MCCORMICK & CO INC
Form DEF 14A
February 14, 2019
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No. __)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

McCORMICK & COMPANY, INCORPORATED

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):
No fee required.
Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11

(set forth the amount on which the filing fee is calculated and state how it was determined):

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

McCORMICK & COMPANY, INCORPORATED
24 Schilling Road, Suite 1, Hunt Valley, Maryland 21031

February 14, 2019

I am pleased to invite you to attend the March 27, 2019, Annual Meeting of Stockholders, which will again be held at the Martin's Valley Mansion, 594 Cranbrook Road, Hunt Valley, Maryland 21030.

The meeting will start promptly at 10:00 a.m. Please arrive as early as 9:00 a.m. to enjoy tea and coffee and visit with friends.

Prior to the meeting, I encourage you to review the Company's Annual Report to Stockholders for the 2018 fiscal year.

We are building the McCormick of the future with our keen focus on growth, performance and people.

- Growth – McCormick is a global leader and is differentiated by our broad portfolio. Our focus on growth is relentless as we continue to drive McCormick forward.
- Performance – We deliver industry leading financial performance while doing the right thing for people, communities and the planet. We achieved top tier performance in 2018. Through the execution of our strategies, we achieved strong double-digit sales, adjusted operating profit and adjusted earnings per share growth. We also delivered substantial cost savings, expanded adjusted operating margin and generated strong cash flow. A 10% increase to the quarterly dividend was authorized. We have paid dividends every year since 1925 with annual increases in each of the past 33 consecutive years.
- People – Our people remain our best and brightest asset bringing our best attributes to bear as we bring the joy of flavor to life. Our Company has a firm foundation that is based on a participative, multiple management culture. We have the right people and culture to build the McCormick of the future.

McCormick's Board of Directors and leadership team continue to direct our strategy and set our course for growth. Mike Fitzpatrick will be retiring from our Board as of the Annual Meeting. Mike has served as a director since 2001 and we sincerely appreciate his contributions and service.

Your vote is important. Whether or not you plan to attend the Annual Meeting, please vote your shares via the internet, by telephone, or by signing and returning the proxy card so that your shares are represented at the meeting.

Thank you for your continued confidence in our Company. I look forward to seeing you at the meeting!

Best regards,

Lawrence E. Kurzius

Chairman, President and Chief Executive Officer

Notice of Annual Meeting of Stockholders

March 27, 2019

10:00 a.m.

Martin's Valley Mansion, 594 Cranbrook Road, Hunt Valley, Maryland 21030

The Annual Meeting of Stockholders (the "Annual Meeting") of McCormick & Company, Incorporated ("McCormick") will be held at the **Martin's Valley Mansion, 594 Cranbrook Road, Hunt Valley, Maryland 21030** at 10:00 a.m. on March 27, 2019, for the purpose of considering and acting upon:

(1) the election of directors from the nominees named in the proxy statement to act until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified;
(2) the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm of McCormick to serve for the 2019 fiscal year;
(3) the approval, on a non-binding advisory basis, of McCormick's Named Executive Officer compensation for fiscal 2018 (a "say-on-pay" vote);
(4) the approval of an amendment to our 2013 Omnibus Incentive Plan, as amended, (the "2013 Plan") to increase the shares of Common Stock authorized for issuance thereunder by 2,284,341 shares; and
(5) any other matters that may properly come before such meeting or any adjournments thereof.

The Board of Directors has fixed the close of business on **December 31, 2018,** as the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting or any adjournments thereof. **Only holders of Common Stock (NYSE Ticker Symbol: MKC-V) are entitled to vote.** Holders of Common Stock Non-Voting (NYSE Ticker Symbol: MKC) are welcome to attend the Annual Meeting.

If you are a holder of Common Stock, a proxy card is enclosed. Please vote your proxy promptly by internet, telephone or by mail as directed on the proxy card in order that your stock may be voted at the Annual Meeting.

You may revoke the proxy at any time before it is voted by submitting a later dated proxy card or by subsequently voting via internet or telephone or by attending the Annual Meeting and voting in person.

February 14, 2019

Jeffery D. Schwartz

Vice President, General Counsel & Secretary

By Internet	**By Telephone**	**By Mailing Your Proxy Card**
Vote your shares online at **www.proxyvote.com.**	Vote your shares by calling **1-800-690-6903.**	Vote by mail by marking, dating and signing your proxy card or voting instruction form and returning it in the postage-paid envelope.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING TO BE HELD ON MARCH 27, 2019:
The proxy statement and McCormick's Form 10-K for the 2018 fiscal year are available at www.proxyvote.com. These materials are also available on McCormick's Investor Relations website at ir.mccormick.com under "Resources."

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PROXY SUMMARY

This summary highlights selected information contained in this proxy statement. It does not contain all the information you should consider and as such we urge you to carefully read the proxy statement in its entirety prior to voting. For additional information, please review the Company's Annual Report to Stockholders for the 2018 fiscal year.

Select Business Highlights for 2018

Outstanding financial performance	In 2018, net sales rose 12% with a 1% favorable impact from currency rates and we generated a record $821 million of cash flow from operations. Our focus on growth, performance and people led to another year of strong results.
Increased stockholder return	Total annual stockholder return has been 14% or more for the past 1-, 5-, 10- and 20-year periods.
33 years of uninterrupted dividend increases	We have paid dividends every year since 1925 and have increased our dividend in each of the past 33 years, placing McCormick among the S&P 500's Dividend Aristocrats. In 2018, our dividend paid reached $2.08 per share. The quarterly dividend increase to $0.57 is more than double the quarterly amount paid in 2011. During the past five years, we have increased our dividend per share at a compound annual rate of 9%.

CASH FLOW FROM OPERATIONS ON 3-YEAR ROLLING BASIS* (millions)

*At fiscal year end

DIVIDENDS PAID*

McCormick has increased its dividend in each of the past 33 years. We have paid a dividend every year since 1925.

