













McCormick & Company, Inc. CAGNY Conference

February 20, 2019

FORWARD-LOOKING INFORMATION

Certain information contained in this presentation, including statements concerning expected performance such as those relating to net sales, earnings, cost savings, acquisitions, brand marketing support and income tax expense, are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). 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 the company, including the acquisition of RB Foods; the expected impact of costs and pricing actions on the company's results of operations and gross margins; the expected impact of productivity improvements, including those associated with our CCI program and global enablement ("GE") initiative; the expected working capital improvements; expectations regarding growth potential in various geographies and markets, including the impact from customer, channel, category, and e-commerce expansion; expected trends in net sales and earnings performance and other financial measures; the expected impact of Pub.L 115-97, "An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018" (the "U.S. Tax Act"); the expectations of pension and postretirement plan contributions and anticipated charges associated with those plans; the holding period and market risks associated with financial instruments; the impact of foreign exchange fluctuations; the adequacy of internally generated funds and existing sources of liquidity, such as the availability of bank financing, the anticipated sufficiency of future cash flows to enable the payments of interest and repayment of short- and long-term debt as well as quarterly dividends and the ability to issue additional debt or equity securities; and expectations regarding purchasing shares of McCormick's common stock under the existing repurch

These and other forward-looking statements are based on management's current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: damage to the company's reputation or brand name; loss of brand relevance; increased private label use; product quality, labeling, or safety concerns; negative publicity about our products; business interruptions due to natural disasters or unexpected events; actions by, and the financial condition of, competitors and customers; the company's inability to achieve expected and/or needed cost savings or margin improvements; negative employee relations; the lack of successful acquisition and integration of new businesses, including the acquisition of RB Foods; issues affecting the company's supply chain and raw materials, including fluctuations in the cost and availability of raw and packaging materials and freight; 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 effects of increased level of debt service following the RB Foods acquisition as well as the effects that such increased debt service may have on the company's ability to react to certain economic and industry conditions and ability to borrow or the cost of any such additional borrowing; the interpretations and assumptions we have made, and guidance that may be issued, regarding the U.S. Tax Act; assumptions we have made regarding 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 the company's information technology systems, including the threat of data breaches and cyber-attacks; fundamental changes in tax laws; volatility in our effective tax rate; climate change; infringement of intellectual p

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



NON-GAAP FINANCIAL MEASURES

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

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

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



MCCORMICK & COMPANY

OUR FOCUS IS GROWTH

We're a different kind of CPG company

We're delivering against our objectives

We're building the McCormick of the future



OUR FOCUS IS GROWTH

BUILDING THE McCORMICK OF THE FUTURE

We're investing for the future













We're sustainably advantaged for growth







McCORMICK IS GLOBAL FLAVOR

61% Consumer /

39% Flavor Solutions

16,300 products

\$5.4B 2018 Net Sales

Leading and iconic flavor brands in 150 countries and territories

Leader in **clean** flavor



69% Americas /

19% EMEA/

12% APZ

~5% of adjusted net income from joint ventures

Large and fast growing emerging markets penetration

Operations and joint ventures in 27 countries

~14,000 raw materials sourced from over 80 countries

McCORMICK CONSUMER SEGMENT

Leading and iconic flavor brands in 150 countries and territories

\$3.3B 2018 Net Sales

Flavoring Fresh, Inspiring Healthy Choices





















































Products at every price point, from Branded to Private Label

Category leadership

Digital leadership

10% of a meal's cost, yet 90% of the flavor

McCORMICK FLAVOR SOLUTIONS SEGMENT

Leader in Clean label, Organic, Natural extracts and better-for-you solutions

\$2.1B 2018 Net Sales

Culinary, real food, leadership

























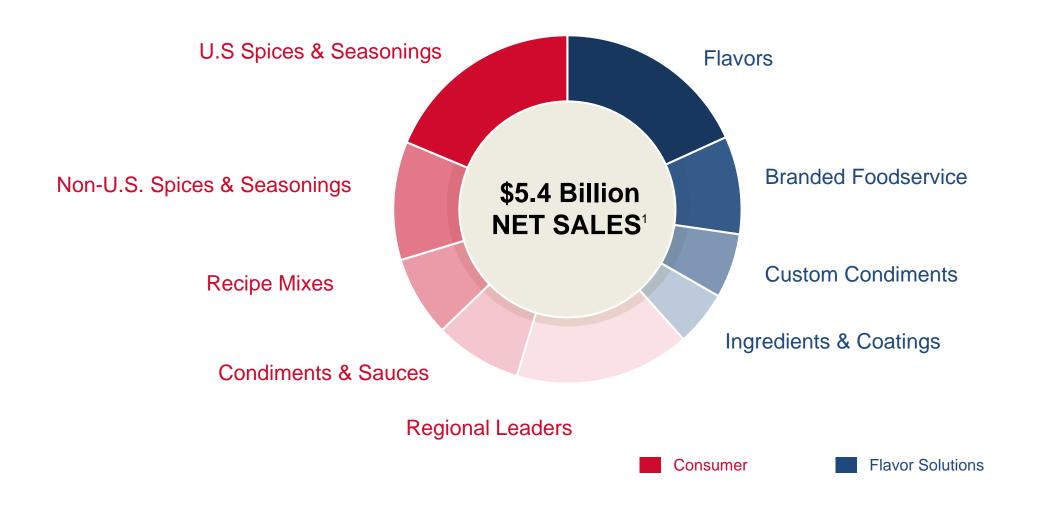


Partner with Top 10 packaged food & beverage companies and Top 10 foodservice restaurant chains

Customer intimacy leadership

Innovation with deep inmarket consumer & trend insight Materials & application science, quality & regulatory leadership

BROAD AND ADVANTAGED GLOBAL FLAVOR PORTFOLIO





NO MATTER WHERE YOU EAT OR DRINK, YOU'RE LIKELY ENJOYING SOMETHING FLAVORED BY McCORMICK...



ACROSS EVERY CHANNEL

Consumer Segment

Traditional Grocery
Supercenter and Club
Hard Discounters
Specialty and Ethnic
E-commerce
Convenience

Flavor Solutions Segment

Manufacturers
Quick Service Restaurants
Casual Dining Restaurants
Retail Foodservice
Broadline & Regional
Distributors
Cash & Carry
E-commerce

STRONG PRESENCE IN DEVELOPING MARKETS

20% of global sales1



NO MATTER WHAT OR WHEN YOU EAT OR DRINK, YOU'RE LIKELY ENJOYING SOMETHING FLAVORED BY McCORMICK...





