualified stock options granted on and after March 25, 2015, to the Company’s executive officers who participate in the Severance Plan. The New Option Agreement provides that outstanding unvested stock options will not accelerate automatically upon a Change in Control (as defined in the Severance Plan). Instead, accelerated vesting will only occur in the event of a qualifying termination that occurs within six months before a “change in control” or within two years after a “change in control” as defined in the Severance Plan. Accordingly, non-qualified stock options under the 2013 Omnibus Plan require a “double trigger” for acceleration of vesting to occur. In addition, the New Option Agreement subjects option holders to a number of covenants similar to those provided under the Severance Plan, including a covenant not to compete with the Company or solicit its customers or employees. The New Option Agreement will also amend currently outstanding stock option agreements to make clear that an option holder who violates these covenants will forfeit all outstanding awards and the gain on any awards that have previously been exercised.

The above description is a summary of the terms of the New Option Agreement and is subject to and qualified in its entirety by the terms of the New Option Agreement, a copy of which is attached hereto as Exhibit 10(xv) and incorporated herein by reference.

ITEM 6. EXHIBITS

The following exhibits are attached or incorporated herein by reference:

	Exhibit Number	Description	
(3)	(i)	Articles of Incorporation and By-Laws Restatement of Charter of McCormick & Company, Incorporated dated April 16, 1990 Articles of Amendment to Charter of McCormick & Company, Incorporated dated April 1, 1992 Articles of Amendment to Charter of McCormick & Company, Incorporated dated March 27, 2003	Incorporated by reference from Exhibit 4 of Registration Form S-8, Registration No. 33-39582 as filed with the Securities and Exchange Commission on March 25, 1991. Incorporated by reference from Exhibit 4 of Registration Form S-8, Registration Statement No. 33-59842 as filed with the Securities and Exchange Commission on March 19, 1993. Incorporated by reference from Exhibit 4 of Registration Form S-8, Registration Statement No. 333-104084 as filed with the Securities and Exchange Commission on March 28, 2003.
	(ii)	By-Laws By-Laws of McCormick & Company, Incorporated Amended and Restated on June 26, 2012	Incorporated by reference from Exhibit 3(ii) of McCormick's Form 10-Q for the quarter ended May 31, 2012, File No. 1-14920, as filed with the Securities and Exchange Commission on July 2, 2012.
(4)		Instruments defining the rights of security holders, including indentures	
	(i)	See Exhibit 3 (Restatement of Charter and By-Laws)	
	(ii)	Summary of Certain Exchange Rights, incorporated by reference from Exhibit 4.1 of McCormick’s Form 10-Q for the quarter ended August 31, 2001, File No. 0-748, as filed with the Securities and Exchange Commission on October 12, 2001.	

- (iii) Indenture dated December 5, 2000 between McCormick and SunTrust Bank, incorporated by reference from Exhibit 4(iii) of McCormick's Form 10-Q for the quarter ended August 31, 2003, File No. 1-14920, as filed with the Securities and Exchange Commission on October 14, 2003.
- (iv) Indenture dated December 7, 2007 between McCormick and The Bank of New York, incorporated by reference from Exhibit 4.1 of McCormick's Form 8-K dated December 4, 2007, File No. 0-748, as filed with the Securities and Exchange Commission on December 10, 2007.
- (v) Indenture dated July 8, 2011 between McCormick and U.S. Bank National Association, incorporated by reference from Exhibit 4.1 of McCormick's Form 8-K dated July 5, 2011, File No. 1-14920, as filed with the Securities and Exchange Commission on July 8, 2011.
- (vi) Form of 5.20% Notes due 2015, incorporated by reference from Exhibit 4.2 of McCormick's Form 8-K dated December 1, 2005, File No. 0-748, as filed with the Securities and Exchange Commission on December 6, 2005.
- (vii) Form of 5.75% Notes due 2017, incorporated by reference from Exhibit 4.2 of McCormick's Form 8-K dated December 4, 2007, File No. 0-748, as filed with the Securities and Exchange Commission on December 10, 2007.
- (viii) Form of 3.90% Notes due 2021, incorporated by reference from Exhibit 4.2 of McCormick's Form 8-K dated July 5, 2011, File No. 1-14920, as filed with the Securities and Exchange Commission on July 8, 2011.
- (ix) Form of 3.50% Notes due 2023, incorporated by reference from Exhibit 4.2 of McCormick's Form 8-K dated August 14, 2013, File No. 1-14920, as filed with the Securities and Exchange Commission on August 19, 2013.

(10) Material Contracts

- (i) McCormick's supplemental pension plan for certain senior and executive officers, amended and restated with an effective date of January 1, 2005, adopted by the Compensation Committee of the Board of Directors on November 28, 2008, which agreement is incorporated by reference from Exhibit 10(i) of McCormick's 10-K for the fiscal year ended November 30, 2014, File No. 1-14920, as filed with the Securities and Exchange Commission on January 29, 2015.*
- (ii) The 2001 Stock Option Plan, in which officers and certain other management employees participate, is set forth on pages 33 through 36 of McCormick's definitive Proxy Statement dated February 15, 2001, File No. 1-14920, as filed with the Securities and Exchange Commission on February 14, 2001, and incorporated by reference herein.*
- (iii) 2004 Long-Term Incentive Plan, in which officers and certain other management employees participate, is set forth in Exhibit A of McCormick's definitive Proxy Statement dated February 17, 2004, File No. 1-14920, as filed with the Securities and Exchange Commission on February 17, 2004, and incorporated by reference herein.*
- (iv) 2004 Directors' Non-Qualified Stock Option Plan, provided to members of McCormick's Board of Directors who are not also employees of McCormick, is set forth in Exhibit B of McCormick's definitive Proxy Statement dated February 17, 2004, File No. 1-14920, as filed with the Securities and Exchange Commission on February 17, 2004, and incorporated by reference herein.*
- (v) Directors' Share Ownership Program, provided to members of McCormick's Board of Directors who are not also employees of McCormick, is set forth on page 28 of McCormick's definitive Proxy Statement dated February 17, 2004, File No. 1-14920, as filed with the Securities and Exchange Commission on February 17, 2004, and incorporated by reference herein.*
- (vi) Deferred Compensation Plan, as restated on January 1, 2000, and amended on August 29, 2000, September 5, 2000 and May 16, 2003, in which directors, officers and certain other management employees participate, a copy of which Plan document and amendments was attached

as Exhibit 10(viii) of McCormick's Form 10-Q for the quarter ended August 31, 2003, File No. 1-14920, as filed with the Securities and Exchange Commission on October 14, 2003, and incorporated by reference herein.*

- (vii) 2005 Deferred Compensation Plan, amended and restated with an effective date of January 1, 2005, in which directors, officers and certain other management employees participate, which agreement is incorporated by reference from Exhibit 4.1 of McCormick's Form S-8, Registration No. 333-155775, as filed with the Securities and Exchange Commission on November 28, 2008.*
- (viii) The 2007 Omnibus Incentive Plan, in which directors, officers and certain other management employees participate, is set forth in Exhibit A of McCormick's definitive Proxy Statement dated February 20, 2008, File No. 1-14920, as filed with the Securities and Exchange Commission on February 20, 2008, and incorporated by reference herein, as amended by Amendment No. 1 thereto, which Amendment is incorporated by reference from Exhibit 10(xi) of McCormick's 10-K for the fiscal year ended November 30, 2008, File No. 1-14920, as filed with the Securities and Exchange Commission on January 28, 2009.*
- (ix) The 2013 Omnibus Incentive Plan, in which directors, officers and certain other management employees participate, is incorporated by reference from Exhibit 4.1 of McCormick's Form S-8, Registration No. 333-187703, as filed with the Securities and Exchange Commission on April 3, 2013.*
- (x) Amendment No. 1 to the 2013 Omnibus Incentive Plan * Filed herewith
- (xi) Form of Long-Term Performance Plan Agreement (formerly known as the Mid-Term Incentive Plan), incorporated by reference from Exhibit 10(x) of McCormick's Form 10-Q for the quarter ended May 31, 2013, File No. 1-14920, as filed with the Securities and Exchange Commission on June 28, 2013.
- (xii) Form of Restricted Stock Units Agreement, incorporated by reference from Exhibit 10(xi) of McCormick's Form 10-Q for the quarter ended May 31, 2013, File No. 1-14920, as filed with the Securities and Exchange Commission on June 28, 2013.
- (xiii) Form of Restricted Stock Units Agreement for Directors, incorporated by reference from Exhibit 10(xii) of McCormick's Form 10-Q for the quarter ended May 31, 2013, File No. 1-14920, as filed with the Securities and Exchange Commission on June 28, 2013.
- (xiv) Form of Non-Qualified Stock Option Agreement, incorporated by reference from Exhibit 10(xiii) of McCormick's Form 10-Q for the quarter ended May 31, 2013, File No. 1-14920, as filed with the Securities and Exchange Commission on June 28, 2013.
- (xv) Form of Non-Qualified Stock Option Agreement, as amended Filed herewith
- (xvi) Form of Non-Qualified Stock Option Agreement for Directors, incorporated by reference from Exhibit 10(xiv) of McCormick's Form 10-Q for the quarter ended May 31, 2013, File No. 1-14920, as filed with the Securities and Exchange Commission on June 28, 2013.
- (xvii) Form of Indemnification Agreement, incorporated by reference from Exhibit 10(xv) of McCormick's Form 10-Q for the quarter ended February 28, 2014, File No. 1-14920, as filed with the Securities and Exchange Commission on March 26, 2014.
- (xviii) Employment Agreement between McCormick (UK) Limited and Malcolm Swift, incorporated by reference from Exhibit 10.1 of McCormick's Form 8-K, File No. 1-14920, as filed with the Securities and Exchange Commission on January 29, 2015.*
- (xix) Severance Plan for Executives* Filed herewith

(31) Rule 13a-14(a)/15d-14(a) Certifications Filed herewith

(32) Section 1350 Certifications Filed herewith

(101) The following financial information from the Quarterly Report on Form 10-Q of McCormick for the quarter ended February 28, 2015, furnished electronically herewith, and formatted in XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheet; (ii) Condensed Consolidated Income Statement; (iii) Condensed Consolidated Statement of Comprehensive Income; (iv) Condensed Consolidated Cash Flow Statement; and (v) Notes to the Condensed Consolidated Financial Statements.