*At fiscal year end

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Executive Compensation and Performance Alignment Summary

Our pay-for performance philosophy requires that a substantial portion of each executive's total compensation should be performance-based and dependent on the achievement of stretch financial performance goals over both the short-and long-term. We pay for performance and the retention of key talent with the requirement that our financial performance goals should be drivers of stockholder value over both the short-and long-term.

Our executive compensation programs, that are aligned with our strategy and performance, include an annual performance-based incentive program and a Long-Term Incentive Plan ("LTIP").

Our annual incentive cash payments are based on a formula that includes adjusted EPS growth and operating income growth, adjusted for working capital charges.

As part of our LTIP, performance-based awards are made under the Long-Term Performance Plan ("LTPP") in the form of shares and cash. Cumulative net sales growth is the metric that determines the earned share awards under the LTPP, which represents the cumulative growth rate for continuing operations over a three-year period, adjusted for items including foreign currency and the incremental sales impact from acquisitions. Cumulative net sales growth exceeded the three-year target of 12% for the most recently completed LTPP cycle. The metric that determines the cash payout in the LTPP is Total Shareholder Return ("TSR") relative to our peer companies. Both our absolute and relative TSR were strong for the three-year period ending in fiscal 2018, with McCormick ranking first among our peer companies with a TSR of 84.9%, as compared with 43.8% for the peer company at the 85th percentile and 1.7% for the peer company at the 50th percentile.

Our three-year performance for relative TSR and cumulative sales growth, which are metrics tied to our LTPP, and one year adjusted EPS growth, which is a metric tied to our annual performance-based incentive program, all exceeded set targets.

84.9%	**14.3%**	**16.7%**
3 YEAR TOTAL SHAREHOLDER RETURN	**3 YEAR CUMULATIVE SALES GROWTH**	**1 YEAR ADJUSTED EPS GROWTH**

For purposes of demonstrating that CEO pay is well aligned with company performance, only three elements of direct compensation are included in CEO Paid Compensation on the graph below – 1) Base salary, 2) Annual bonus earned, 3) Cash and stock (based on the market value on the vesting date) earned at the end of the three-year cycle for the LTPP. Total compensation, including the value of pension changes, stock option grants, restricted stock unit grants and all other compensation for all Named Executive Officers, can be found in the Summary Compensation Table on page 33. The adjusted EPS growth referenced herein is a non-GAAP financial measure that is prepared as a complement to our financial results prepared in accordance with United States generally accepted accounting principles (“GAAP”). An explanation of the adjustments may be found in our Form 10-K for the 2018 fiscal year under “Non-GAAP Financial Measures” beginning on page 36 in the “Management’s Discussion and Analysis” section.

COMPANY PERFORMANCE AND CEO COMPENSATION

2016-2018

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SELECTED DEFINITIONS

The following terms are used in the proxy statement and have the meanings noted:

Earnings Per Share (EPS) – calculated as net income divided by the total of the average number of shares of common stock and common stock equivalents (e.g., stock options) outstanding.

Exchange Act – the Securities Exchange Act of 1934, as amended.

Market Group – those consumer products companies listed under "How We Determined Executive Compensation for Fiscal 2018." The Compensation Committee of the Board of Directors compares the executive compensation programs of these companies to the total targeted compensation for each position occupied by McCormick's executive officers, including its Named Executive Officers.

Named Executive Officers – individuals who served as the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") during the last fiscal year, the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the last completed fiscal year, and up to two additional individuals for whom disclosure would have been provided but for the fact that the individual was not serving as an executive officer at the end of the last completed fiscal year. In this proxy statement, our Named Executive Officers consist of Lawrence E. Kurzius, Michael R. Smith, Brendan M. Foley, Jeffery D. Schwartz, and Malcolm Swift.

Non-Qualified Stock Option – an award that allows the holder, after the award vests, to purchase shares of stock at a specified exercise price. Non-qualified stock options do not qualify for special tax treatment under Sections 422 or 423 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code").

Peer Group – those manufacturers of food products also listed under "How We Determined Executive Compensation for Fiscal 2018." The Compensation Committee establishes the financial performance targets used by McCormick for its performance-based incentive plans based on an analysis of the financial performance of the Peer Group companies because they are companies with whom we compete for equity investors.

Record Date – the date established by the Board of Directors for determining the stockholders eligible for notice of, and to vote at, the Annual Meeting of Stockholders. The Record Date for the 2019 Annual Meeting of Stockholders is December 31, 2018.

Restricted Stock Unit (RSU) – an award equal in value to, and payable in, a share of company stock. Company stock is not issued at the time of the grant, but generally is issued shortly after the recipient of the RSU satisfies the vesting requirements. Dividends and voting rights begin only upon issuance of the underlying stock.

Total Stockholder Return (TSR) – calculated as stock price appreciation over a given period of time plus dividends paid on the stock over the same time period.

2019 ANNUAL MEETING OF STOCKHOLDERS ADMISSION GUIDELINES

- Please bring a **photo ID** as you may be asked to present it in order to be admitted to the 2019 Annual Meeting of Stockholders.
- The use of cameras, camcorders, videotaping equipment, and other recording devices will not be permitted in Martin's Valley Mansion.
- Attendees may not bring into Martin's Valley Mansion large packages or other material that could pose a safety or disruption hazard.

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PROXY STATEMENT

General Information

This proxy statement is furnished on or about February 14, 2019 to the holders of Common Stock in connection with the solicitation by the Board of Directors of McCormick of proxies to be voted at the 2019 Annual Meeting of Stockholders or any adjournments thereof.

The shares represented by all proxies received will be voted in accordance with the instructions contained in the proxies. Any proxy given may be revoked at any time before it is voted by submitting a later dated proxy card, or by subsequently voting via internet or telephone or by attending the Annual Meeting and voting in person. Such right of revocation is not limited or subject to compliance with any formal procedure. Attending the Annual Meeting will not automatically revoke a stockholder’s prior internet or telephone vote or the stockholder’s proxy.