24/7 IN- AND AWAY-FROM-HOME Breakfast Lunch Dinner Snacks Beverage



FLAVOR IS AN ADVANTAGED GLOBAL CATEGORY

GLOBAL DEMAND FOR FLAVOR CONTINUING TO GROW

5% 5-year CAGR



79% of U.S. consumers add flavorful ingredients and spices¹



81% of French consumers are interested in trying new food or flavors²



71% of Australian consumers love trying new spices, seasonings and flavors³



>60% of U.K. consumers like trying new recipes and ingredients⁴



Use of spicy condiments is on the rise in Europe. In the U.S. use is at 54% vs 46% in 20121



U.S. consumer sauce use has doubled in past 6 years¹

GEN Z IS HYPER FOCUSED ON FLAVOR

The most ethnically diverse generation in history¹

85 MILLION STRONG

largest U.S. segment²

\$500B in buying

Nostalgic for brands and flavors with heritage4













Seek function. authenticity, flavor and excitement from food⁵

Global flavor palate4

Like bold flavor4

Ethics-driven food choices4

Digital natives Phone eats first4



2) Source: Nielsen Total Audience Report, 2017

3) Source: is Package Facts, 7/5/18

⁴⁾ McCormick proprietary learnings: Consumer Eyes Gen Z Immersion Experience, November 2018





WE'RE BUILDING THE MCCORMICK OF THE FUTURE

DRIVEN TO INNOVATE

SCALEABLE, AGILE, RELEVANT, FOCUSED

GLOBALLY-OPTIMIZED



SUSTAINABLY-DRIVEN



TECHNOLOGY-ENABLED



SCIENCE-EMPOWERED



INSIGHT-DRIVEN



FORWARD-FOCUSED







WE'RE DELIVERING AGAINST OBJECTIVES

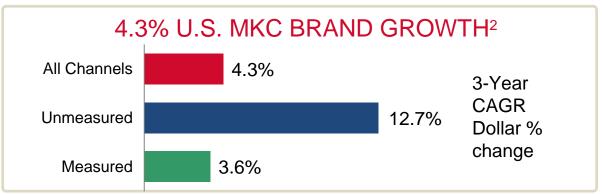
STRENGTHENING OUR LEADERSHIP IN SPICES & SEASONINGS





DRIVING GLOBAL LEADERSHIP

- ✓ Strong brand equity
- ✓ New product and packaging innovation
- Category management



WE'RE DELIVERING AGAINST OBJECTIVES

STRENGTHENING OUR LEADERSHIP IN RECIPE MIXES

GROWING BRANDED CONSUMPTION IN KEY MARKETS¹

#1 U.S.

#1 Canada

#2 U.K.

#1 China



biologique





+3.3%

+0.7%

+3.6%

+4.9%

DRIVING GLOBAL LEADERSHIP ✓ Strong brand equity

✓ Category management

New products

STRENGTHENING PERFORMANCE ACROSS CONDIMENTS & SAUCES

U.S. GRILLING SUCCESS



+4% 2018 U.S. grilling growth

2018 Dollar Growth Growing Barbeque Share¹ -2% Stubbs **BBQ Category**

STRONG CHINA MOMENTUM



#2 Ketchup market leader and gaining share +0.8 ppt²

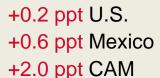
Driving double digit World Flavor Sauce growth and expanding with new flavors



WINNING WITH HISPANIC CONSUMERS



Mayonnaise Share Gains³







Exciting new Innovation Guacamole Mayonnaise

²⁾ Source: Kantar data Nov 2017 – Nov 2018 3) Source: Syndicated data July 2018 – Dec 2018

WE'RE DELIVERING AGAINST OUR OBJECTIVES

ACCELERATING CONDIMENTS AND SAUCES LEADERSHIP WITH FRANK'S GLOBAL GROWTH

STRONG TOTAL BRAND GROWTH

U.S. +5%¹

Canada +5%¹

U.K. +16%¹

Double Digit Other International Market Growth²







CENTRALIZED FRANK'S GLOBAL TV AND CONTENT CREATIVE



U.S., Canada, and Australia Commercial







CHINA LAUNCH





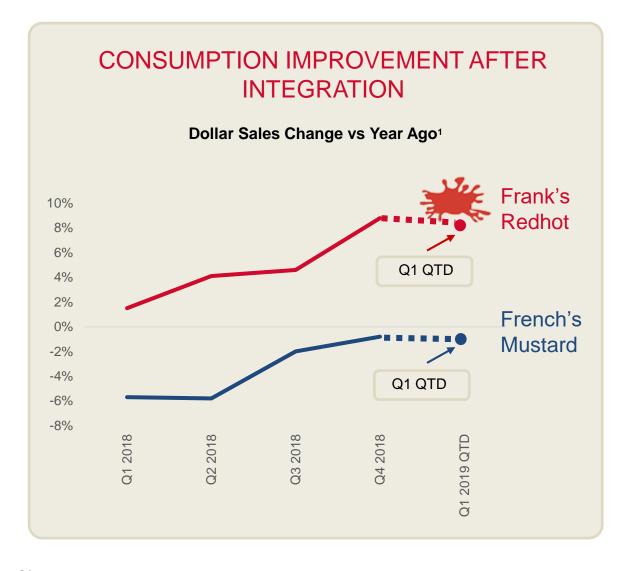
Food Service

Retail



WE'RE DELIVERING AGAINST OBJETIVES

ACCELERATING FRANK'S AND FRENCH'S U.S. CONSUMPTION



DRIVING FRANK'S AND FRENCH'S **MOMENTUM**



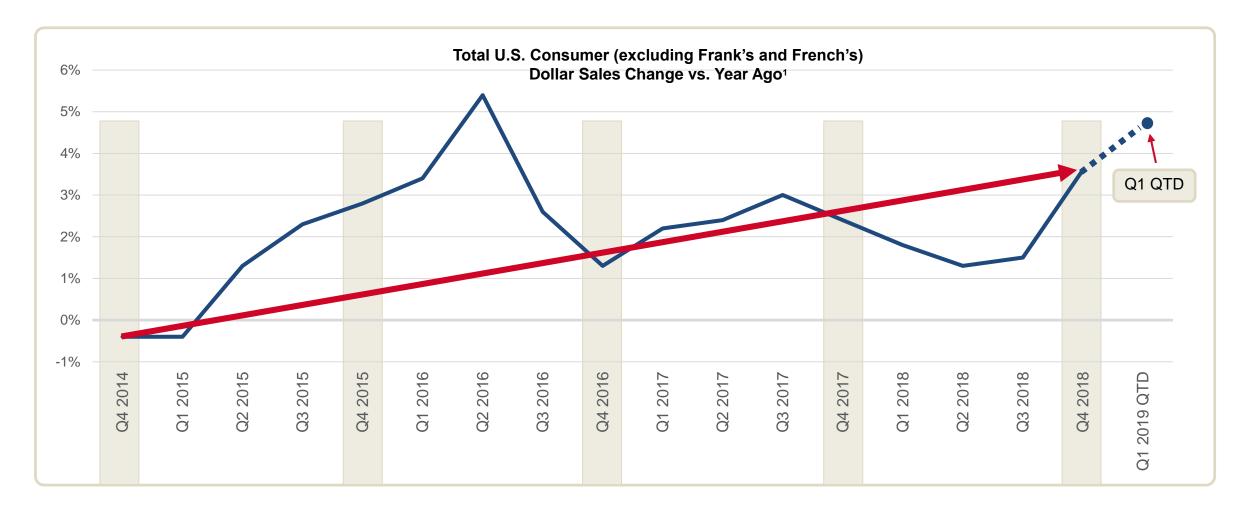
- Strengthening distribution
- Category management
- Brand equity investments
- Innovation



WE'RE DELIVERING AGAINST OBJETIVES

GROWING TOTAL U.S. McCORMICK BRANDED CONSUMER CONSUMPTION

16 QUARTERS OF MEASURED CONSUMPTION GROWTH





DELIVERING ON CONSUMER DEMAND FOR HEALTH AND TRANSPARENCY

SUCCESSFULLY GROWING ORGANIC RANGE 2018 New Products



U.S.