* Management contract or compensatory plan or arrangement.

McCormick hereby undertakes to furnish to the Securities and Exchange Commission, upon its request, copies of additional instruments of McCormick with respect to long-term debt that involve an amount of securities that do not exceed 10 percent of the total assets of McCormick and its subsidiaries on a consolidated basis, pursuant to Regulation S-K, Item 601(b)(4)(iii)(A).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

McCORMICK & COMPANY, INCORPORATED

March 31, 2015

By: /s/ Gordon M. Stetz, Jr.
Gordon M. Stetz, Jr.
Executive Vice President & Chief Financial Officer

March 31, 2015

By: /s/ Christina M. McMullen
Christina M. McMullen
Vice President & Controller

**AMENDMENT NO. 1 TO THE
MCCORMICK & COMPANY, INCORPORATED
2013 OMNIBUS INCENTIVE PLAN**

WHEREAS, McCormick & Company, Incorporated (the "Company") sponsors the 2013 Omnibus Incentive Plan, which was effective December 1, 2012 (the "Plan");

WHEREAS, pursuant to Article IX of the Plan, the Board of Directors of the Company (the "Board") may amend the Plan at any time; provided that, amendments to the Plan must be approved by the Company's shareholders if and to the extent required by applicable law, or by the rules of the New York Stock Exchange; and provided further that the amendment proposed herein does not require such shareholder approval;

WHEREAS, the Plan provides that all conditions and restrictions on the exercise of Awards shall be waived in the event of a change in control (as defined in the Plan) ("accelerated vesting"); and

WHEREAS, the Board wishes to amend the Plan to provide that accelerated vesting in the event of a change in control is a default rule and that an Award Agreement can provide otherwise;

WHEREAS, capitalized terms used in this Amendment but not defined herein shall have the meaning given to them in the Plan;

NOW, THEREFORE, effective March 25, 2015, the first sentence of paragraph A ("Change in Control") of Article VII ("Change in Control; Acquisitions") of the Plan is amended and restated in its entirety to read as follows:

In the event of a change in control, all conditions and restrictions on the exercise of all Awards (excluding stock options and Stock Appreciation Rights that are not "in the money") then outstanding (including but not limited to vesting schedules requiring a specified period of service and performance goals requiring the satisfaction of specific performance criteria) shall be waived and such Awards shall become exercisable or payable immediately for the full amount of the Shares of Stock and/or any cash payment covered by such Awards, unless otherwise provided in an Award Agreement.

IN WITNESS WHEREOF, this Amendment No. 1 to the Plan has been executed on behalf of the Company this 25th day of March, 2015.

MCCORMICK & COMPANY, INCORPORATED

By: /s/ Jeffery D. Schwartz

Name: Jeffery D. Schwartz

Title: Vice President, General Counsel & Secretary

EXHIBIT 10(xix)

McCORMICK & COMPANY, INCORPORATED

SEVERANCE PLAN FOR EXECUTIVES

Effective March 25, 2015

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SECTION 1. INTRODUCTION

1.1 Purpose.

The purpose of the Plan is to provide severance benefits to a select group of management and highly compensated employees, within the meaning of Title I of ERISA, whose employment is terminated under certain circumstances. The Plan is an unfunded welfare plan.

1.2 Effective Date.

The Plan is effective for any Termination that occurs on or after the Effective Date. No individual whose employment with the Company terminated before the Effective Date has any right to benefits under the Plan, and no individual whose employment with the Company terminates other than by reason of a Termination has any right to benefits under the Plan.

SECTION 2. DEFINITIONS AND CONSTRUCTION

2.1 Definitions.

When used in capitalized form in the Plan, the following words and phrases have the following meanings, unless the context clearly indicates that a different meaning is intended:

- (a) “Administrative Committee” means (1) the Compensation Committee of the Board of Directors; or (2) any other committee or officer designated as Plan Administrator by the Compensation Committee of the Board of Directors.

However, at or following a Change in Control, “Administrative Committee” means a committee of three individuals selected by the Compensation Committee, as such committee was constituted immediately before the Change in Control. If any such individual’s employment or service with the Company terminates for any reason (other than death), such individual shall appoint a replacement in consultation with the remaining members of the committee; if any such individual’s employment or service with the Company terminates due to the individual’s death, the remaining members of the committee shall appoint a replacement.

- (b) “Annual Incentive Bonus” means the annual incentive bonus the Participant would have received under the Omnibus Incentive Plan for the fiscal year in which he has a Termination had: (1) all Company performance objectives been achieved for the entire fiscal year at target levels; (2) the Participant otherwise satisfied all conditions for payment at target amount; and (3) the Company not exercised any negative discretion with respect to the amount of any payment under the Omnibus Incentive Plan to reduce the payment below the target amount.

Notwithstanding the foregoing, the target bonus for any “Covered Executive” (as defined in the Omnibus Incentive Plan) shall not take into account the incentive pool described in section IV.A.2. of the Omnibus Incentive Plan (or any successor to such provision), and shall instead equal the target bonus that such Covered Executive would have received based on the Company and/or individual performance metrics that the Compensation Committee would have used as an exercise of its negative discretion under the Omnibus Incentive Plan to determine the actual amount of the annual bonus for such Covered Executive.

- (c) “Applicable Percentage” and “Applicable CIC Percentage” are the percentages specified in the following table:

	Chief Executive Officer	All Other Participants
Applicable Percentage	150%	100%
Applicable CIC Percentage	250%	200%

- (d) “Base Pay” means the Participant’s annual base salary at the rate in effect immediately before the Participant’s Termination.

“Base Pay does not include any other form of compensation, such as a performance bonus, sign-on bonus, or any other bonus compensation, commission, equity or other incentive compensation, contributions to the Employer’s retirement plans (whether or not tax-qualified), annual leave, severance pay, perquisites, ex-patriot allowances or other temporary allowances for work away from home, or any relocation bonuses or expense reimbursements.

In the context of a termination of employment for Good Reason due to a reduction in the employee’s base salary, the Base Pay for purposes of calculating a Participant’s Severance Pay is the Participant’s base salary in effect immediately before the reduction that gave rise to the Good Reason termination.

- (e) “Board of Directors” means the Board of Directors of the Company.
- (f) “Cause” means, as determined by the Administrative Committee, (i) gross negligence or willful misconduct in connection with the performance of duties; (ii) conviction of, or plea of nolo contendere to, a criminal offense (other than minor traffic offenses); or (iii) material breach of any term of any employment, consulting, or other service, confidentiality, intellectual property, nonsolicitation or non-competition agreements, if any, between the Participant and a McCormick Entity; provided that, if a Participant has an individual agreement with a McCormick Entity that includes a definition of “cause,” the definition of cause in such agreement (rather than the definition in this Section 2.1(f)) shall apply with respect to such Participant’s rights under the Plan.

- (g) “Change in Control” means the occurrence of one or more of the following events:
- (1) the consolidation or merger of the Company with or into another entity where the Company is not the continuing or surviving corporation, or pursuant to which shares of the Company’s capital stock are converted into cash, securities or other property, except for any consolidation or merger of the Company in which the holders (excluding any “Substantial Stockholders” as defined in Section 4, “Common Stock,” subsection (b)(2)(H) of the Certificate of Incorporation of the Company as in effect as of the date hereof (the “Charter”)) of the Company’s (A) voting common stock, (B) non-voting common stock, and (C) other classes of voting stock, if any, immediately before the consolidation or merger shall, upon consummation of the consolidation or merger, own in excess of 50% of the voting stock of the surviving corporation;
 - (2) any sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company;
 - (3) any person (as such term is used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended) becoming the beneficial owner (as defined in Section 4, “Common Stock,” subsection (b)(2)(C) of the Charter), directly or indirectly, of securities of the Company representing more than 13% (the “Specified Percentage”) of the voting power of all the outstanding securities of the Company having the right to vote in an election of the Board of Directors (after giving effect, to the extent applicable, to the operation of Section 4, “Common Stock,” subsection (b) of the Charter) (including any securities of the Company that any such person has the right to acquire pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, which shall be deemed beneficially owned by such person), provided, however, that in the event that the vote limitation with respect to Substantial Stockholders set forth in Section 4, “Common Stock,” subsection (b) of the Charter becomes inoperative by virtue of the operation of Section 4, “Common Stock,” subsection (b)(12) of the Charter, or otherwise, the “Specified Percentage” shall be increased, without requirement for further action, to 35%; or
 - (4) individuals, who constitute the entire Board of Directors elected by the Company’s stockholders at its most recent annual meeting of stockholders and any new directors who have been appointed to the Board of Directors by a vote of at least a majority of the directors then in office, having ceased for any reason to constitute a majority of the members of the Board of Directors.