The cost of the solicitation of proxies will be borne by McCormick. In addition to the solicitation of proxies by use of the mails, officers and employees of McCormick may solicit proxies by telephone, electronic mail, personal interview, and/or through the Internet. We also may request that brokers and other custodians, nominees, and fiduciaries forward proxy soliciting material to the beneficial owners of shares held of record by such persons, and McCormick may reimburse them for their expenses in so doing.

Record Date. At the close of business on the Record Date, there were 9,545,617 shares of Common Stock outstanding, which constitute all of the outstanding voting shares of McCormick. Except for certain voting limitations imposed by the Charter on beneficial owners of 10% or more of the outstanding shares of Common Stock, each share of Common Stock is entitled to one vote. Only holders of record of shares of Common Stock at the close of business on the Record Date will be entitled to vote at the Annual Meeting or any adjournments thereof.

References in this proxy statement to “Common Stock” do not refer to shares of Common Stock Non-Voting, which are not entitled to vote at the Annual Meeting or any adjournments thereof.

PRINCIPAL STOCKHOLDERS

Set forth below is certain information on certain persons known to us to beneficially own more than five percent of the Common Stock of the Company.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

Title of Class	**Name & Address of Beneficial Owner**	**Amount & Nature of Beneficial Ownership**[(1)]	**Percent of Class**
Common Stock	McCormick 401(k) Retirement Plan 24 Schilling Road, Suite 1 Hunt Valley, Maryland 21031	1,760,694[(2)]	18.5%
Common Stock	Alan D. Wilson 24 Schilling Road, Suite 1 Hunt Valley, Maryland 21031	1,113,547[(3)]	10.7%

(1) All shares beneficially owned as of the Record Date.

(2) Amount of shares of Common Stock shown in the table were held in the trust for the McCormick 401(k) Retirement Plan as of the Record Date. Neither the trustees of the trust nor the plan itself are the beneficial owners of these shares of Common Stock for purposes of the voting limitations described in our Charter. Instead, each plan participant is considered to be the beneficial owner of the shares allocated to such participant's account in the plan, and no individual participant holds more than five percent of the Common Stock of the Company in his or her plan account. Each plan participant has the right to vote all shares of Common Stock allocated to such participant's plan account. The plan's trustees possess voting discretion over the shares of Common Stock with respect to which plan participants do not direct the trustees how to vote, except that, in the event of a tender offer, no vote shall be made for any shares of Common Stock with respect to which plan participants do not direct the trustees how to tender.

(3) Includes 874,737 shares of Common Stock which can be acquired within 60 days of the Record Date pursuant to the exercise of stock options, and 41,579 shares of Common Stock held in a charitable trust for the Wilson Family Foundation, and 44,600 shares of Common Stock held in two separate grantor retained annuity trusts. Mr. Wilson serves as a trustee of each trust. Also includes 27,371 shares of Common Stock held in the Wilson Family Trust, as well as 5,818 shares of Common Stock held in two separate trusts for the benefit of Mr. Wilson's children, all shares of which Mr. Wilson may acquire voting or investment power within 60 days.

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CORPORATE GOVERNANCE

Corporate Governance Guidelines

McCormick has adopted Corporate Governance Guidelines, which are available on its Investor Relations website at ir.mccormick.com under “Corporate Governance,” then “Corporate Governance Guidelines.” These Guidelines contain general principles regarding the function of McCormick’s Board of Directors and Board Committees. The Guidelines are reviewed on an annual basis by the Nominating/ Corporate Governance Committee of the Board, which submits to the Board for approval any changes deemed desirable or necessary. The Corporate Governance Guidelines make clear that directors and executive officers of the Company may not pledge Company stock as collateral for a loan or otherwise use Company stock to secure a debt, and may not engage in any hedging transactions with respect to Company stock.

Independence of Directors

McCormick’s Corporate Governance Guidelines require that a majority of the Board of Directors be comprised of independent directors. For a director to be considered independent under the Listing Standards of the New York Stock Exchange (the “NYSE”), the Board must affirmatively determine that the director has no direct or indirect material relationship with McCormick. The NYSE’s director independence guidelines are incorporated in McCormick’s Corporate Governance Guidelines, which are used by the Board in making independence determinations. The Board has determined that the following directors are independent: Michael A. Conway, J. Michael Fitzpatrick, Freeman A. Hrabowski, III, Patricia Little, Michael D. Mangan, Maritza G. Montiel, Margaret M.V. Preston, Gary M. Rodkin, Jacques Tapiero and W. Anthony Vernon.

In connection with these independence determinations, the Board considered the following:

- Michael A. Conway is Executive Vice President and President, Canada for Starbucks Coffee Company and a commercial relationship exists between McCormick and Starbucks Coffee Company. However, the Board has determined that the commercial relationship is not material for the following reasons: (1) the payments made between McCormick and Starbucks Coffee Company are substantially less than 2% of the consolidated gross revenues of Starbucks Coffee Company; (2) Mr. Conway does not participate in the negotiation of commercial transactions on behalf of Starbucks Coffee Company, nor has he been involved in the execution of any commercial transactions between McCormick and Starbucks Coffee Company since their inception; and (3) the products supplied by McCormick to Starbucks Coffee Company are readily available from other sources of supply. For fiscal 2018, all commercial transactions between McCormick and Starbucks Coffee Company amounted to less than $350,000, which is substantially less than 2% of the consolidated gross revenues of Starbucks Coffee Company. All commercial transactions were conducted at arm’s length and consisted of goods or services Starbucks Coffee Company and McCormick purchased from each other.