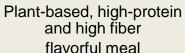




U.K. France Australia

EXPANDING TRANSPARENCY & HEALTHY MEALS 2019 New Products







New simple and clean formulations



RENOVATING BRANDS TO STRENGTHEN CONSUMER RELEVANCE

BUILDING UPON STRONG RESULTS

2018 New Products



First Choice

- ✓ Driving category growth
- √ 7% reduction in carbon footprint

INTRODUCING NEW PREMIUM OFFERINGS, LEVERAGING REGIONAL PRIDE & RESTAGING CORE 2019 New Products



U.S. Gourmet Premium Salt & Pepper



"Grown in France"



China Core Packaging Redesign



INSPIRING FLAVOR EXPLORATION AND EXPERIMENTATION

EXPANDING ON-TREND FLAVORS & VARIETIES 2018 New Products



U.S Global Seasoning blends



Canada Recipe Mix Power Bowls



China World Flavor Sauces



U.K. Street Food Seasonings

ADVANCING GLOBAL FLAVOR DISCOVERY 2019 New Products



Co-branded offerings for extended reach



U.K. Millennialinspired seasoning blends



Canada new flavors and formats



Localized labels on exported American flavor



PROVIDING CONSUMERS WITH CONVENIENT SOLUTIONS

MAKING DINNERS EASY 2018 New Products



China Rice Cooker One Pot Seasoning



U.K. Tray Bakes



India Ready-to-Cook Basmati Kits

OFFERING CONVENIENCE WITH FLAVOR 2019 New Products



U.S. One Dishes



U.S. Grill Mates Marinade Mixes



U.S. Frank's Frozen Wings



U.S. French's Dipping Sauces



ARTIFICIAL INTELLIGENCE IN PRODUCT AND FLAVOR DEVELOPMENT

McCORMICK AND PARTNERSHIP PIONEERING ARTIFICIAL INTELLIGENCE FOR FLAVOR

EXTRACTING KEY INSIGHTS

Unparalleled repository of consumer preference data

Consumer Science and Flavor Palette Data

500+ million

data points and growing

Food Chemistry and Food Science Data

10+
million
data points

and growing

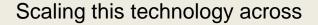




Launching new flavors created using artificial intelligence

"ONE"

in March 2019



20Labs

14 Countries

by late 2021

Will accelerate the speed of flavor innovation by up to for Consumer and Flavor Solutions businesses





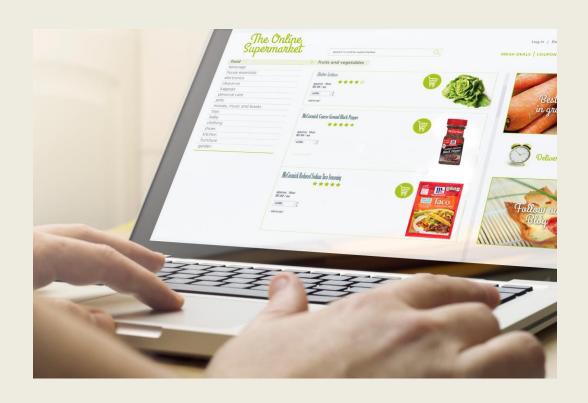
DRIVING GROWTH IN E-COMMERCE

ACHIEVING DOUBLE-DIGIT TOTAL E-COMMERCE GROWTH

Grew global E-commerce sales +41% 2018

E-commerce sales +61% in China, with new Tmall flagship store

+58% U.S. growth, with Bricks & Mortar (omni-channel) outpacing Pure Play





SUCCEEDING ACROSS E-COMMERCE LANDSCAPE

GROWING PURE-PLAY ACROSS ALL REGIONS

+31% global growth

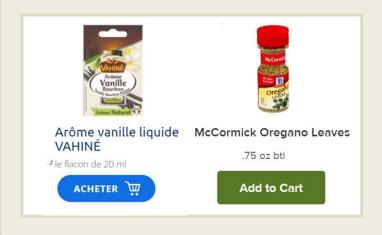
Enhanced content, paid media and improved search rank drove U.S. and India growth



GAINING MOMENTUM WITH OMNI-CHANNEL RETAILERS

2/3 of global E-commerce sales from Omni-Channel retailers

+94% U.S. growth with omnichannel E-Commerce retailers



DRIVING TOP DIGITAL MARKETING PERFORMANCE

Top 3 digital ranking across U.S. food brands



BUILDING DIRECT RELATIONSHIPS WITH CONSUMERS

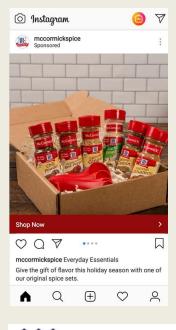
DELIVERING FULL BRAND EXPERIENCE VIA TMALL



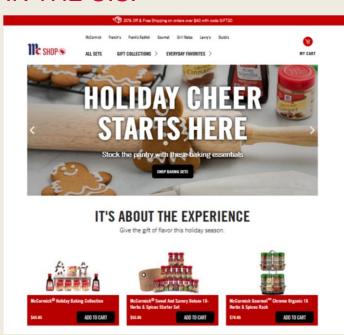
- Ranked in top 10% of all Tmall brand stores
- 'Singles Day' sales beat competitors by 2.5x
- Buyers from >300 cities in China



LAUNCHED ONLINE McCORMICK SHOP IN THE U.S.









LAUNCHING INNOVATION DESIGNED FOR E-COMMERCE

Dedicated U.S. NPD pipeline to propel 3-year net sales growth

250+ new variety/right sized packs launched in 2018 in U.S.

Leveraging Tmall to pilot innovation launches in China





LAUNCHING A GLOBAL PARTNERSHIP WITH TASTY

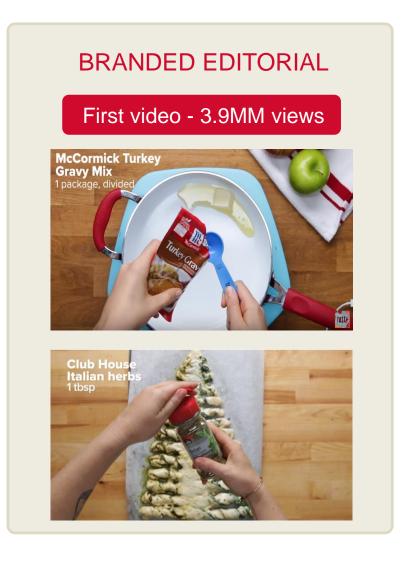
#1 DIGITAL FOOD NETWORK

- 76% reach of Facebook subscribers monthly
- 2.1 Billion video views/month
- 55% of audience under 35



the official spice of





CO-BRANDED ONLINE AND RETAIL RANGES





- Retail and Direct-to-Consumer product range
- MKC quality and expertise combined with Tasty reach