- (h) “Change in Control Termination” means, during the period that begins six months before a Change in Control and ends two-years after a Change in Control, the involuntary termination of a Participant’s employment with the Company by the Employer (other than for Cause or due to death or Disability) or the voluntary termination of a Participant’s employment with the Company for Good Reason; provided, however, that any Participant who terminates employment with the Employer voluntarily without Good Reason (or is terminated involuntarily for Cause or due to death or Disability) before the effective date of the Participant’s termination established by the Employer has not had a Change in Control Termination.
- (i) “Code” means the Internal Revenue Code of 1986, as amended.
- (j) “Company” means McCormick & Company, Incorporated, and any successors or assigns.
- (k) “Disability” means (1) for Participants who also participate in the Company’s long-term disability plan, “Totally and Permanently Disabled” within the meaning of the Company’s long-term disability plan; and (2) for all other Participants, disability within the meaning of the United States federal Social Security Act.
- (l) “Effective Date” means March 25, 2015.
- (m) “Eligible Employee” means an “executive officer” of the Company as defined in the rules promulgated under the Securities Exchange Act of 1934, as amended, who is designated by the Compensation Committee as eligible to participate in the Plan.
- (n) “Employer” means the Company and/or any of its subsidiaries (now in existence or hereafter formed or acquired) that have been selected by the Compensation Committee to participate in the Plan.
- (o) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.
- (p) “Executive Compensation Plans” means the McCormick & Company, Incorporated 2005 Deferred Compensation Plan, the McCormick Supplemental Executive Retirement Plan, the McCormick & Company, Incorporated Restoration Plan, the McCormick & Company, Incorporated Defined Contribution Supplemental Executive Retirement Plan, and any such other similar plans, as may be amended or adopted from time to time.
- (q) “Good Reason” means a Participant’s Separation from Service as a result of the occurrence of any of the events listed below; provided that, (A) the Participant gives the Employer the opportunity to “cure” the conditions constituting Good Reason by notifying the Employer within ninety (90) days of the initial existence

of the conditions constituting Good Reason, (B) the Employer fails to remedy the conditions within thirty (30) days of the Participant's notification, and (C) the Participant terminates employment within thirty (30) days of the Employer's failure to remedy:

- (1) Re-assignment of the Participant to a position which is at a substantially lower level in the organizational structure than his previous position, as defined by any one or a combination of the following factors: reporting relationship, compensation compared to others in the organization, and authority, duties and responsibilities;
 - (2) Substantial diminution in the Participant's authority, duties or responsibilities, or the assignment of duties and responsibilities which are unsuitable for an individual having the position, experience and stature of the Participant;
 - (3) Substantial reduction in the Participant's total compensation (including salary, bonus opportunity, deferred compensation, stock options, profit sharing and retirement programs and other benefits); provided, however, that, before a Change in Control, a reduction that applies generally to all employees of the Employer, for example, a reduction or elimination of the employer matching contribution or profit sharing contribution under The McCormick 401(k) Retirement Plan, shall not be Good Reason;
 - (4) Relocation of the Participant's principal workplace to a location which is more than 50 miles from the Participant's previous principal workplace; or
 - (5) Any failure by the Employer to require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Employer to assume expressly and agree to perform under the Plan in the same manner and to the same extent that the Employer would be required to perform thereunder with respect to the Participant if the transaction or event resulting in a successor had not taken place.
- (r) "LTPP Award" means the Long Term Performance Program (formerly the Mid-Term Incentive Plan) award the Participant would have received under the Omnibus Incentive Plan for the fiscal year in which he has a Termination had: (1) the Participant otherwise satisfied all conditions for payment; and (2) the Company not exercised any negative discretion with respect to the amount of any payment under the Omnibus Incentive Plan.
- (s) "McCormick Entity" means the Company and any subsidiary or affiliate thereof.

- (t) “Omnibus Incentive Plan” shall mean the 2007 Omnibus Incentive Plan, the 2013 Omnibus Incentive Plan, or any successor plan that may be adopted from time to time, as applicable.
- (u) “Participant” means an Eligible Employee who is eligible to participate in the Plan under Section 3.
- (v) “Plan” means the McCormick & Company, Incorporated Severance Plan for Executive Officers, as set forth in this document and as amended from time to time.
- (w) “Qualifying Termination” means the involuntary termination of a Participant’s employment with the Company by the Employer (other than for Cause, or due to death or Disability, or, before a Change in Control, for performance reasons) or the voluntary termination of a Participant’s employment with the Company for Good Reason, and that is not a Change in Control Termination. A Participant who has been notified by the Employer of his termination of employment with the Company does not have a Qualifying Termination until the effective date of such termination as established by the Employer. Any Participant who terminates employment with the Employer voluntarily without Good Reason (or is terminated involuntarily for Cause, or due to death or Disability, or, before a Change in Control, for performance reasons) before the effective date of the Participant’s termination established by the Employer has not had a Qualifying Termination. The termination of employment at the end of a leave of absence or period of short- or long-term disability as a result of a Participant’s inability or failure to return to his prior position in accordance with applicable law is not an involuntary termination of employment, except to the extent required by law.
- (x) “Section” means a section of this Plan and any subsections of that section.
- (y) “Section 409A” means section 409A of the Code.
- (z) “Separation from Service” means termination of a Participant’s employment relationship with the Employer that constitutes a “separation from service” within the meaning of Section 409A of the Code.
- (aa) “Severance Pay” has the meaning provided in Section 4.2.
- (bb) “Termination” means a Qualifying Termination or a Change in Control Termination.
- (cc) “WARN Act” means the federal Worker Adjustment and Retraining Notification Act and any similar state or local law.

2.2 Construction.

For purposes of the Plan, unless the contrary is clearly indicated by the context,

- (a) the use of the masculine gender shall also include within its meaning the feminine and vice versa,
- (b) the use of the singular shall also include within its meaning the plural and vice versa,
- (c) the word “include” shall mean to include without limitation, and
- (d) the captions of the articles, sections, or paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of its provisions.

SECTION 3. PARTICIPATION

3.1 Commencing Participation.

An individual becomes a Participant in the Plan as of the later of (a) the date he becomes an Eligible Employee or (b) the Effective Date.

3.2 Duration of Participation.

- (a) For Participants Who Have a Termination. An individual who becomes a Participant and has a Termination remains a Participant until the earliest of (1) the date on which the Participant receives his final benefit under the Plan, (2) the deadline for executing the release referenced in Section 6.1, if the Participant does not execute the release by such deadline, or (3) the date on which the Participant revokes the release referenced in Section 6.1.
- (b) For Participants Who Have Not Had a Termination. An individual who becomes a Participant and has not yet had a Termination, remains a Participant until the earliest to occur of (1) the date on which the Participant ceases to be an Eligible Employee (including as a result of a transfer to a non-participating affiliate), (2) the date as of which he terminates employment other than by a Termination, or (3) the date as of which the Plan is terminated or otherwise amended in any way to exclude the individual’s participation under the Plan.

SECTION 4. SEVERANCE BENEFITS

4.1 In General.

A Participant’s right to receive any severance benefit described in this Section 4 (including the enhanced vesting arrangements in Section 4.5) is conditioned upon the Participant (a) experiencing a Termination, (b) timely executing and not revoking a

release and waiver as provided in Section 6.1, and (c) complying with the covenants in Section 5.

4.2 Severance Pay.

- (a) Amount. Subject to any reduction required by Section 4.2(b) (“Offset of Severance Pay”) and/or Section 4.9 (“Application of Section 4999”), a Participant who satisfies the conditions in Section 4.1 is entitled to receive Severance Pay in the following amount:
- (1) For a Qualifying Termination, the Applicable Percentage multiplied by the sum of the Participant’s Annual Incentive Bonus and Base Pay.
 - (2) For a Change in Control Termination, the Applicable CIC Percentage multiplied by the sum of the Participant’s Annual Incentive Bonus and Base Pay.
- (b) Offset of Severance Pay. The Severance Pay payable to a Participant under the Plan will be reduced by any cash payments (including salary or wage payments) that the Participant receives or is entitled to receive from any McCormick Entity pursuant to (1) the WARN Act, (2) any other severance plan, program, policy, or arrangement of any McCormick Entity, (3) any employment, severance or separation agreement with any McCormick Entity, including any payment during or in lieu of a notice period prior to termination of employment, and (4) any payments otherwise required by applicable law.
- (c) Time and Form of Payment. A Participant’s Severance Pay is to be paid to the Participant in the form of a lump sum within sixty (60) days following the Participant’s Termination. If a Participant who has a Qualifying Termination receives his Severance Pay, and his Qualifying Termination subsequently becomes a Change in Control Termination, the difference between the Severance Pay received and the Severance Pay owed for a Change in Control Termination will be paid in the form of a lump sum to the Participant within ten (10) business days following the Change in Control.

4.3 Outplacement Service

Subject to any reduction required by Section 4.9 (“Application of Section 4999”), a Participant who satisfies the conditions in Section 4.1 is entitled to receive outplacement services for a period of six months, beginning on the earlier of the Participant’s last day of employment or the date the Participant first uses the service.

4.4 Medical, Dental, and Vision Benefits.

Following the Participant’s Termination, the Participant is entitled to elect continuation coverage under the Company’s medical, dental, and vision plans to the extent required by

the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”) or any similar state or local law. The Company shall have no obligation to reimburse the Participant for the applicable monthly premiums for obtaining such COBRA continuation coverage.

Nothing in this Plan shall restrict a Participant’s eligibility to receive benefits under a Company retiree medical plan, if the Participant is eligible for such benefits.