- Freeman A. Hrabowski, III is the President of the University of Maryland, Baltimore County (UMBC) and a relationship exists between McCormick and UMBC. However, the Board has determined that the relationship is not material for the following reasons: (1) the payments made between McCormick and UMBC are substantially less than 2% of the consolidated gross revenues of UMBC; (2) Dr. Hrabowski does not participate in the negotiation of such transactions on behalf of UMBC, nor has he been involved in the execution of any transactions between McCormick and UMBC since their inception; and (3) the funds provided by McCormick to UMBC are readily available from other sources. For fiscal 2018, all transactions between McCormick and UMBC amounted to less than $10,000, which is substantially less than 2% of the consolidated gross revenues of UMBC. All such transactions were conducted at arm’s length and consisted of monies McCormick paid to UMBC to fund McCormick’s Unsung Hero Award Scholarship.
- Patricia Little is an executive officer of The Hershey Company and a commercial relationship exists between McCormick and The Hershey Company. However, the Board has determined that the commercial relationship is not material for the following reasons: (1) the payments made between McCormick and The Hershey Company are substantially less than 2% of the consolidated gross revenues of The Hershey Company; (2) Ms. Little does not participate in the negotiation of commercial transactions on behalf of The Hershey Company, nor has she been involved in the execution of any commercial transactions between McCormick and The Hershey Company since their inception; and (3) the products supplied by McCormick to The Hershey Company are readily available from other sources of supply. For fiscal 2018, all commercial transactions between McCormick and The Hershey Company amounted to less than $300,000, which is substantially less than 2% of the consolidated gross revenues of The Hershey Company. All commercial transactions were conducted at arm’s length and consisted of goods or services The Hershey Company and McCormick purchased from each other.
- Maritza G. Montiel is a member of the Board of Directors of Aptar Group, Inc. and a commercial relationship exists between McCormick and Aptar Group. However, the Board has determined that the commercial relationship is not material for the following reasons: (1) the payments made between McCormick and Aptar Group are substantially less than 2% of the consolidated gross revenues of Aptar Group; (2) Ms. Montiel does not participate in the negotiation of commercial transactions on behalf of Aptar Group, nor has she been involved in the execution of any commercial transactions

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between McCormick and Aptar Group since their inception; and (3) the products supplied by Aptar Group to McCormick are readily available from other sources of supply. For fiscal 2018, all commercial transactions between McCormick and Aptar Group amounted to less than $20,000, which is substantially less than 2% of the consolidated gross revenues of Aptar Group. All commercial transactions were conducted at arm's length and consisted of goods or services McCormick purchased from Aptar Group. For these reasons, the Board has concluded that Mr. Conway, Dr. Hrabowski, Ms. Little and Ms. Montiel have no direct or indirect material relationship with McCormick that would preclude a determination of independence.

Procedure Regarding Transactions with a Related Person

McCormick maintains a written related person transactions procedure that is administered by members of McCormick's management and the Audit Committee of the Board. The written procedure applies to any transaction with a "related person" (defined by Item 404(a) of Regulation S-K under the Exchange Act) in excess of $120,000 in which the Company is a participant and in which a related person has or will have a direct or indirect material interest, other than:

(a) a transaction involving compensation to an executive officer if (i) the compensation is reported pursuant to Item 402 of Regulation S-K; or (ii) (A) the executive officer is not an immediate family member of an executive officer or director of the Company and such compensation would have been required to be reported under Item 402 if the executive officer was a "named executive officer" under such regulation, and (B) the compensation was approved by the Board of Directors or the Compensation Committee of the Board of Directors;

(b) a transaction involving compensation to a director or director nominee that is required to be reported pursuant to Item 402(k) of Regulation S-K;

(c) a transaction where the related person's interest arises only from (i) such person's position as a director of another entity that is a party to the transaction; or (ii) the direct or indirect ownership by such person and their immediate family, in the aggregate, of less than a 10% equity interest in another entity that is a party to the transaction; or (iii) from both of (c)(i) and (c)(ii) above;

(d) if the interest of the related person arises solely from the ownership of a class of the Company's stock and all holders of that class of stock of the Company receive the same benefit on a pro rata basis; or

(e) any other transaction that is not required to be disclosed pursuant to Item 404 of Regulation S-K.

The procedure provides that any actual or potential related person transaction is reviewed and analyzed by McCormick's corporate controllership and legal staff (the "Management Reviewers"). If the transaction in question is determined to be a related person transaction but (i) it is not material to the Company, and (ii) the commercial terms are consistent with the commercial terms of comparable arm's length transactions with unrelated third parties, the Management Reviewers shall refer the proposed transaction to the CEO and CFO for review and appropriate disposition, in their sole discretion. If the CEO or the CFO has a direct or indirect material interest in the transaction or the proposal, then the matter shall be submitted to the Audit Committee for review and disposition (regardless of materiality of the transaction or the reasonableness of the commercial terms).

If the transaction in question is determined to be a related person transaction and (i) it is material to the Company, and/or (ii) the commercial terms are more favorable to the related person than the commercial terms of comparable arm’s length transactions with unrelated third parties, the Management Reviewers shall review the transaction with the CEO and CFO, who shall determine whether to ratify or re-negotiate the actual transaction, or in the case of a proposed transaction whether to accept or reject the proposal. If the CEO and the CFO desire to ratify the transaction or accept the proposal on existing terms, the transaction or proposal shall be submitted to the Audit Committee for review and disposition.

As a general rule, any employee or director who has a direct or indirect material interest in an actual or proposed related person transaction will not participate in the review and disposition of the transaction.

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Business Ethics

McCormick’s business is conducted by its employees under the leadership of its CEO and under the oversight and direction of its Board of Directors for the purpose of enhancing the long-term value of McCormick for its stockholders. McCormick’s management and the Board of Directors believe that the creation of long-term value requires McCormick to conduct its business honestly and ethically as well as in accordance with applicable laws. McCormick has a Business Ethics Policy which was first adopted by the Board more than 30 years ago. The Policy is reviewed annually by management and the Audit Committee of the Board and is amended as circumstances warrant. The Policy is administered by McCormick’s General Counsel under the oversight of the CEO and the Audit Committee. McCormick’s Business Ethics Policy is available on its Investor Relations website at ir.mccormick.com under “Corporate Governance,” then “Business Ethics Policy.” The Audit Committee has established procedures for (i) employees to submit confidential and anonymous reports of suspected illegal or unethical behavior, concerns regarding questionable accounting or auditing matters, or violations of McCormick’s Business Ethics Policy, and (ii) interested persons to submit concerns regarding accounting, internal controls over financial reporting, or auditing matters. Anonymous reports by employees may be made to a confidential “hotline” service, which may be accessed by telephone or through a dedicated website. Further, concerns regarding such matters may be expressed in e-mails that may be sent to the Chair of the Audit Committee or to the attention of the General Counsel.