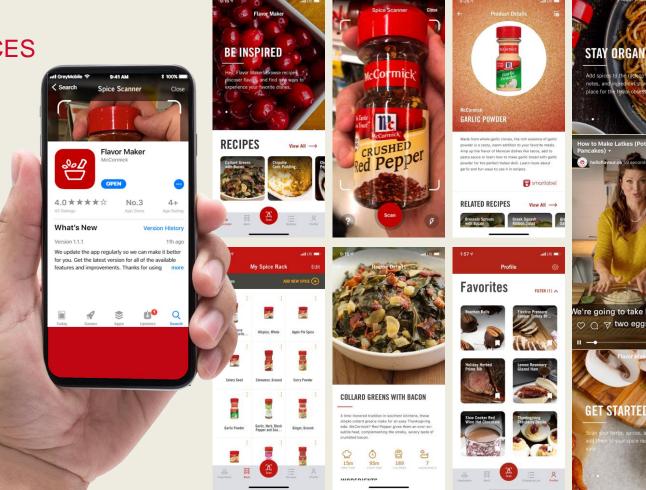
LAUNCHING 'FLAVOR MAKER' MOBILE APP

CONTENT POWERED EXPERIENCES

AND DIGITAL INNOVATION

 Meeting consumers in new ways, wherever they are: in their home, online or in store

Launching 1st Half 2019







WE'RE SUSTAINABLY ADVANTAGED FOR GROWTH

CULINARY IS OUR FOUNDATION FOR FLAVOR CREATION

REAL FOOD, REAL BEVERAGE: REAL FLAVOR INNOVATION

Global network of almost 500 culinary, food scientist and flavor experts

20 state-of-the-art Technical Innovation Centers

Global Chef's Culinary Council



McCormick® Flavor Forecast® for almost 20 years









BROAD PORTFOLIO OF NATURAL FLAVOR SOLUTIONS

ENABLED BY LEADING NATURAL SCIENCE AND TECHNOLOGY PROGRAMS

NATURAL FLAVORS



Savory, fruit, sweet brown and citrus

COMPLEX FLAVOR MIXTURES



Complex, dry blends that are sweet or savory flavor systems

NATURAL EXTRACTS



Vanilla and a variety of spice and herb extracts

CULINARY SYSTEMS



Chicken, beef, seafood & vegetable broths, stocks and concentrates

SPICES & HERBS



Naturally treated and dehydrated whole & ground spices & herbs









WE'RE SUSTAINABLY ADVANTAGED FOR GROWTH

FLAVOR REAL: CREATING CLEAN FLAVORS THAT ARE A STEP BEYOND NATURAL

LEVERAGING OUR HERITAGE IN CULINARY + NATURAL FOR ON-TREND INNOVATION





Setting the benchmark for development of on-trend organic, non-GMO and better-for-you products

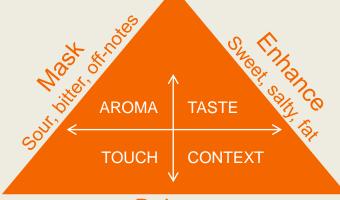


WE'RE SUSTAINABLY ADVANTAGED FOR GROWTH

FLAVOR FULL: THE FUSION OF ART AND SCIENCE TO DELIVER PREFERRED FLAVOR EXPERIENCES

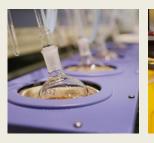
Full suite of advanced flavor modulation technologies provide unique sensory experience across categories and forms





Balance
Flavor, taste experience

> 25% of 2018 Flavor products sales leveraged this advanced flavor technology













Meet "low" and "no" challenges without sacrificing iconic flavor



FLAVOR DELIVERY TECHNOLOGIES FOR OPTIMAL TASTE EXPERIENCE



Controlled release encapsulation preserves flavor during intense manufacturing and delivers flavor *where, when and how* its needed





Flexible natural replacements for ground spices and herbs for increased concentration and solubility







Bakery & Bars

Beverages

Snacks



WINNING WITH BOTH OUR GLOBAL AND MID-TIER CUSTOMERS

LEADERSHIP IN CUSTOMER INTIMACY

Customer partnerships driving growth across broad portfolio











+5% 3-year sales CAGR global strategic customers¹

+15% 3-year sales CAGR mid-tier customers¹

+26% 3-year CAGR global customer visits





+80% 2018 global win rate with strategic partners



DRIVING TOP LINE GROWTH AND EXPANDING MARGIN

SALES GROWTH

3-YEAR SALES CAGR¹

Net sales +10%

Targeting Attractive Categories and Regions



+42% Beverage flavor

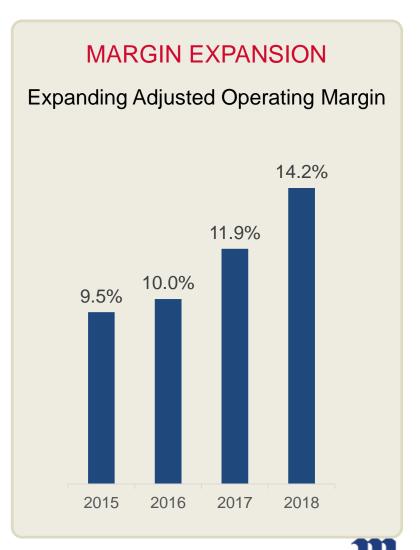
+21% USDA Savory

+9% Asia

+54% Latin America









WE'RE SUSTAINABLY ADVANTAGED FOR GROWTH

DRIVING GLOBAL SCALE IN MARKETING EXCELLENCE

SCALING CAPABILITIES ACROSS SEGMENTS, BRANDS, COUNTRIES AND CHANNELS



MARKETING EXCELLENCE WITH GLOBAL SCOPE

-

- ✓ Launched in North America for both Consumer and Flavor Solutions in 2018
- ✓ Launched globally for Frank's in 2018
- Expanding further in 2019

ACCELERATING GROWTH BY LEVERAGING RESOURCES

- Enterprise wide planning and execution delivers creative:
 - √ Faster
 - ✓ More effectively
 - ✓ More efficiently



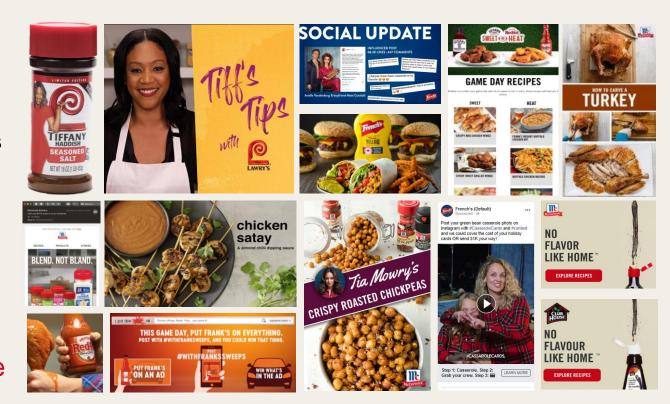
INCREASING AGILITY & MARKETING EFFECTIVENESS ACROSS NORTH AMERICA

SPEED

- ✓ Increased social media response time
- ✓ Faster transfer of innovation between markets
- ✓ Accelerated content to food service channels

EFFICIENCY

- ✓ Double digit media effectiveness
- ✓ ~60% more content with 70% created in-house
- ✓ ~50% more graphics at ~15% less cost