4.5 Equity.

Except to the extent provided in the Omnibus Incentive Plan or otherwise provided in this Plan, or, to the extent more favorable to the Participant, in any option agreement, restricted stock agreement, or other agreement relating to equity-based compensation, a Participant who has a Termination and satisfies the conditions in Section 4.1 is entitled to the benefits (if any) described in either subsections (a) or (b) below, as applicable) (but in no case under both subsections (a) and (b)):

(a) Qualifying Termination. If a Participant has a Qualifying Termination:

- (1) all outstanding stock options and stock appreciation rights (the “Option Rights”) held by the Participant immediately before such Qualifying Termination that would have vested, in accordance with the terms of the applicable award agreement, during the 12-month (18-month for CEO) period following such Qualifying Termination, will, to the extent not previously vested, immediately vest as of the Qualifying Termination; and
- (2) all other equity-based compensation rights, including performance shares, performance units, restricted stock units, and restricted stock, (the “Equity Compensation Rights”) outstanding and held by the Participant immediately before such Qualifying Termination will vest on a pro rata basis, which will be determined by multiplying the number of unvested Equity Compensation Rights that would have vested on each vesting date by a fraction, the numerator of which is the number of whole months that have passed from the date of the grant of the Equity Compensation Rights to the date of the Qualifying Termination (plus 1 if the Participant completed at least one day of any additional month) and the denominator of which is the number of whole months from the date of the grant of the Equity Compensation Rights to the date the Equity Compensation Rights would have vested under the award agreement.

For the avoidance of doubt, and solely for illustrative purposes, if a Participant has received an Equity Compensation Right award which vests over a period of three years with 33-1/3% vesting each year and the number of whole months that have passed from the date of the grant of the Equity Compensation Rights to the date of the Qualifying Termination is 6 months, then the Equity Compensation Rights that would have vested in

on the first vesting date will be multiplied by 6/12; the Equity Compensation Rights that would have vested on the second vesting date will be multiplied by 6/24, and the Equity Compensation Rights that would have vested on the third vesting date will be multiplied by 6/36.

Notwithstanding the foregoing, the restricted stock units of a retirement eligible Participant will immediately become 100% vested as of the Qualifying Termination.

If a Participant's Qualifying Termination subsequently becomes a Change in Control Termination, the provisions of subsection (b), below, shall be immediately applied to any Option Rights and Equity Compensation Rights that were unvested after application of this subsection (a).

(b) Change in Control Termination. If a Participant has a Change in Control Termination:

- (1) all "in-the-money" Option Rights and all other Equity Compensation Rights held by the Participant immediately before such Change in Control Termination (other than Option Rights and Equity Compensation Rights granted after the Change in Control) will, to the extent outstanding at the time of the Change in Control Termination, immediately become 100% vested; and
- (2) any Option Rights held by the Participant immediately before such Change in Control Termination that are not in-the-money will be canceled immediately.

(c) Time and Form of Payment.

- (1) If a Qualifying Termination occurs, the Participant's right to exercise any previously unexercised options will not terminate until the earlier of the date that is five (5) years after the date such option becomes vested or the date such option expires under the applicable award agreement (as if the Participant had not terminated employment); and any Equity Compensation Rights will be settled or paid immediately; provided that the restricted stock units of a retirement eligible Participant will be delivered in accordance with the schedule set forth in the applicable award agreement.
- (2) If a Change in Control Termination occurs, all Equity Compensation Rights shall be settled or paid immediately; and the Participant's right to exercise any previously unexercised options will not terminate until the earlier of the date that is five (5) years after the Change in Control or the date such option expires under the applicable award agreement.

For purposes of this Section 4.5: (1) “in-the-money” means, with respect to a stock option or stock appreciation right, that the per share fair market value of a share of the Company’s common stock (either voting or non-voting, as applicable) immediately before the Change in Control Termination exceeds the exercise price per share of the applicable stock option or stock appreciation right; and (2) “retirement eligible” means attainment of age 55.

4.6 Annual Incentive Bonus.

Except to the extent that an Annual Incentive Bonus agreement or the Annual Incentive Bonus guidelines are more favorable to the Participant, and subject to any reduction required by Section 4.2(b) (“Offset of Severance Pay”) and/or Section 4.9 (“Application of Section 4999”), a Participant who has a Termination is entitled to his Annual Incentive Bonus under the Omnibus Incentive Plan for the fiscal year in which he has a Termination multiplied by a fraction, the numerator of which is the number of whole months in the performance year completed by the Participant as of the date of the Termination (plus 1 if the Participant completed at least one day of any additional month) and the denominator of which is twelve (12). Any Annual Incentive Bonus is payable at the time such bonuses are paid to active employees; payment will not be accelerated.

4.7 LTTP (Former MTIP) Award.

Except to the extent provided in the Omnibus Incentive Plan or, to the extent more favorable to the Participant, in an LTTP Award agreement(s), and subject to any reduction required by Section 4.2(b) (“Offset of Severance Pay”) and/or Section 4.9 (“Application of Section 4999”), a Participant who has a Termination and satisfies the conditions of Section 4.1 is entitled to an LTTP Award in the amount described in either subsections (a) or (b), as applicable (but in no case under both subsections (a) and (b)).

- (a) Qualifying Termination. The LTTP Award for a Participant who has a Qualifying Termination is the LTTP Award he would have received for any performance cycle that is still open at the time of the Qualifying Termination, based on actual performance through the end of the performance cycle, multiplied by a fraction, the numerator of which is the number of whole months in the performance cycle completed by the Participant as of the date of the Qualifying Termination (plus 1 if the Participant completed at least one day of any additional month) and the denominator of which is the number of years in the performance cycle multiplied by twelve (12).
- (b) Change in Control Termination. The LTTP Award for a Participant who has a Change in Control Termination is the LTTP Award he would have received, had all performance objectives been achieved at target, for any performance cycle that is still open at the time of the Change in Control Termination.
- (c) Time and Form of Payment.

- (1) If a Qualifying Termination occurs, the Participant's LTPP Award is payable at the end of the performance cycle at the time such awards are paid to active employees; payment will not be accelerated. The stock portion of the award will be paid in shares and the cash portion of the award will be paid in a lump sum. If a Participant who has a Qualifying Termination receives his LTPP Award, and his Qualifying Termination subsequently becomes a Change in Control Termination, the difference between the LTPP Award received and the LTPP Award owed for a Change in Control Termination will be paid in the form of a lump sum to the Participant within ten (10) business days following the Change in Control.
- (2) If a Change in Control Termination occurs, the Participant's LTPP Award shall be settled or paid immediately. The stock portion of the award will be settled in cash based on the fair market value of the stock immediately prior to the Change of Control and the cash portion of the award will be paid in a lump sum.

4.8 Executive Compensation Plans.

A Participant who has a Termination and is a participant in an Executive Compensation Plan will be entitled to accelerated vesting (if any) and a benefit (if any) in an amount and at the time provided for in such Executive Compensation Plan.

4.9 Application of Section 4999.

If any amount payable to a Participant under Section 4.2 ("Severance Pay"), Section 4.6 ("Annual Incentive Bonus"), Section 4.7 ("LTPP (MTIP) Award"), or otherwise as a result of the Participant's Change in Control Termination would constitute a "parachute payment" within the meaning of section 280G of the Code and, but for this Section 4.9, would be subject to the excise tax imposed by section 4999 of the Code (the "Excise Tax"), then the Participant's payments under the Plan will be reduced to the greatest amount that would not be subject to the Excise Tax if, after taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, the Participant would retain a greater amount on an after-tax basis following such reduction.

SECTION 5. COVENANTS

5.1 In General.

In consideration for the benefits made available under the Plan, each Participant must agree to the covenants set forth in this Section 5 (whether or not the Participant receives payment of the benefits contemplated by the Plan). The covenants in this Section 5 do not supersede, restrict or otherwise limit the Participant's obligations under any other covenants applicable in connection with the Participant's employment with or service to the McCormick Entity.

5.2 Confidentiality.

Any and all inventions and discoveries that Participant makes while he is in the employ of an Employer relating directly or indirectly to or useful in any activity or enterprise of the Company shall belong to the Company, whether discovered during or after regular working hours. Participant will, upon request of the Company, make application for a patent on any such invention or discovery that he may make, and will, upon request of the Company, make and execute any and all assignments in writing which may be deemed by the Company as proper to assign and transfer to the Company all the right, title and interest of the Participant in and to any and all such patents or patent rights issued by the United States or any other country in which the Participant may have any interest during the term of his said employment. The Company will assume the expenses of preparing, applying for, and registering any such patents or assignments.

During the term of employment Employee may have been exposed to confidential, proprietary information and trade secrets of the Company or its customers. Participant understands that maintenance of the proprietary character of such information to the fullest extent possible is important to the Company. Accordingly for so long as any such confidential information and trade secrets may remain confidential, secret, or otherwise wholly or partially protected either during or after such employment, Participant will not use or divulge such information except as specifically permitted by the Company.

5.3 Non-Competition and Non-Solicitation.

During the period of a Participant's employment with an Employer, and the period continuing after the Participant's termination of employment (for any reason) for the number of months that bears the same proportion to twelve months as the Participant's Applicable Percentage or Applicable CIC Percentage bears to 100% (not to exceed two (2) years), Participant will not seek or accept employment, directly or indirectly, with any entity that directly competes with the Company, including its subsidiaries and affiliates, in its and their core product categories, in any capacity involving the performance of services like or related to the services that Participant performed for the Company at any time during the past seven (7) years. In addition, Participant will not solicit for the benefit of any competitor of the Company any entity or person who was or is a customer or employee of the Company as of the Participant's Termination.

5.4 Nondisparagement.

Participant will not communicate, make or cause to be made, any derogatory, defamatory or disparaging remarks, statements or communications about the Company or any related or affiliated entities and persons, including the personal and/or business reputations, practices, products, services or conduct of the Company, or any related or affiliated entities and persons; this includes in-person communications, electronic communications, and communication via social media websites. Likewise, no officer or director of the Company will communicate any such information about Participant.