Available Information

McCormick makes available free of charge through its website ir.mccormick.com, its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) of the Exchange Act as soon as reasonably practicable after such documents are electronically filed with, or furnished to, the Securities and Exchange Commission (the “SEC”). McCormick’s website also includes McCormick’s Corporate Governance Guidelines, Business Ethics Policy and the charters of its Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee.

DIRECTORS

Executive Sessions of the Board of Directors

Pursuant to the Company’s Corporate Governance Guidelines, the independent directors meet in regularly scheduled sessions (typically before or after each Board meeting) without the presence of management.

Communications with the Board of Directors

Stockholders and other interested parties may communicate with one or more members of the Board by writing to the Board, or to a specific director, at:

Board of Directors (or specific director)
McCormick & Company, Incorporated
c/o Corporate Secretary
24 Schilling Road, Suite 1, Hunt Valley, Maryland 21031

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Process for Nominating Potential Director Candidates

The Nominating/Corporate Governance Committee is responsible for selecting potential candidates for Board membership and for recommending qualified candidates to the full Board for nomination; and retains search firms to assist with the selection process.

The Committee also considers recommendations of potential candidates from stockholders. The Committee applies the same standards in evaluating candidates submitted by stockholders as it does in evaluating candidates submitted by other sources. Suggestions regarding potential director candidates, together with the supporting information concerning the potential candidate's qualifications, should be submitted in writing to:

Nominating/Corporate Governance Committee
McCormick & Company, Incorporated
c/o Corporate Secretary
24 Schilling Road, Suite 1, Hunt Valley, Maryland 21031

Board Membership and Effectiveness

Selection Criteria and Qualifications for All Directors

The Nominating/Corporate Governance Committee is responsible for developing the selection criteria to be used in seeking nominees for election to the Board, within the general qualification criteria for director nominees established by the Board in McCormick's Corporate Governance Guidelines. The Nominating/Corporate Governance Committee is also responsible for identifying, screening and selecting potential candidates for Board membership and for recommending qualified candidates to the full Board. The Board will consider qualified candidates recommended by the Nominating/Corporate Governance Committee for election to the Board and will determine which candidates to recommend to the Company's stockholders for election. The Board is responsible for filling vacancies on the Board as they arise.

In evaluating potential candidates, the Board considers the qualifications listed in McCormick's Corporate Governance Guidelines, including the requirement that nominees should possess the highest personal and professional ethics, integrity and values, and the commitment to represent the long-term interests of the stockholders. Nominees are selected on the basis of their business and professional experience, qualifications, public service and availability, and will be experienced at policy-making levels in business, government, finance or accounting, higher education or other fields relevant to the Company's global activities.

Nominees are selected to represent all stockholders rather than special interest groups or any group of stockholders. The Board does not have a formal policy with regard to diversity of Board nominees; however, McCormick's Corporate Governance Guidelines provide that diversity of background is a consideration in selecting Board nominees, and the selection criteria established by the Nominating/Corporate Governance Committee include a preference that candidates enhance the diversity of the Board (for example, with respect to gender, race, ethnicity, and culture). Diversity is valued because the Board believes that a variety of perspectives and experiences contributes to a more enhanced decision-making process.

From time to time, most recently in 2018, the Nominating/Corporate Governance Committee, on behalf of the Board, may retain an independent consultant experienced in corporate governance matters to conduct an in-depth study of the effectiveness of the Board and its Committees and to assist with the annual performance evaluation process. Amongst other things, the consultant typically interviews each director to obtain his or her assessment of the effectiveness of the Board and its Committees, including opportunities for the Board to enhance its effectiveness. The Board and its Committees then discuss the evaluation and determine if any follow-up actions are necessary. The Board and its Committees may then develop and execute plans to take actions based on the results, as appropriate, to ensure the Board and its Committees continue to operate effectively.

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Particular Skills Represented on the Board as a Whole

The Nominating/Corporate Governance Committee and the full Board believe a complementary mix of diverse skills, attributes, and experiences will best serve the Company and its stockholders. The director skills summary that appears below, and the related narrative for each director nominee, notes the specific experience, qualifications, attributes, and skills for each director that the Board considers important in determining that each nominee should serve on the Board in light of the Company's business, structure, and strategic direction. The absence of a "•" for a particular skill does not mean the director is unable to contribute to the decision-making process in that area.

Summary of Skills of Director Nominees

	Michael A. Conway	**Freeman A. Hrabowski, III**	**Lawrence E. Kurzius**	**Patricia Little**	**Michael D. Mangan**	**Maritza G. Montiel**	**Margaret M. V. Preston**	**Gary M. Rodkin**	**J T**
Senior executive experience (e.g., CEO, COO, CFO) at a publicly traded multinational company	•		•	•	•		•	•	•
Consumer marketing experience, or a particular knowledge of the food industry	•	•	•	•	•			•	
General management experience in international operations	•		•	•	•	•	•	•	•
Enhances the diversity of the Board (e.g., gender, race, ethnicity, & culture)	•	•		•		•	•		•
Strategic leadership at a large, complex,	•	•	•	•	•	•	•	•	•

organization									
High level of financial literacy	•	•	•	•	•	•	•	•	•
Governmental experience; regulatory expertise		•			•	•		•	•
Merger, acquisition and/or joint venture expertise			•	•	•		•	•	
Experience in aligning compensation with organizational strategy and performance	•	•	•		•	•		•	•

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Director Skills Narrative

Michael A. Conway

Mr. Conway's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) general management experience in international operations, and (iv) as a senior executive responsible for a global consumer packaged foods business, a particular knowledge of the business, markets and customers in which McCormick operates. Mr. Conway currently serves as Executive Vice President and President, Canada for Starbucks Coffee Company, which is a publicly traded multinational company. Previously, he served as President, Licensed Stores, U.S. and Latin America for Starbucks from 2016 to 2018 and President, Global Channel Development for Starbucks from 2013 to 2016 responsible for all commercial and business strategy functions and expanding into emerging international markets. Prior to joining Starbucks, he worked at Johnson & Johnson from 2004 to 2013, serving as worldwide President of McNeil Nutritional, a division of Johnson & Johnson from 2010 to 2013; and worked at the Campbell Soup Company from 1994 to 2004, serving as Vice President for the Adult Simple Meals Division of the Campbell Soup Company from 2003 to 2004. At Starbucks, Mr. Conway is a Senior Officer and Executive Team Member with full profit and loss responsibility.