ONE GLOBAL DIGITAL ASSET MANAGEMENT SYSTEM

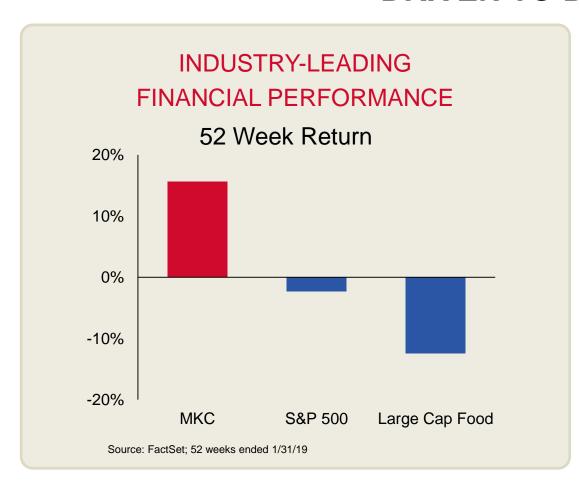






PURPOSE-LED PERFORMANCE

DRIVEN TO DO WHAT'S RIGHT



and

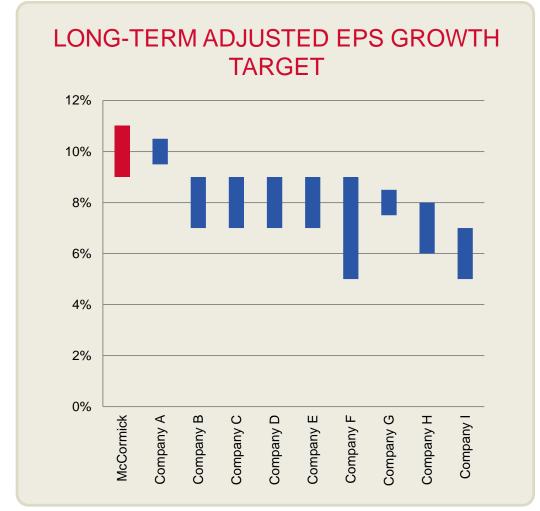
MAKE EVERY DAY BETTER FOR PEOPLE, OUR COMMUNITIES AND PLANET Most Sustainable Corporations in the World BARRON'S 100 Most Sustainable Companies



WE'RE A DIFFERENT KIND OF CPG COMPANY

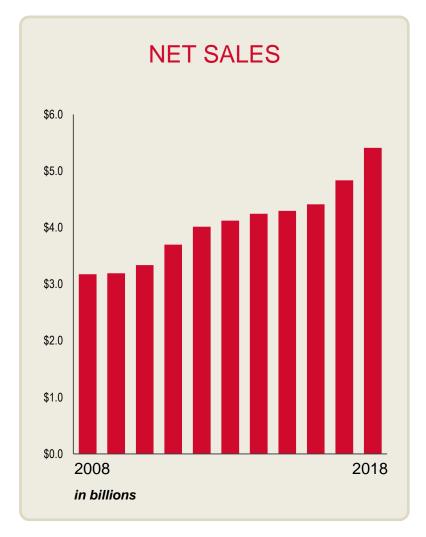
DIFFERENTIATED TOP-TIER GROWTH OBJECTIVES

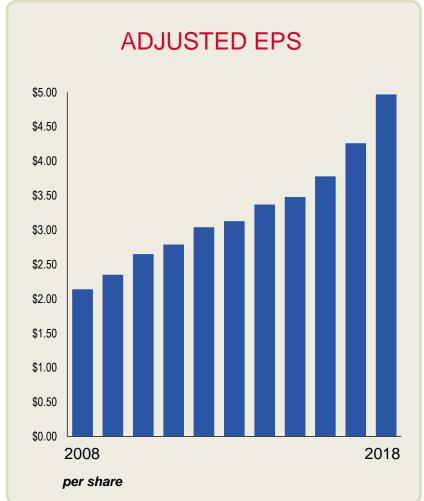


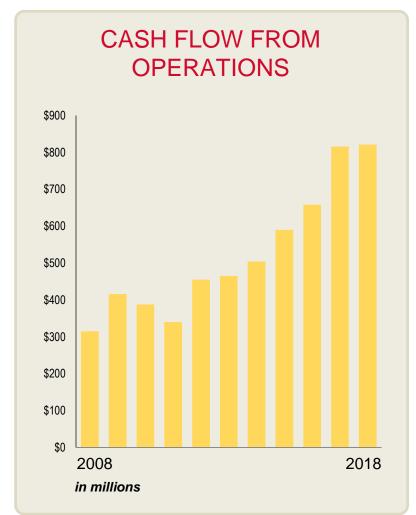




ACHIEVING TOP-TIER BUSINESS PERFORMANCE









DELIVERING AGAINST THE FRANK'S AND FRENCH'S PLAN



- Leading position in U.S. condiments
- Expanded distribution and accelerated innovation
- Meaningful margin enhancement
- Combination of portfolios driving significant shareholder value





Synergies and one-time costs

- 2018 synergies finished ahead; all synergies expected to be fully realized by 2020
- Transaction and integration costs favorable \$40M to original plan
- SAP implementation and business integration completed







- Performance in line with year one plans
 - Year 1 EPS accretion target achieved
 - FY18 8% incremental sales growth from acquisition delivered
- On track to deleverage to 3.0X by 2020 paid down >50% of term notes



DELIVERING STRONG RESULTS ACROSS BOTH SEGMENTS

4-YEAR CAGR PERFORMANCE¹

CONSUMER

FLAVOR SOLUTIONS

TOTAL McCORMICK

Sales growth

Adjusted operating income

Adjusted EPS growth

Total shareholder return

8%

9%

9%

26%

8%

13%

12%

21%



DELIVERING AGAINST OUR LONG TERM OBJECTIVES

PERFORMANCE

2019 GUIDANCE

Sales growth¹

Adjusted operating income¹

Adjusted EPS growth¹

3 - 5% 8%

4-YEAR CAGR

13%

12%

9 - 11%

6 - 8%

5-YEAR CAGR WITH GUIDANCE

7 - 8%

12 - 13%

11%

LONG TERM FINANCIAL **OBJECTIVE**

4 - 6%

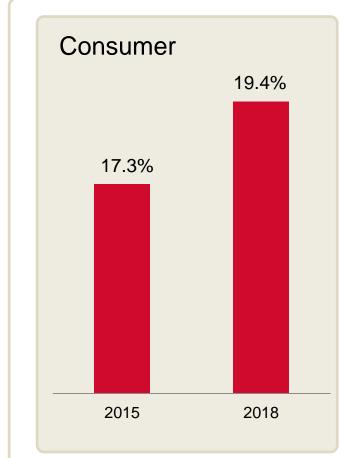
7 - 9%

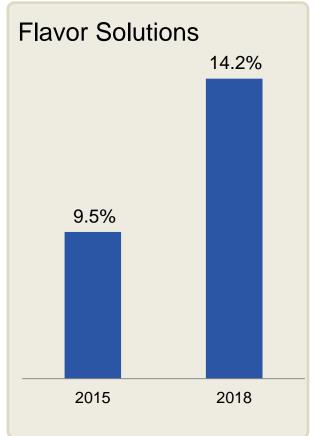
9 - 11%

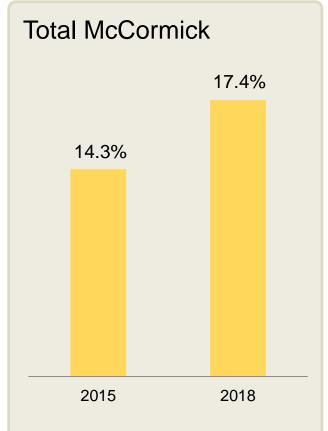


EXPANDING ADJUSTED OPERATING MARGINS¹

INCREASED FOCUS ON PROFIT REALIZATION











MARGIN EXPANSION MOMENTUM CARRIES INTO 2019

LONG TERM FINANCIAL OBJECTIVES¹

Implies average of **40 bps** operating income margin improvement annually

HISTORICAL DRIVERS

- Comprehensive continuous improvement program
- Portfolio shift to higher margin products
- Synergy realization from Frank's and French's