5.5 Cooperation.

Participant will answer any questions that may arise and make himself reasonably available to assist the Company in its transition following Participant's termination of employment and to cooperate with any other reasonable requests by the Company which may require his services after his termination of employment. For purposes of this Section 5.5, the transition period shall be for the one (1) year period following the Participant's termination of employment. Participant will not seek or be entitled to any additional compensation for such assistance or cooperation.

5.6 Company Property.

Participant will promptly return to the Company all of its property, including all keys, phones, computers, mobile phones, credit cards, computer and other passwords, equipment and supplies, as well as all documents prepared by or for the Company, and not otherwise made available to the general public.

5.7 Forfeiture and Recoupment.

If a Participant breaches any of the covenants set forth in this Section 5 or in any other agreement with a McCormick Entity, or as otherwise imposed by law, the Employer has no further obligation to pay to the Participant any benefit under the Plan, and the Participant is obligated to repay to the Employer all benefits previously paid to, or on behalf of, the Participant under the Plan.

SECTION 6. RELEASE

6.1 In General.

A Participant is not entitled to any benefits under this Plan unless, on or following the effective date of the Participant's Termination, he timely executes, and does not subsequently revoke, a release satisfactory to the Company releasing the Employer, the Company, its affiliates, subsidiaries, shareholders, directors, officers, employees, representatives and agents and their predecessors, successors and assigns from any and all employment-related claims the Participant or his successors and beneficiaries might then have against them (excluding any claims the Participant might then have under this Plan or any employee benefit plan sponsored by a McCormick Entity). The release will be substantially in the form that is attached as Exhibit A; provided, however, that the release may be amended from time to time by the Employer and the release upon which Plan benefits are contingent will be the release in effect as of the Participant's Termination; and provided further, however, that if the Participant's employment is governed by the laws of a non-US jurisdiction, the form of release and waiver will be in a form provided by and satisfactory to the Company and will waive all claims under any applicable statute, other legislation, in tort, and for breach of contract.

SECTION 7. NATURE OF PARTICIPANT'S INTEREST IN THE PLAN

7.1 Status of Plan.

The Plan is intended to be a plan that is not qualified within the meaning of section 401(a) of the Code and that is unfunded and “maintained by an employer primarily for the purpose of providing benefits for a select group of management or highly compensated employees” within the meaning of ERISA. The Plan shall be administered and interpreted to the extent possible in a manner consistent with that intent.

7.2 No Right to Assets.

Participation in the Plan does not create, in favor of any Participant, any right or lien in or against any asset of any McCormick Entity. Nothing contained in the Plan, and no action taken under its provisions, creates or will be construed to create a trust of any kind, or a fiduciary relationship, between any McCormick Entity and a Participant or any other person. The Company’s promise to pay benefits under the Plan at all times remains unfunded as to each Participant, whose rights under the Plan are limited to those of a general and unsecured creditor of the Company.

7.3 Nonassignability.

Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, alienate or convey in actual receipt, the amount, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be, unassignable and non-transferable.

7.4 No Rights Upon Death or Disability.

A Participant’s death or Disability creates no rights to payment of benefits under the Plan and will not be treated as an involuntary termination by any McCormick Entity.

7.5 Not a Contract of Employment.

The terms and conditions of this Plan shall not be deemed to constitute a contract of employment between any Employer and the Participant. Such employment is hereby acknowledged to be an “at will” employment relationship that can be terminated at any time for any reason, or no reason, with or without cause, and with or without notice, except as otherwise provided in a written employment agreement. Nothing in this Plan shall be deemed to give a Participant the right to be retained in the service of any Employer as an employee or to interfere with the right of any Employer to discipline or discharge the Participant at any time.

7.6 Withholding and Tax Liabilities.

Any withholding obligation under applicable tax laws may be deducted from benefits paid under the Plan to the extent deemed necessary by the Administrative Committee. However, the Participant will bear the cost of, and indemnify the Company and (if

different) his Employer for, any taxes and employee social security contributions not withheld on benefits provided under the Plan, regardless of whether withholding is required.

SECTION 8. ADMINISTRATION OF THE PLAN

8.1 Plan Administrator.

The Administrative Committee will administer the Plan.

8.2 Powers of the Administrator.

The Administrative Committee's powers include, but are not limited to, the discretionary power to (a) adopt rules necessary to administer the Plan; (b) interpret the Plan and decide all questions relating to the interpretation of the terms and provisions of the Plan; and (c) resolve all other questions arising under the Plan (including the power to remedy possible ambiguities, inconsistencies, or omissions by a general rule or particular decision). The Administrative Committee has full discretionary authority to exercise each of the foregoing powers and any other power granted to it under the terms of the Plan. Any individual serving on the Administrative Committee who is a Participant shall not vote or act on any matter relating solely to himself.

8.3 Binding Effect of Decisions.

The decision or action of the Administrative Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated by the Administrative Committee hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

8.4 Agents.

In the administration of this Plan, the Administrative Committee may, from time to time, employ or designate agents and delegate to them such administrative duties as it sees fit (including acting through a duly appointed representative) and may from time to time consult with counsel who may be counsel to any Employer.

8.5 Indemnity of the Committee.

All Employers shall indemnify and hold harmless the members of the Administrative Committee, and any employee to whom duties of the Administrative Committee may be delegated, against any and all claims, losses, damages, expenses or liabilities arising from any action or failure to act with respect to this Plan, except in the case of willful misconduct by the Administrative Committee or any of its members or any such

employee, in which case the member(s) or employee(s) who engaged in the misconduct shall not be eligible for indemnification.

8.6 Employer Information.

To enable the Administrative Committee to perform its functions, each Employer shall supply full and timely information to the Administrative Committee on all matters relating to the compensation of its Participants, the date and circumstances of the Termination of its Participants, and such other pertinent information as the Administrative Committee may reasonably require.

8.7 Payment on Behalf of Person Unable to Manage Affairs.

If the Administrative Committee shall find that any person to whom any amount is payable under this Plan is unable to care for his affairs because of illness or accident, or is a minor, any payment due (unless a prior claim therefor shall have been made by a duly appointed guardian, committee or other legal representative) may be paid to the spouse, a child, a parent, or a brother or sister, or to any person deemed by the Administrative Committee to have incurred expense for such person otherwise entitled to payment, in such manner and proportions as the Administrative Committee may determine. The Administrative Committee may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any such payment shall be a complete discharge of the liabilities of the Company under this Plan.

If a Participant dies after having a Termination, any payment of the Participant's Severance Pay remaining due to the Participant will be paid to the Participant's estate at the time such payment would otherwise be paid to the Participant.

8.8 Amendment, Suspension, and Termination.

- (a) Subject to subsections (b), (c), and (d), below, the Board of Directors, or a committee designated by the Board of Directors, may, at any time, amend, suspend or terminate the Plan in whole or in part at any time with respect to any or all Employers.
- (b) No amendment, suspension or termination of the Plan may reduce any benefit payable to a Participant who has already experienced a Termination without his express written consent.
- (c) Any resolution to amend or terminate the Plan that is adopted or becomes effective during the period beginning six (6) months before a Change in Control and ending two (2) years after a Change in Control may not adversely affect in a material way an individual who was a Participant as of immediately before the Change in Control, without such individual's express written consent.
- (d) Notwithstanding the foregoing, either the Board of Directors or the Administrative Committee may amend the Plan at any time to the extent necessary to avoid adverse consequences under any applicable law. Any such amendment shall, to the maximum extent possible, preserve the Plan's benefits for all Participants.

8.9 Headings.

The headings used in this document are for convenience of reference only and may not be given any weight in interpreting any provision of the Plan.

8.10 Severability.

If any provision of the Plan shall be held unlawful or otherwise invalid or unenforceable in whole or in part, the unlawfulness, invalidity, or unenforceability shall not affect any other provision of the Plan, each of which shall remain in full force and effect.

8.11 Successors.

The provisions of this Plan shall bind and inure to the benefit of the Participant's Employer and its successors and assigns, the Participant and his successors and assigns.

8.12 Section 409A.

- (a) The Plan will be interpreted to ensure that the payments contemplated hereby to be made by the Company to a Participant are exempt from or comply with Section 409A; provided, however, that nothing in this Plan will be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from any Participant to any McCormick Entity or any other individual or entity.

- (b) Any payment under the Plan that is subject to Section 409A and that is contingent on a termination of employment is contingent on a “separation from service” within the meaning of Section 409A. Each such payment will be considered to be a separate payment for purposes of Section 409A.
- (c) If, upon separation from service, a Participant is a “specified employee” within the meaning of Section 409A, any payment to such Participant that is subject to Section 409A and would otherwise be paid within six months after the Participant’s separation from service will instead be paid in the seventh month following the Participant’s separation from service (to the extent required by Section 409A(a)(2)(B)(i)).
- (d) Any taxable reimbursement due under the terms of this Plan will be paid no later than December 31st of the year after the year in which the expense is incurred and will comply with Treas. Reg. § 1.409A-3(i)(1)(iv).
- (e) If the period during which a Participant who has a Termination has discretion to execute or revoke a release straddles two calendar years, the Company will make the payments that are conditioned upon the release no earlier than January 1st of

the second of such calendar years, regardless of which taxable year such Participant actually delivers the executed release to the Company.

8.13 Governing Law and Venue.

The Plan and any related documents and matters shall be governed by and in accordance with the laws of the State of Maryland (disregarding the choice of law rules of any jurisdiction), except as to matters of federal law.