Freeman A. Hrabowski, III

Dr. Hrabowski's qualifications include (i) strategic leadership at a large, complex, organization, (ii) governmental experience, and (iii) consumer marketing experience. Dr. Hrabowski has served as the President of the University of Maryland, Baltimore County (UMBC) since 1992, and his strategic leadership of that organization has been widely recognized. In 2008, he was named one of America's Best Leaders by U.S. News & World Report, which in each of the last six years has ranked UMBC the number one "Up and Coming" university in the nation. In 2009, Time Magazine named him one of America's 10 Best College Presidents, and, in 2012, named him as one of the "100 Most Influential People in the World." His career has been devoted to education and to helping students become future leaders in science, technology, and engineering, with a special emphasis on minority and underrepresented groups. In this regard, under former President Obama, Dr. Hrabowski chaired the President's Advisory Commission on Educational Excellence for African-Americans. Dr. Hrabowski's governmental experience includes working closely with the National Institutes of Health, the National Academy of Sciences, the National Science Foundation, and the U.S. Department of Education, as well as various agencies of the State of Maryland. Dr. Hrabowski is also a nationally recognized expert on marketing and recruitment in higher education, and works extensively with colleges and universities around the nation on such matters.

Lawrence E. Kurzius

Mr. Kurzius' qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) a detailed knowledge of the food industry, (iv) general management experience in international operations, and (v) strategic leadership of a large, complex, organization. Mr. Kurzius serves as the Chairman (since 2017), President (since 2015) and Chief Executive Officer of McCormick (since 2016). He previously served in a variety of other roles with the Company, thereby gaining an understanding of the different aspects of the Company's operations and the food industry. Prior to assuming his present role, Mr. Kurzius was (a) President and Chief Operating Officer (2015 to 2016) of McCormick, (b) President of the Company's global consumer business (2013 to 2016), (c) Chief Administrative Officer of the Company (2013 to 2015), (d) President of the Company's international business (2008 to 2013), (e) President of EMEA (2007 to 2008), (f) President of U.S. Consumer Foods (2005 to 2007), (g) Vice President and General Manager of Sales and Marketing for U.S. Consumer Foods (2005), and (h) President of Zatarain's (2003 to 2005). Prior to joining the Company upon the acquisition of Zatarain's by McCormick, Mr. Kurzius was the Chief Executive Officer of Zatarain's where he worked for 12 years. Mr. Kurzius was also a marketing executive with the Quaker Oats Company and Mars Inc.'s Uncle Ben's Company. In these various roles, Mr. Kurzius developed a broad knowledge of the Company's markets – both domestic and foreign, and consumer and flavor solutions – and had senior level responsibility for strategic planning and leadership with respect to these businesses. In his present role, Mr. Kurzius is responsible for the strategic leadership of the Company. He has extensive knowledge of consumer goods marketing in general, with a specific knowledge of the business, markets, and customers within the food industry in particular, and has hands-on experience in directing the day-to-day operations of our large, multi-faceted, consumer and flavor solutions foods business.

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Patricia Little

Ms. Little's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) general management experience in international operations, (iii) consumer marketing experience, (iv) a detailed knowledge of the food industry and (v) a high level of financial literacy. Ms. Little has over 25 years of experience across a broad range of roles in accounting, treasury, and finance functions at both the corporate and operating levels. Ms. Little's current service as the Senior Vice President & Chief Financial Officer of The Hershey Company requires management of an internationally-based financial organization. Responsibilities include the oversight of internal controls and financial systems on an international basis, the identification of enterprise risks, the oversight of the performance of the organization's public accountants in the preparation, auditing and evaluation of financial statements, and capital planning for The Hershey Company. As Senior Vice President & Chief Financial Officer, she regularly interacts with the audit committee of the board of directors of that company. Prior to joining The Hershey Company, Ms. Little's service at Kelly Services, Inc. as Executive Vice President & Chief Financial Officer from 2008 to 2015 entailed similar responsibilities as at The Hershey Company. Prior to that, her position at the Ford Motor Company as its general auditor and head of global accounting included responsibilities for managing global internal and external audit functions. As was true of her service with the Ford Motor Company and Kelly Services, her position at The Hershey Company requires travel to, and a detailed understanding of, her company's international operations and the local legal and accounting requirements bearing on her area of oversight. The McCormick Board of Directors has determined that Ms. Little is an "audit committee financial expert" under the rules of the SEC.

Michael D. Mangan

Mr. Mangan's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) a high level of financial literacy, and (iv) general management experience in international operations. Mr. Mangan served as the President of the Worldwide Power Tools and Accessories (WPTA) group of The Black & Decker Corporation until its acquisition in 2010 by The Stanley Works. In that role he provided strategic leadership of the WPTA group, and had oversight over the consumer marketing activities of that group in the international consumer marketplace. Service as President of the WPTA group, and past service as the Chief Financial Officer of The Black & Decker Corporation, broadened Mr. Mangan's international experience and provided an in-depth understanding of the company's key international markets. Service as the Chief Financial Officer of The Black & Decker Corporation, and prior service as the Executive Vice President & Chief Financial Officer of The Ryland Group, Inc., included responsibilities for overseeing the performance of those companies' public accountants in the preparation, auditing and evaluation of financial statements, business planning, corporate finance and investments, internal controls, and information systeMs. Although he no longer serves as a member of the Audit Committee, the McCormick Board of Directors has determined that Mr. Mangan meets the standards of an "audit committee financial expert" under the rules of the SEC.