2019 GUIDANCE¹

Implies approximately **100 bps** operating income margin improvement

HISTORICAL DRIVERS

- Comprehensive continuous improvement program
- Portfolio shift to higher margin products
- Synergy realization from Frank's and French's

PLUS 2019 ADDITIONAL DRIVERS

- + Brand marketing leverage
- + Global benefit plan standardization
- + 2018 headwinds expected to be 2019 tailwinds



GENERATING FUEL FOR GROWTH



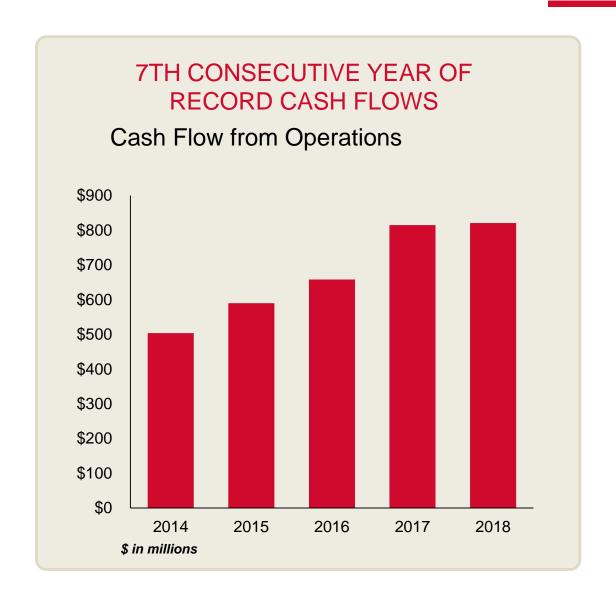


Nearly \$350M cost savings achieved 2016 –2018

On track to exceed \$400 million 4-year goal by 2019

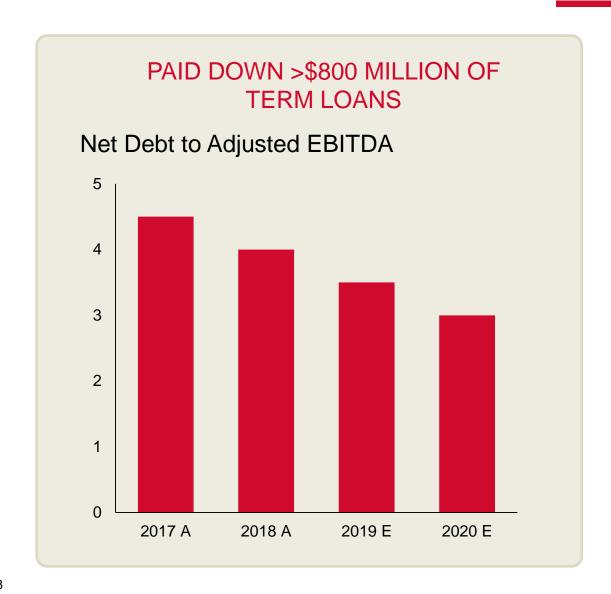


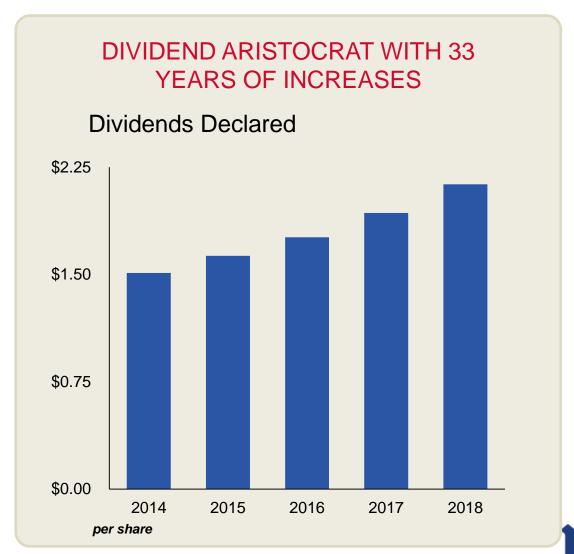
DRIVING RECORD CASH FLOWS WITH WORKING CAPITAL EFFICIENCIES





FOCUSING ON DEBT REPAYMENT AND DIVIDEND INCREASES







BUILDING A SCALABLE PLATFORM FOR GROWTH

GLOBAL ENABLEMENT





McCormick Shared Service Center in Lodz, Poland

Align

ALIGN our global operating model with end-to-end processes

Simplify

Radically **SIMPLIFY** everything we do

Grow

GROW at scale via increased digitization and automation

A Step Change in Working Globally

We transform
McCormick through
globally aligned,
innovative services,
enabling the business
to grow

Further Acceleration coupled with ERP modernization



BUILDING A SCALABLE PLATFORM FOR GROWTH

ENTERPRISE RESOURCE PLANNING SYSTEM



ERP Target State

Next generation platform enabling global data and digital capabilities to support accelerated organic and inorganic growth

Align...Simplify...Grow

ERP Modernization...a multi-year journey

Modernize and HARMONIZE global data and standards

Real-time **ACTIONABLE** insights

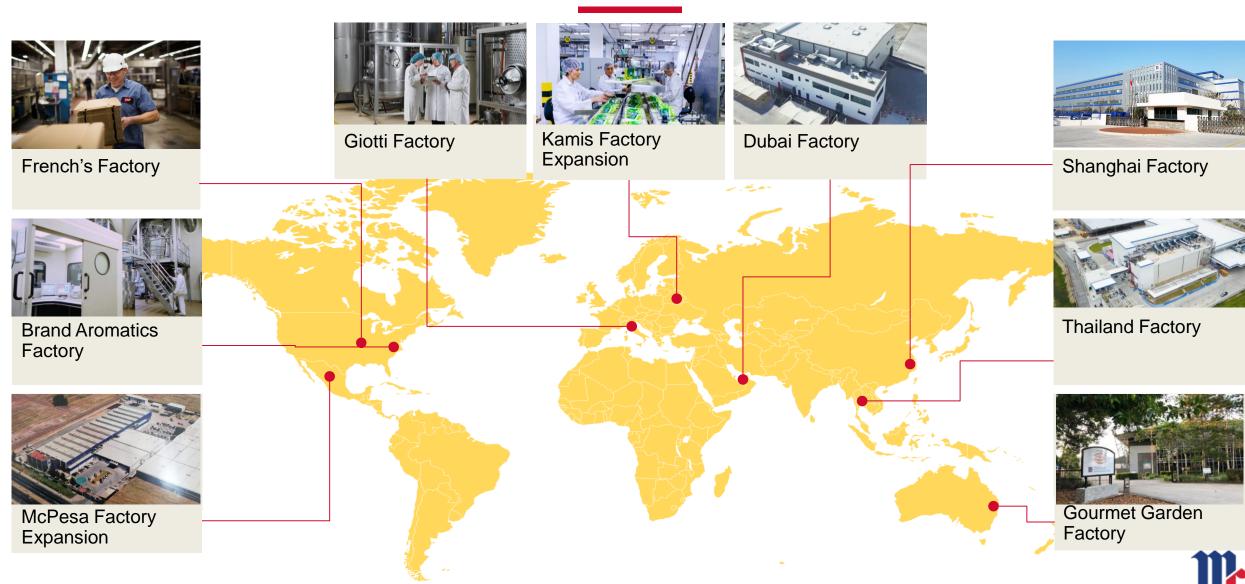
Achieve operational **EXCELLENCE**

RAPID acquisition integration





CONTINUING TO INVEST IN SUPPLY CHAIN CAPACITY



BUILDING OUR TECHNICALLY ADVANTAGED SUPPLY CHAIN

SCIENCE OF AGRONOMY



Improving yield management and increasing density of output while optimizing and increasing flavor profile