8.14 Forum Selection.

- (a) To the fullest extent permitted by law, any lawsuit brought in whole or in part under section 502 of ERISA (or any successor provision) and relating to the Plan, the lawfulness of any Plan provision or the administration of the Plan must be filed in one of the following courts:
 - (1) the United States District Court for the District of Maryland or for the district in which the Company is headquartered;
 - (2) in the case of an action brought by an individual plaintiff, the United States District Court for the district in which such plaintiff resides; or
 - (3) in the case of an action brought by more than one plaintiff, the United States District Court for the district in which the largest number of plaintiffs (or in the case of a putative class action, the largest number of putative class members) resides or is reasonably believed to reside.
- (b) If any action within the scope of subsection (a) is filed in a jurisdiction other than one of those described in subsection (a), or if any non-class action filed in such a jurisdiction is subsequently amended or altered to add additional plaintiffs or to add class action allegations, then the Plan, any plaintiffs, and all alleged Plan participants must take all necessary steps to have the action removed to, transferred to, or re-filed in a jurisdiction described in subsection (a). Such steps may include, but are not limited to (1) a joint motion to transfer the action or (2) a joint motion to dismiss the action without prejudice to its re-filing in a jurisdiction described in subsection (a), with any applicable time limits or statutes of limitations applied as if the suit or class action allegation had originally been filed or asserted in a jurisdiction described in subsection (a) at the same time that it was filed or asserted in a jurisdiction not described therein.
- (c) This forum selection provision is waived if no party invokes it within 120 days of the filing of a putative class action, the addition of plaintiffs or the assertion of class action allegations.
- (d) This Section 8.14 does not relieve the Plan or any putative class member of any obligation existing under the Plan or by law to exhaust administrative remedies

before initiating litigation or to comply with the limitation of actions provision set forth in Section 9.2 (“Time Limitation on Commencing Litigation”).

8.15 Notices, Signature, Delivery.

Whenever a signature, acceptance, notice or delivery of a document is required or appropriate under the Plan, signature, notice or delivery may be accomplished by paper or written format, by electronic means, or by default. If electronic means are used for the signature, notice or delivery of a document hereunder, the electronic record or confirmation of that signature, notice or delivery maintained by or on behalf of the Administrative Committee shall for purposes of the Plan be treated as if it was a written signature or notice and was delivered in the manner provided herein for a written document. Similarly, to the extent that acceptance of a document occurs by default, the Administrative Committee’s failure to receive a rejection or opting out of a document shall for purposes of the Plan be treated as if it was a written acceptance delivered in the manner provided herein for a written document.

8.16 Complete Statement of Plan.

This Plan contains a complete statement of its terms. The Plan may be amended, suspended or terminated only in writing and then only as provided in Section 8.8 (“Amendment, Suspension, and Termination”). A Participant’s right to any benefit of a type provided under the Plan is determined solely in accordance with the terms of the Plan. No other evidence, whether written or oral, will be taken into account in interpreting the provisions of the Plan. Notwithstanding the preceding provisions of this Section 8.16, for purposes of determining benefits with respect to a Participant, this Plan will be deemed to include the provisions of any other written agreement between the Company and the Participant to the extent such other agreement explicitly provides for the incorporation of some or all of its terms into this Plan.

SECTION 9. CLAIMS AND APPEALS

9.1 In General.

The Administrative Committee will establish claims and appeals procedures for requests for benefits under the Plan.

9.2 Time Limit on Commencing Litigation.

- (a) If a claimant wishes to file a lawsuit against the Plan (1) to recover benefits believed due under the terms of the Plan or any law, (2) to clarify the claimant’s right to future benefits under the Plan, (3) to enforce the claimant’s rights under the Plan, or (4) to seek a remedy, ruling or judgment of any kind against the Plan that relates to the Plan, the claimant must file the suit within the Applicable Limitations Period or the suit will be time-barred.

- (b) The “Applicable Limitations Period” is the period ending two years after:
- (1) In the case of a claim to recover benefits allegedly due under the Plan or to clarify rights to future benefits from the Plan, the earliest of (A) the date the first benefit payment was actually made; (B) the date the first benefit payment was allegedly due; or (C) the date the Company, the Plan, or the Administrative Committee first repudiated the alleged obligation to provide such benefits.

A repudiation may be made in the form of a direct communication to the claimant (e.g., denial of a claim under administrative review procedures established by the Administrative Committee) or a more general oral or written communication related to benefits payable under the Plan (for example, a summary plan description, a summary of material modifications, a benefit statement, or an agreement or offer letter);
 - (2) In the case of a claim or action to enforce an alleged right under the Plan (other than a claim for plan benefits), the date the Plan first denied the claimant’s request to exercise such right; or
 - (3) In the case of any other claim or action, the earliest date on which the claimant knew or should have known of the material facts on which such claim or action is based, regardless of whether the claimant was aware of the legal theory underlying the claim or action.
- (c) If a request for administrative review under the procedures established by the Administrative Committee is pending when the Applicable Limitations Period expires, the Applicable Limitations Period will be extended to the date that is 60 calendar days after the final denial (including a deemed denial) of such claim on administrative review.
- (d) The Applicable Limitations Period replaces and supersedes any limitations period that ends at a later time and that otherwise might be deemed applicable under state or federal law in the absence of this Section 9.2. The Applicable Limitations Period does not extend any limitations period under state or federal law.
- (e) The Administrative Committee may extend the Applicable Limitations Period upon a showing of exceptional circumstances, but such an extension is at the discretion of the Administrative Committee and is not subject to review.

9.3 Interpretation.

The provisions of this Section 9 are intended to comply with section 503 of ERISA and will be administered and interpreted in a manner consistent with such intent.

EXHIBIT A. GENERAL RELEASE

1. In consideration for the payments and other considerations offered to me under the McCormick & Company, Incorporated Severance Plan for Executive Officers (the "Plan") and deeming this General Release to be fair, reasonable, and equitable, and intending to be legally bound hereby, I _____ agree to and hereby do, for myself and for each of my heirs, representatives, executors, administrators and assigns, forever and irrevocably fully release and discharge McCormick & Company, Incorporated (the "Company"), and any subsidiary, affiliate, related business entity or person, employee benefit plan or fund, and its and their respective officers, directors, employees, agents, trustees, predecessors, successors, purchasers, assigns, and representatives, of and from any and all complaints judgments, claims, demands, debts, actions or causes of action, obligations, damages, and liabilities whatsoever which I now have, have had, or may have, whether the same be known or unknown, at law, in equity, or mixed, in any way arising out of or relating to any matter, act, occurrence, omission, practice, conduct, policy, event, or transaction that occurred on or before the date of this General Release. I expressly acknowledge that, except for claims under the Workers' Compensation Act and the unemployment insurance law, this General Release includes, but is not limited to, any claims arising out of or related to my employment with the Company and my separation therefrom. I also release and waive any and all claims arising under any express or implied contract, law (federal, state or local), rule, regulation, or ordinance, including, but not limited to, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, the Civil Rights Act of 1991, Executive Order 11246, 42 U.S.C. Section 1981, the Americans with Disabilities Act, the Rehabilitation Act of 1973, the Family and Medical Leave Act, the Pregnancy Discrimination Act of 1978, the Equal Pay Act, the Fair Labor Standards Act, the Worker Adjustment and Retraining Notification Act of 1988, the Occupational Health and Safety Act, the Employee Retirement Income Security Act of 1974, the Age Discrimination in Employment Act of 1967, as amended ("ADEA"), the Older Workers Benefit Protection Act of 1990, as amended ("OWBPA") (except a claim relating to whether this release or waiver is valid under the ADEA and except for any claims under the ADEA that may arise after the date this General Release is executed by me) and all related and/or comparable state and local laws (all as amended from time to time).
2. In the event that I decide in the future to commence, or attempt to commence, any action or litigation against the Company, except as it relates to the enforcement of any rights I may have under this General Release, or any action challenging the legal sufficiency of this General Release under the OWBPA or ADEA, or in connection with any charge filed with, or investigation by, the Equal Employment Opportunity Commission ("EEOC"), this will constitute a breach of this General Release, and I will be obligated to repay the Company all amounts paid to me, or expended by the Company on my behalf, under the Plan. In that event, the General Release granted by me shall nonetheless remain in effect, unless otherwise modified by a court of competent jurisdiction.

3. I acknowledge that with this document I have been advised in writing to consult with an attorney prior to executing this waiver of ADEA claims and that I have been given _____ days [*at least 21 days if individual is age 40 or older, and at least 45 days if individual is age 40 or older and the termination is part of a group termination*] in which to consider entering into the waiver of the ADEA claims, if any. If I decide to sign before the expiration of ___ days, I acknowledge that I am doing so knowingly and voluntarily. In addition, I acknowledge that I have been informed that I may revoke a signed waiver of the ADEA claims for up to 7 days after executing this General Release and that to be effective, my revocation must be in writing, signed, dated and delivered to _____ at the Company no later than 7 days from the date on which I sign this General Release. If the 7th day falls on a weekend or holiday, my revocation must be delivered the next business day.
4. I acknowledge that I am aware that I may hereafter discover claims or facts in addition to, or different from, those which I now know or believe to exist with respect to the subject matter covered by this agreement and which, if known or suspected at the time of executing this agreement, may have materially affected this agreement or my decision to enter into it. Nevertheless, I hereby waive any rights, claims or causes of action that might arise as a result of such different or additional claims or facts.
5. I acknowledge that the Company expressly denies liability of any kind to me, and nothing contained in this agreement will be construed as an admission of any liability.
6. I understand that my receipt and retention of the separation benefits covered by the Plan are contingent not only on my execution of this General Release, but also on my continued compliance with my other obligations under the Plan, including certain post-employment restrictive covenants.
7. On my last day of employment, I will deliver to a Company representative, at a location to be determined, all Company property which I have in my possession, including all equipment and accessories, office equipment, account lists or client contact lists, credit cards, keys, access cards, and documents, including copies of documents.
8. I acknowledge that the Plan and this General Release set forth the entire agreement between me and the Company and supersedes all prior and contemporaneous oral and written agreements and discussions. After, I execute this General Release, it may be amended only by an agreement in writing signed by a duly authorized representative of the Company and by me.
9. By executing this General Release, I acknowledge that I have carefully reviewed all of the provisions of this General Release and all the provisions of the Plan as described in the Summary Plan Description, have not relied on any representation or statement, oral or written, by the Company or any of its representatives, which is not set forth in those documents, and have had the opportunity to receive independent legal advice with respect to executing this General Release.