Maritza G. Montiel

Ms. Montiel's qualifications include (i) strategic leadership at a large, complex, organization, (ii) governmental experience, (iii) a high level of financial literacy, and (iv) experience in developing effective governance and shared responsibility models. Ms. Montiel served for more than 40 years at Deloitte LLP before retiring in June 2014. Her most recent appointment was as Deputy Chief Executive Officer and Vice Chairman of the firm’s U.S. business. As Deputy CEO, Ms. Montiel led a variety of strategic initiatives including the transformation of the Federal Government Services Practice. She was also a member of the Deloitte Touche Tohmatsu Limited Global Board of Directors. Prior to her most recent role with Deloitte, Ms. Montiel served as Regional Managing Partner for the Southwest Region in which she led the organization through significant growth. Ms. Montiel was also the Managing Partner responsible for Leadership Development & Succession, as well as Deloitte University where she developed and implemented a strategic initiative aimed at transforming Deloitte’s professional development curriculum and training the next generation of leaders. The McCormick Board of Directors has determined that Ms. Montiel meets the standards of an “audit committee financial expert” under the rules of the SEC.

Margaret M.V. Preston

Ms. Preston’s qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) strategic leadership at a large, complex, organization, (iii) a high level of financial literacy, and (iv) experience in mergers and acquisitions. Ms. Preston’s past service as the Global Chief Financial Officer of Deutsche Bank, Private Wealth Management and as a Managing Director and Regional Executive of US Trust, Bank of America Private Wealth Management, and her current service as a Managing Director of TD Bank Private Wealth Management has afforded to Ms. Preston the opportunity to provide financial oversight and strategic leadership and direction to those organizations. As Treasurer of Alex. Brown Incorporated, Ms. Preston provided direction in the development of a collateral management system for margin loan management, and her role at US Trust included responsibility for the management of compliance and risk at the Private Wealth Management group for over $20 billion of assets under management at that organization. Ms. Preston has a well-developed experience in mergers and acquisitions, and the integration of acquired businesses, in consequence of her work, first at Alex. Brown as a Merger & Acquisition Manager, and subsequent work on the integration of the Bankers Trust Company and Alex. Brown businesses into Deutsche Bank, and the integration of Merrill Lynch operations into the Bank of America Private Wealth Management platform.

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Gary M. Rodkin

Mr. Rodkin's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) a detailed knowledge of the food industry, (iv) strategic leadership of a large, complex, organization, and (v) experience in mergers and acquisitions. Mr. Rodkin is a seasoned and successful former Chief Executive Officer who has led major consumer products goods businesses and companies. Most recently, Mr. Rodkin served as the President and Chief Executive Officer of ConAgra Foods, Inc. from 2005 to 2015, where he transformed ConAgra from a holding company into one unified business with a balanced portfolio of consumer, commercial and private-brand businesses and strong operating capabilities. Prior to joining ConAgra, Mr. Rodkin served as Chairman and Chief Executive Officer of the Beverages and Food division at PepsiCo, Inc., where he was accountable for two lines of business, PepsiCo Beverages North America and Quaker Foods North America. Previously, Mr. Rodkin spent sixteen years with General Mills, Inc. in a variety of management roles. Mr. Rodkin currently serves on the board of Simon Property Group, Inc., an equity real estate investment trust, as well as on the non-profit boards of Feeding America, a hunger-relief charity, and as the Vice Chairman of the Board of Overseers for Rutgers University. Mr. Rodkin is a Fellow of Executive Education at Harvard Business School, and an Executive in Residence at Rutgers University.

Jacques Tapiero

Mr. Tapiero's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) general management experience in international operations, and (iii) strategic leadership at a large, complex, organization. Mr. Tapiero served as Senior Vice President and President, Emerging Markets of Eli Lilly and Company, the Indianapolis, Indiana-based global pharmaceutical company, from 2009 until his retirement from that company on January 31, 2014, after 31 years of service. He was also a member of the Executive Committee of Eli Lilly. The Emerging Markets Business Unit focused on many of the organization's fastest growing markets, such as China, Russia, Brazil, Mexico, South Korea and Turkey, and Mr. Tapiero was responsible for Lilly's business in more than 70 countries. Prior to becoming President, Emerging Markets, Mr. Tapiero held the position of President of the Intercontinental Region for Lilly, with operations in Asia, Australia, Africa, the Middle East, Canada, Latin America and Russia (2004 to 2009). He also served as President and General Manager of Lilly France (2000 to 2004); President and General Manager of Eli Lilly do Brasil Ltd (1995 to 1999); and Managing Director of Lilly Sweden (1993 to 1995). Mr. Tapiero joined Lilly in 1983 as a financial analyst, and held several financial management, sales and marketing management positions in the United States, Switzerland and France. Mr. Tapiero is a senior advisor to McKinsey and Company Pharmaceuticals and Medical Products practice, and a director of Esteve – Spain (a private chemical and pharmaceuticals group).

W. Anthony Vernon

Mr. Vernon's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) a detailed knowledge of the food industry, (iv) strategic leadership of a large, complex, organization, and (v) experience in mergers and acquisitions. Mr. Vernon is a seasoned and successful former Chief Executive Officer who has led major consumer products goods businesses and companies. Most recently, Mr. Vernon served as the Chief Executive Officer of the Kraft Foods Group from 2012 to 2014 and remained with the company as a Senior Advisor and Executive Director until April 2015. He was the first CEO of the newly formed company when Kraft Foods split its snack and grocery divisions into two independent public companies. Mr. Vernon also served as Executive Vice President of Kraft Foods and President of North America from 2009 to 2012. Prior to joining Kraft, Mr. Vernon served as Healthcare Industry Partner of Ripplewood Holdings LL, a private equity firm. He also held several leadership roles at Johnson & Johnson where he spent 23 years of his career managing some of the company's largest consumer brands including Tylenol, Motrin, Pepcid AC, Imodium and Splenda. Mr. Vernon also served as President of Centocor, a Johnson & Johnson biotechnology company.