LEVERAGING TECHNOLOGY



Locating and identifying the highest quality ingredient with specific characteristics for an optimized flavor profile

GROWING IN A CONTROLLED ENVIRONMENT



Ensuring continuity of supply and sourcing costs and delivering a consistent superior quality



EXPANDING OUR SUPPLY TO SUPPORT OUR GROWTH AGENDA

McCORMICK SOURCING REACH > Chives >Oregano >Anise Seed ➤ Celery Seed >Chervil >Rosemary ➤ Bay Leaves > Coriander >Cinnamon/Cassia ➤ Cumin Seed **≻**Coriander >Marjoram Netherlands >Fennel Seed ≥ Paprika >Poppy Seed Savory >Cumin Seed ➤Cumin Seed >Rosemary >Caraway Seed >Oregano >Rosemary >Fennel Seed Savory ➤ Poppy Seed Canada >Saffron ≽Ginger >Tarragon ➤Poppy Seed ➤Sage > Oregano >Dill Weed >Paprika **≻**Coriander >Paprika >Poppy Seed >Mustard > Parsley >Red Pepper >Mint >Star Anise >Onion ➤Szechwan Pepper >Parsley >Turmeric ➤ Garlic >White Pepper >Sesame Mexico Vietnam ➤Black Pepper ➤ Allspice >Ancho Chile >White Pepper > Oregano ➤ Vanilla Beans **≻**Cinnamon >Turmeric >Sesame Guatemala Thailand Honduras >Lemongrass >Turmeric >Allspice > Cardamom Malaysia >Cloves (Penang) >Allspice. > Ginger (Sarawak) **West Indies** White Pepper (Grenada) arawak) >Mace > Nutmeg >Vanilla' >Oregano ➤Black Pepper > Parsley **≻**Cardamom >Paprika Egypt ≻Oregano Nigeria Madagascar >Turmeric Brazil **≻**Anise ➤ Cumin Seed ➤ Rosemary >Mace >Cloves >Dill Seed >Cloves >Thyme ➤ Black Pepper >Nutmed ➤ Vanilla Beans ➤ Caraway >Fennel Seed >Black Pepper ➤ Vanilla Beans >Cilantro >Fenugreek >White Pepper Comoros **≻**Coriander >Vanilla Beans Seychelles >Black pepper ➤Dill weed >Red Pepper SPICES OF THE WORLD >Cloves (Lampong) >Fennel seed >White Pepper > Marjoram >Vanilla Beans (Muntok)

PEPPER MASH







PURPOSE-LED PERFORMANCE: DRIVEN TO DO WHAT'S RIGHT

PLANET

Goals to reduce our environmental impact and to increase sustainability of ingredients we source







































COMMUNITIES

Goals to increase the resilience and improve the livelihoods of small farmers and drive broader community involvement

PEOPLE

Goals to champion equality, educate and develop our employees, and drive better health outcomes for people everywhere



ADVANCING OUR SUSTAINABLE PRACTICES: NEW PLASTIC REDUCTION GOAL

NEW 2025 GOAL AND ALLIANCES

100% Plastic Packaging that can be:

- Reused
- Recycled
- Repurposed BY 2025

Joined Ellen MacArthur NEW Plastics Economy:





7% carbon footprint reduction

16% carbon footprint reduction, BPA-free, fully recyclable





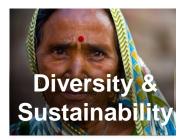
PURPOSE-LED PERFORMANCE IS A PRIORITY TO CONSUMERS & CUSTOMERS

McCORMICK'S MESSAGE RESONATES WITH CUSTOMERS AND CONSUMERS

SUSTAINABLE PRACTICES



ETHICAL SOURCING



COMMUNITY SUPPORT











MILLENNIALS AND GEN Z PRIORITIZE SUSTAINABILITY IN THE PRODUCTS THEY BUY¹

85% I can make a difference by purchasing sustainable products

74% I like to educate myself on ways I can reduce my carbon footprint



81% Making homemade meals helps reduce my environmental impact

60% I'm willing to pay more for products from a company engaged in...



WE'RE SUSTAINABLY ADVANTAGED FOR GROWTH

LINKING SUSTAINABILITY DIRECTLY WITH OUR PRODUCTS

NEW CONSUMER CAMPAIGN IN 2019















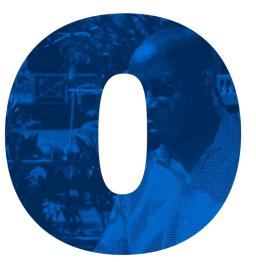
LEARN MORE

WITH ADVANCED IRRIGATION

















WE'RE BUILDING THE McCORMICK OF THE FUTURE

WINNING WITH THE RIGHT PEOPLE AND RIGHT CULTURE



POWER OF PEOPLE C.P. McCormick legacy



A HIGH PERFORMANCE CULTURE

- ✓ Multiple management philosophy
- ✓ Participation & inclusion



WINNING WAYS OF WORKING

- ✓ Faster decisions
- More personal accountability
- Actionable insights

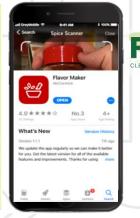


OUR FOCUS IS GROWTH

BUILDING THE McCORMICK OF THE FUTURE

We're investing for the future













We're sustainably advantaged for growth

















Thank you!

The following tables include financial measures of adjusted operating income, adjusted operating income margin, and adjusted diluted earnings per share, each excluding the impact of special charges for each of the periods presented. These financial measures also exclude the impact of items associated with our acquisition of RB Foods on August 17, 2017 (in particular, transaction and integration expenses) as these items significantly impact comparability between years. These financial measures also exclude, for 2018, and the comparison of our expected results for 2019 to 2018, the net nonrecurring income tax benefit of \$301.5 million related to the U.S. Tax Act as this item significantly impacts comparability between years. Adjusted operating income, adjusted operating income margin, and adjusted diluted earnings per share, or percentage increases associated with any of these measures 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.

Special charges - 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, President and Chief Executive Officer; Executive Vice President and Chief Financial Officer; President, Global Flavor Solutions Segment and McCormick International; President, Global Consumer Segment and Americas; Senior Vice President, Human Relations; and Senior Vice President, Strategy and Global Enablement. 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 or a component which relates to inventory adjustments that are included in cost of goods sold; impacted employees or operations; expected timing; and expected savings) to the Management Committee and the Committee's advance approval, expenses associated with the approved action are classified as special charges upon recognition and monitored on an ongoing basis through completion.