I understand, acknowledge and agree to the terms and conditions, including the releases and waivers, set forth in this General Release.

Date

Print Name

Signature

McCORMICK & COMPANY, INCORPORATED
2013 OMNIBUS INCENTIVE PLAN
TERMS OF NON-QUALIFIED STOCK OPTION AWARD AGREEMENT

The following terms and conditions apply to non-qualified stock options granted under the 2013 Omnibus Incentive Plan by McCORMICK & COMPANY, INCORPORATED, a Maryland corporation, with its principal offices in Baltimore County, Maryland (hereinafter called the “**Company**”).

RECITALS

WHEREAS, the Board of Directors of the Company (the “**Board**”) believes that the interests of the Company and its stockholders will be advanced and the Company’s overall managerial strength will be enhanced by encouraging its officers and other key employees to become owners of common stock of the Company (“**Stock**”); and

WHEREAS, the Board approved and adopted the Company’s 2013 Omnibus Incentive Plan (the “**Plan**”) on November 27, 2012, effective December 1, 2012, subject to the approval of the Company’s stockholders; and

WHEREAS, the Company’s stockholders approved the Plan on April 3, 2013; and

WHEREAS, one of the purposes of the Plan is to provide an inducement to certain officers and other key employees of the Company and its affiliates to acquire shares of Stock; and

WHEREAS, the Board has authorized and approved the grant of an option to the employee or officer, as applicable (an “**Optionholder**”), pursuant to the Plan and the Award (defined below); and

WHEREAS, this Award, the options, and any options previously granted to the Optionholder (whether exercised or unexercised, and whether vested or unvested) are conditioned on and subject to the terms of this Award Agreement and the Plan, which constitutes an amendment to any option award agreements previously granted to the Optionholder;

NOW THEREFORE, in consideration of the foregoing and of the covenants and agreements set forth below, the terms of the Award and this Award Agreement consist of the following:

1. **Grant of Options.** Details of the Optionholder’s non-qualified stock option, including the grant date, number of shares, award price, and vesting schedule, are described on the screen captioned “Grants & Awards” in the Computershare website (the “**Screen**”). On the grant date specified on the Screen, the Company granted a non-qualified stock option to the Optionholder to purchase the number of shares of the Company’s Stock identified as “**Options Granted**” at the price per share specified under award price (the “**Award**”). In order to exercise the option, the Optionholder may (i) make a cash payment, (ii) surrender shares of Stock owned by the Optionholder and having a market value equal to the award price and related taxes for the number of shares to be purchased pursuant to the exercise of all or part of this option, or (iii) authorize the Company to withhold a sufficient number of option shares, based on the market value of such shares on the date of exercise, to pay the award price and related taxes and to issue the remaining number

of option shares to the Optionholder (“net withholding exercise”). The option granted hereunder shall be exercisable, except as otherwise provided herein, in accordance with the vesting schedule until the option expires on the date provided on the Screen (the “**Expiration Date**”).

2. **Restrictions on Transfer of Options.**

(a) Except as hereinafter provided, this option is not transferable by the Optionholder and is exercisable during the Optionholder’s lifetime only by the Optionholder. This option may be transferred by the Optionholder pursuant to a will or as otherwise permitted by the laws of descent and distribution. In addition, the Optionholder may transfer all or any part of the option, “not for value” (as such phrase is defined in the Plan), to any Family Member (as such term is defined in the Plan).

(b) Except as otherwise herein provided, the option herein granted and the rights and privileges conferred hereby shall not be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment, or similar process. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of said option or of any right or privilege conferred hereby contrary to the provisions hereof or upon the levy of any attachment or similar process upon the rights and privileges conferred hereby, this option and the rights and privileges conferred hereby shall immediately become null and void.

3. **Vesting of Options.**

(a) Subject to the provisions of Sections 3(b) and 3(c) below, all rights to exercise this option shall terminate thirty (30) days after the Optionholder ceases to be an employee of the Company or of a subsidiary or affiliate of the Company.

(b) If the Optionholder ceases to be an employee on account of total and permanent disability, death, or retirement, any outstanding options shall immediately become vested and the Optionholder (or in the event of the Optionholder’s death, the Optionholder’s personal representative) may exercise this option, in full or in part, until the earlier of the Expiration Date or the fifth anniversary of the date the Optionholder ceases to be an employee, regardless of the restrictions that might otherwise apply with respect to the Options Granted.

(c) If the Optionholder has a Qualifying Termination (as such term is defined in the McCormick & Company Incorporated Severance Plan for Executives (the “**Severance Plan**”)), any outstanding Options Granted and outstanding options previously granted (the “**Outstanding Options**”) that would have vested, in accordance with the applicable vesting schedule, during the 12-month (or 18-month if the Optionholder is the CEO) period following such Qualifying Termination, shall immediately vest and the Optionholder may exercise such options, in full or in part, until the earlier of the Expiration Date or the fifth anniversary of the date the Optionholder ceases to be an employee, regardless of the restrictions that might otherwise apply with respect to such options. If the Optionholder’s Qualifying Termination subsequently becomes a Change in Control Termination (as such term is defined in the Severance Plan), the provisions of Section 4, below, shall be immediately applied to any Outstanding Options that were unvested after application of this subsection (c).

For purposes of this Award Agreement, the Optionholder shall be considered “totally and permanently disabled” if (i) the Optionholder is unable, as a result of demonstrable illness (including mental illness), injury or disease, to engage in any occupation or perform any work for remuneration or profit for which the Optionholder is reasonably qualified and (ii) the illness, injury or disease is expected to be permanent.

For purposes of this Award Agreement, “retirement” means termination of employment at or after age 55.

In no event may this option or the Outstanding Options be exercised after the Expiration Date.

(d) An exercise of this option with respect to a part of the shares to which it relates shall not preclude a subsequent exercise as to any remaining part on or before the Expiration Date.

4. Change in Control. Notwithstanding any provision of this Award Agreement to the contrary, if the Optionholder has a Change in Control Termination (as such term is defined in the Severance Plan), (a) any “in-the-money” Outstanding Options held by the Optionholder immediately before such Change in Control Termination (other than options granted after the Change in Control (as such term is defined in the Plan)) shall, to the extent outstanding at the time of the Change in Control Termination, immediately become 100% vested; and (b) any Outstanding Options held by the Optionholder immediately before such Change in Control Termination that are not in-the-money will be canceled immediately. Unless otherwise provided in the terms of a merger, sale, or other such agreement, as promptly as administratively possible after the closing, the surviving corporation shall pay to the Optionholder for each “in-the money” Outstanding Options the amount by which the per share merger price exceeds the per share exercise price of the option, subject to any applicable withholding taxes.

Pursuant to Article VII (“Change in Control; Acquisitions”) of the Plan as amended March 25, 2015, this Award Agreement provides for the treatment of the Outstanding Options following a Change in Control. Consequently, the terms of Article VII.A. of the Plan that would vest the Outstanding Options in connection with a Change in Control shall not apply to the Outstanding Options, and, following a Change in Control, the Outstanding Options shall vest only as provided in Section 3 or 4 of this Award Agreement.

In addition, the Committee (as such term is defined in the Plan) may take any other action it deems appropriate to ensure the equitable treatment of participants in the event of, or in anticipation of a Change in Control, including but not limited to any one or more of the following: (i) provision for the settlement of this option in exchange for its equivalent cash value, as determined by the Committee, as of the date of the Change in Control; or (ii) such other modification or adjustment to the option as the Committee deems appropriate to maintain and protect the rights and interests of the Optionholder upon or following the Change in Control; provided that the Committee shall not take any action that would cause this option to be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”). The Committee also may accord any Optionholder a right to refuse any acceleration of exercisability, vesting or benefits, in such circumstances as the Committee may approve.

For purposes of this Award Agreement, “in-the-money” means that the per share fair market value of a share of the Company’s common stock (either voting or non-voting, as applicable) immediately before the Change in Control Termination exceeds the exercise price per share of the applicable option.

5. Issuance of Common Stock. The Company shall not be required to issue or deliver any certificate or certificates for shares of its capital stock purchased upon the exercise of the option herein granted unless and until the offering and sale of the shares represented thereby may legally be made under the Securities Act of 1933, as amended, and the applicable rules and regulations of the U.S. Securities and Exchange Commission.

6. Dividend, Voting and Other Rights. The Optionholder shall not have any of the rights or privileges of a stockholder of the Company in respect of any of the shares issuable upon the exercise of the option herein granted unless and until such shares have been issued and delivered.

7. Investment Purpose. The Company may require the Optionholder to agree that any shares of capital stock purchased upon the exercise of this option shall be acquired for investment and not for distribution and that each notice of the exercise of any portion of this option shall be accompanied by a written representation that the shares of capital stock are being acquired in good faith for investment and not for distribution.