Transaction and integration expenses associated with the RB Foods acquisition - The costs associated with the acquisition and subsequent integration of RB Foods, which we refer to as "transaction and integration expenses" include the impact of transaction costs associated with the acquisition and integration costs following the acquisition. The size of this acquisition and related costs distinguishes it from our past, recent and smaller acquisitions, the costs of which have not been excluded from our non-GAAP financial measures.

Income taxes associated with the U.S. Tax Act - In connection with the enactment of the U.S. Tax Act in December 2017, we recorded a net income tax benefit of \$301.5 million during the year ended November 30, 2018, which includes the estimated impact of the tax benefit from revaluation of net U.S. deferred tax liabilities based on the new lower corporate income tax rate and the tax expense associated with the one-time transition tax on previously unremitted earnings of non-U.S. subsidiaries. We believe that these non-GAAP financial measures are important. The exclusion of the items noted above provide additional information that enables enhanced comparisons to prior periods and, accordingly, facilitates the development of future projections and earnings growth prospects. This information is also used by management to measure the profitability of our ongoing operations and analyze our business performance and trends.

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



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

	Year Ended November 30,	
	2015	2018
Operating income	\$ 548.4	\$ 903.3
Impact of special charges included in cost of goods sold	4.0	-
Impact of other transaction and integration expenses	-	22.5
Impact of special charges	61.5	16.3
Adjusted operating income	\$ 613.9	\$ 942.1
Adjusted operating income margin (1)	14.3%	17.4%

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



The following provides a reconciliation of our estimated increase in adjusted earnings per share for 2019, and the related percentage increase, and actual results for 2018:

	2019 Projection	2018
Earnings per share - diluted	\$5.09 to \$5.19	\$ 7.00
Impact of special charges and transaction and integration		
expenses	0.08	0.23
Non-recurring benefit, net, of the U.S. Tax Act	-	(2.26)
Adjusted earnings per share - diluted	\$5.17 to \$5.27	\$ 4.97
Percentage increase in adjusted earnings per share - diluted	4% to 6%	



Because we are a multi-national company, we are subject to variability of our reported U.S. dollar results due to changes in foreign currency exchange rates. Those changes have been volatile over the past several years. The exclusion of the effects of foreign currency exchange, or what we refer to as amounts expressed "on a constant currency basis", is a non-GAAP measure. To present the compounded annual growth rates ("CAGR") percentages in sales, adjusted operating income and adjusted earnings per share on a constant currency basis, sales and adjusted operating income and adjusted net income for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the company's budgeted exchange rates for 2019 for all periods. This calculation is performed to arrive at adjusted earnings per share on a constant currency basis by dividing adjusted net income by historical shares outstanding for the applicable fiscal year.

A reconciliation of our actual	CAGR and constant currence	v CAGR through 2018 follows:

4-Year CAGR - Net sales Impact of foreign currency exchange rates 4-Year CAGR - Net sales on a constant currency basis	6% 2% 8%
4-Year CAGR - Adjusted operating income	12%
Impact of foreign currency exchange rates	1%
4-Year CAGR - Adjusted operating income on a constant	
currency basis	13%
4-Year CAGR - Adjusted earnings per share	10%
Impact of foreign currency exchange rates	2%
4-Year CAGR - Adjusted earnings per share on a constant	
currency basis	12%

A reconciliation of our estimated CAGR including 2019 guidance and constant currency CAGR including 2019 guidance follows:

5-Year CAGR with guidance - Net sales	5% - 6%
Impact of foreign currency exchange rates	2%
5-Year CAGR with guidance - Net sales on a constant	
currency basis	7% - 8%
5-Year CAGR with guidance- Adjusted operating income	10% - 11%
Impact of foreign currency exchange rates	2%
5-Year CAGR with guidance- Adjusted operating income	
on a constant currency basis	12% - 13%
5-Year CAGR with guidance- Adjusted earnings per share	9%
Impact of foreign currency exchange rates	2%
5-Year CAGR with guidance- Adjusted earnings per share	
on a constant currency basis	11%
-	



A reconciliation of our Consumer and Flavor Solutions actual CAGR and constant currency CAGR for sales and adjusted operating income through 2018 follows:

		Flavor
	Consumer	Solutions
4-Year CAGR - Net sales	6%	7%
Impact of foreign currency exchange rates	2%	2%
4-Year CAGR - Net sales on a constant currency basis	8%	9%
4-Year CAGR - Adjusted operating income	8%	22%
Impact of foreign currency exchange rates	1%	4%
4-Year CAGR - Adjusted operating income on a constant		
currency basis	9%	26%
3-Year CAGR - Net sales		8%
Impact of foreign currency exchange rates		2%
3-Year CAGR - Net sales on a constant currency basis		10%



The following are estimates for the year ending November 30, 2019:

Percentage change in net sales	1% to 3%
Impact of unfavorable foreign currency exchange rates	2%
Percentage change in net sales on a constant currency basis	3% to 5%

	Estimate for the year ending November 30, 2019
Percentage change in adjusted operating income	7% to 9%
Impact of unfavorable foreign currency exchange rates	2%
Percentage change in adjusted operating income on a constant currency basis	9% to 11%

	Estimate for the year ending November 30, 2019
Percentage change in adjusted earnings per share	4% to 6%
Impact of unfavorable foreign currency exchange rates	2%
Percentage change in adjusted earnings per share on a constant currency basis	6% to 8%



In addition to the above non-GAAP financial measures, we use a leverage ratio which is determined using non-GAAP measures. A leverage ratio is a widely-used measure of ability to repay outstanding debt obligations and is a meaningful metric to investors in evaluating financial leverage. We believe that our leverage ratio is a meaningful metric to investors in evaluating our financial leverage and may be different than the method used by other companies to calculate such a leverage ratio. We determine our leverage ratio as net debt (which we define as total debt, net of cash in excess of \$75.0 million) to adjusted earnings before interest, tax, depreciation and amortization (Adjusted EBITDA). We define Adjusted EBITDA as net income plus expenses for interest, income taxes, depreciation and amortization, less interest income and as further adjusted for cash and non-cash acquisition-related transaction and integration expenses, special charges and stock-based compensation expenses. Adjusted EBITDA and our leverage ratio are both non-GAAP financial measures. Our determination of the leverage ratio is consistent with the terms of our \$1.0 billion revolving credit facility and our term loans which require us to maintain our leverage ratio below certain levels.

The following table reconciles our net income to Adjusted EBITDA for the year ended November 30, 2018:

	2018
Net income	\$ 933.4
Depreciation and amortization	150.7
Interest expense	174.6
Income tax expense (benefit)	(157.3)
EBITDA	1,101.4
Adjustments to EBITDA (1)	 57.3
Adjusted EBITDA	\$ 1,158.7
Net debt (2)	\$ 4,674.8
Leverage ratio (Net debt/Adjusted EBITDA)	4.0

- (1) Adjustments to EBITDA are determined under the leverage ratio covenant in our \$1.0 billion revolving credit facility and term loan agreements and includes special charges, stock-based compensation expense and, for the trailing twelve-month period ended November 30, 2018, transaction and integration expenses (related to the RB Foods acquisition).
- The leverage ratio covenant in our \$1.0 billion revolving credit facility and the term loan agreements define net debt as the sum of short-term borrowings, current portion of long-term debt, and long-term debt, less the amount of cash and cash equivalents that exceeds \$75.0 million.