8. Forfeiture of Outstanding Options and Gain on Any Option. The Optionholder shall be required to forfeit to the Company (a) any unexercised Outstanding Options (whether or not vested) and (b) any gain realized on account of this option and all exercised options previously granted to the Optionholder if the Optionholder takes any action in violation or breach of, or in conflict with this Award Agreement (including the Stock Option Covenants Addendum attached hereto), any employment agreement, non-competition agreement, any agreement prohibiting solicitation of employees or clients of the Company or any of its affiliates, or any confidentiality obligation with respect to the Company or any of its affiliates or otherwise in competition with the Company or any of its affiliates. The Company shall annul this Award if the Optionholder is an employee of the Company or any of its affiliates and is terminated for “cause,” as such term is defined in the Plan or otherwise as required under the Plan.

9. Successor. This Award shall be binding upon and inure to the benefit of any successor or successors of the Company.

10. Compliance with Law. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws. Notwithstanding any other provision of this Award Agreement, the Company shall not be obligated to issue any shares of Stock pursuant to this Award Agreement if the issuance thereof would result in a violation of any law.

11. Withholding. The Company (and/or the Optionholder’s local employer) shall, in its discretion, have the right to deduct or withhold from payments of any kind otherwise due to the Optionholder, or require the Optionholder to remit to the Company (and to his or her local employer), an amount sufficient to satisfy taxes imposed under the laws of any country, state, province, city or other jurisdiction, including but not limited to income taxes, capital gain taxes, transfer taxes, and social security contributions that are required by law to be withheld with respect to the Plan, grant or exercise of stock options, payment of shares or cash under this Award Agreement, the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable. A sufficient number of the shares resulting from the exercise of this option may be retained by the Company to satisfy any tax withholding obligation.

12. No Right to Continued Employment. Neither the Plan, the grant of stock options, payment of shares or cash under this Award Agreement, the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable, gives the Optionholder any right to continue to be employed by the Company (or the Optionholder’s local employer), or limits, in any way, the right of the Company (or the Optionholder’s local employer) to change the Optionholder’s compensation or other benefits or to terminate the Optionholder’s employment at any time for any reason not specifically prohibited by law.

13. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means or request the Optionholder’s consent to participate in the Plan by electronic means. The Optionholder hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

14. Governing Law and Venue. All disputes arising under or growing out of the option or the provisions of this Award Agreement shall be governed by and construed in accordance with the laws of the

State of Maryland, United States of America, as provided in the Plan, without regard to such state's conflict of laws rules. If any dispute arises directly or indirectly from the relationship of the parties evidenced by this Award and this Award Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Maryland and agree that such litigation shall be conducted only in the courts of Baltimore County, Maryland, and no other courts, where the grant of this option is made and/or to be performed.

15. Severability. The provisions of this Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

16. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Optionholder's participation in the Plan, on the option and on any shares of Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable to comply with local law or facilitate the administration of the Plan, and to require the Optionholder to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

17. Relation to Plan. This Award Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency or conflict between this Award Agreement and the Plan, the Plan shall govern. The Plan and this Award Agreement shall be administered by the Committee in accordance with the provisions of Article II of the Plan. Except as expressly provided in this Award Agreement, capitalized terms used herein shall have the meanings ascribed to them in the Plan or on the Screen.

18. Acceptance of Award. In consideration for the Options granted herein and by accepting this Award Agreement, the Optionholder agrees and acknowledges that:

(a) Section 8 of this Award Agreement ("Forfeiture of Gain") amends the terms otherwise applicable to the Outstanding Options and any other options previously granted to the Optionholder so that all unexercised options previously granted to the Optionholder and all options granted under this Award Agreement are subject to Section 8. The Company would not have made this Award to the Optionholder if this Award did not amend the terms of such other option awards.

(b) All unexercised options previously granted to the Optionholder and all options granted under this Award Agreement are subject to the Stock Option Covenants Addendum attached hereto, the terms of which are fully incorporated herein.

(c) The grant of this option and any future options under the Plan is entirely voluntary, and at the complete discretion of the Company. Neither the grant of this option, nor any future grant of an option by the Company, shall be deemed to create any obligation to grant any other options, whether or not such a reservation is explicitly stated at the time of any such grant. The Board has the right, at any time, to amend, suspend, discontinue or terminate the Plan; provided, however, that no such action by the Board shall adversely affect the Optionholder's rights hereunder without the consent in writing of the Optionholder or a beneficiary who has become entitled to the option.

(d) The Plan shall not be deemed to constitute, and shall not be construed by the Optionholder to constitute part of the terms and conditions of employment. Neither the Company, the Optionholder's local employer, nor any member of the Board or of the Committee shall have any liability of any kind to the Optionholder for any action taken or not taken in good faith under the Plan; for any change, amendment, or cancellation of the Plan or this option; or for the failure of the option to realize intended tax consequences or to comply with any other law, compliance with which is not required on the part of the Company.

(e) The Optionholder has reviewed the Plan, this Award Agreement, and the Screen in their entirety, has had an opportunity to obtain the advice of counsel prior to accepting this Award Agreement, and fully understands all provisions of the Plan, this Award Agreement, and the Screen.

(f) By accepting this Award, the Optionholder consents to the amendments to the Outstanding Options and any other options previously granted to the Optionholder.

Stock Option Covenants Addendum

In consideration for the benefits made available under the Plan, the Optionholder agrees to the covenants set forth in this Stock Option Covenants Addendum (whether or not the Optionholder's options vest or the Optionholder exercises such vested options). The covenants in this Agreement do not supersede, restrict or otherwise limit the Optionholder's obligations under any other covenants applicable in connection with the Optionholder's employment with or service to the Company.

1. Confidentiality.

Any and all inventions and discoveries that the Optionholder makes while he is in the employ of the Company relating directly or indirectly to or useful in any activity or enterprise of the Company shall belong to the Company, whether discovered during or after regular working hours. The Optionholder will, upon request of the Company, make application for a patent on any such invention or discovery that he may make, and will, upon request of the Company, make and execute any and all assignments in writing which may be deemed by the Company as proper to assign and transfer to the Company all the right, title and interest of the Optionholder in and to any and all such patents or patent rights issued by the United States or any other country in which the Optionholder may have any interest during the term of his said employment. The Company will assume the expenses of preparing, applying for, and registering any such patents or assignments.

During the term of employment the Optionholder may have been exposed to confidential, proprietary information and trade secrets of the Company or its customers. The Optionholder understands that maintenance of the proprietary character of such information to the fullest extent possible is important to the Company. Accordingly for so long as any such confidential information and trade secrets may remain confidential, secret, or otherwise wholly or partially protected either during or after such employment, the Optionholder will not use or divulge such information except as specifically permitted by the Company.

2. Non-Competition and Non-Solicitation.

During the period of the Optionholder's employment with the Company, and the period continuing after the Optionholder's termination of employment (for any reason) for the Restrictive Period (as defined below) or, in the case of a Change in Control Termination (as such term is defined in the Severance Plan), the Restrictive CIC Period (not to exceed two (2) years), the Optionholder will not seek or accept employment, directly or indirectly, with any entity that directly competes with the Company, including its subsidiaries and affiliates, in its and their core product categories, in any capacity involving the performance of services like or related to the services that the Optionholder performed for the Company at any time during the past seven (7) years. In addition, the Optionholder will not solicit for the benefit of any competitor of the Company any entity or person who was or is a customer or employee of the Company as of the Optionholder's termination.

For purposes of this Stock Option Covenants Addendum, "Restrictive Period" and "Restrictive CIC Period" are specified in the following table:

	Chief Executive Officer	All Others
Restrictive Period	1-½ years	1 year
Restrictive CIC Period	2 years	2 years

3. Nondisparagement.

The Optionholder will not communicate, make or cause to be made, any derogatory, defamatory or disparaging remarks, statements or communications about the Company or any related or affiliated entities and persons, including the personal and/or business reputations, practices, products, services or conduct of the Company, or any related or affiliated entities and persons; this includes in-person communications, electronic communications, and communication via social media websites. Likewise, no officer or director of the Company will communicate any such information about the Optionholder.

4. Cooperation.

The Optionholder will answer any questions that may arise and make himself reasonably available to assist the Company in its transition following Optionholder's termination of employment and to cooperate with any other reasonable requests by the Company which may require his services after his termination of employment. For purposes of this Stock Option Covenants Addendum, the transition period shall be for the one (1) year period following the Optionholder's termination of employment. The Optionholder will not seek or be entitled to any additional compensation for such assistance or cooperation.

5. Company Property.

The Optionholder will promptly return to the Company all of its property, including all keys, phones, computers, mobile phones, credit cards, computer and other passwords, equipment and supplies, as well as all documents prepared by or for the Company, and not otherwise made available to the general public.

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)

I, Alan D. Wilson, certify that:

1. I have reviewed this report on Form 10-Q of McCormick & Company, Incorporated (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: March 31, 2015

/s/ Alan D. Wilson

Alan D. Wilson

Chairman & Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)

I, Gordon M. Stetz, Jr. certify that:

1. I have reviewed this report on Form 10-Q of McCormick & Company, Incorporated (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: March 31, 2015

/s/ Gordon M. Stetz, Jr.

Gordon M. Stetz, Jr.

Executive Vice President & Chief Financial Officer

EXHIBIT 32.1
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of McCormick & Company, Incorporated (the "Company") on Form 10-Q for the period ending February 28, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Alan D. Wilson, Chairman & Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Alan D. Wilson

Alan D. Wilson

Chairman & Chief Executive Officer

Date: March 31, 2015

EXHIBIT 32.2
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of McCormick & Company, Incorporated (the "Company") on Form 10-Q for the period ending February 28, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gordon M. Stetz, Jr., Executive Vice President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Gordon M. Stetz, Jr.

Gordon M. Stetz, Jr.

Executive Vice President & Chief Financial Officer

Date: March 31, 2015