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Board Leadership

The Company's Board of Directors is led by our Chairman, Lawrence E. Kurzius, who is also our President and CEO. McCormick has historically combined the roles of chairman and chief executive officer, though we have separated the roles based on the needs of the Company and its stockholders at certain times. The Board of Directors believes that the Company currently is and has been well served by a combined structure, as it provides a bridge between management and the Board, thus helping to ensure that both act with commonality of purpose with efficient communication between them. The Board believes that the CEO is best able to bring key business issues and stockholder interests to the Board's attention, given his in-depth understanding of the Company. As well, this structure helps ensure accountability for the actions and strategic direction of the Company, and ensures that the Company presents its message and strategy to stockholders, employees and customers with a unified voice.

The Board also has the position of Lead Director who provides additional independent oversight of senior management and board matters in our current structure where the Chairman is not an independent director. The selection of a lead director is meant to facilitate, and not to inhibit, communication among the directors or between any of them and the Chairman and CEO. Accordingly, directors are encouraged to continue to communicate among themselves and directly with the Chairman and CEO. The independent directors, meeting in executive session in November 2009, selected Michael D. Mangan to serve as the Lead Director, and he continues to act in that role. The duties of the Lead Director are to (i) preside at executive sessions of the Board, and brief the Chairman and CEO, as needed, following such sessions; (ii) preside at meetings of the Board where the Chairman is not present; (iii) call meetings of the independent directors; (iv) provide input on Board agendas and meeting schedules; (v) provide feedback to the Chairman and CEO on the quality of information received from management; and (vi) participate with the Chairman and CEO, and the Nominating/Corporate Governance Committee in interviewing Board candidates. The Lead Director position generally has an initial two-year term, which may be extended as determined by the Board from time to time. In March 2018, the Board determined to extend Mr. Mangan's current term through March 2020.

The Board believes that the combined Chairman and CEO structure, coupled with an independent Lead Director, the use of regular executive sessions of the non-management Directors, and the substantial majority of independent directors comprising the Board, allows the Board to maintain effective oversight of the Company.

Board Committees

The Board of Directors has appointed the following Board Committees:

Audit Committee

The Charter of the Audit Committee provides that the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibility relating to:

- the integrity of McCormick's financial statements, the financial reporting process, and the systems of internal accounting and financial controls;
- the performance of McCormick's internal audit function;
- the appointment, engagement and performance of McCormick's independent registered public accounting firm and the evaluation of the independent registered public accounting firm's qualifications and independence;
- compliance with McCormick's business ethics and confidential information policies and legal and regulatory requirements, including McCormick's disclosure controls and procedures; and
- the evaluation of enterprise risk management process issues.

In so doing, it is the responsibility of the Audit Committee to maintain free and open communication between the Committee, the independent registered public accounting firm, the internal auditors, and management of McCormick and to resolve any disagreements between management and the independent registered public accounting firm regarding financial reporting. The Committee also performs other duties and responsibilities set forth in a written Charter approved by the Board of Directors. The Charter of the Audit Committee is available on McCormick's Investor Relations website at ir.mccormick.com under "Corporate Governance," then "Audit Committee Charter."

The Nominating/Corporate Governance Committee and the Board of Directors have determined that all members of the Audit Committee satisfy the independence requirements of the NYSE's Listing Standards, the rules of the SEC, and McCormick's Corporate Governance Guidelines. One member of the Audit Committee, Maritza Montiel, serves on the audit committees of more than three public companies; however, the Board of Directors has determined that Ms. Montiel's simultaneous service does not impair her ability to effectively serve on McCormick's Audit Committee. The Board of Directors has also determined that at least one member qualifies as an "audit committee financial expert" under SEC rules.

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Compensation Committee

The Compensation Committee has the following principal duties and responsibilities:

- review McCormick's executive compensation programs to ensure that they (i) effectively motivate the CEO and other executive officers to achieve our financial goals and strategic objectives; (ii) properly align the interests of these employees with the long-term interests of our stockholders; and (iii) are sufficiently competitive to attract and retain the executive resources necessary for the successful management of our businesses;
- review trends in executive compensation, oversee the development of new compensation plans (including performance-based, equity-based, and other incentive programs, as well as salary, bonus and deferred compensation arrangements) and, when appropriate, make recommendations to the Board regarding revisions to existing plans and/or approve revisions to such plans;
- annually review and approve corporate goals and objectives relevant to McCormick's CEO and other executive officers, evaluate the performance of such individuals against those goals and objectives, and approve the compensation for such individuals;
- annually evaluate the relationship between the Company's overall compensation policies and practices and risk;
- annually evaluate the compensation of the members of the Board; and
- review McCormick's management succession plan for the CEO and other executive officers.

These duties and responsibilities are set forth in a written Charter approved by the Board which is available on McCormick's Investor Relations website at ir.mccormick.com under "Corporate Governance," then "Compensation Committee Charter."

Pursuant to its Charter, the Committee has the authority to delegate certain of its responsibilities to a subcommittee; however, to date no such delegation has been made. The Committee has the authority to administer McCormick's equity plans for the CEO and other executive officers. The Committee is responsible for all determinations with respect to participation, the form, amount and timing of any awards to be granted to any such participants, and the payment of any such awards.

All members of the Committee qualify as independent directors under McCormick's Corporate Governance Guidelines and the NYSE's Listing Standards, and as "non-employee directors" and "outside directors" for the purposes set forth in the Committee's Charter.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee assists the Board by:

- developing and implementing corporate governance guidelines;
- establishing criteria for the selection of nominees for election to the Board, and identifying and recommending qualified individuals to serve as members of the Board;
- evaluating and making recommendations regarding the size and composition of the Board and its Committees (including making determinations concerning the composition of the Board and its Committees under the applicable requirements of the SEC and the NYSE); and
- monitoring a process to assess the effectiveness of the Board and its Committees.

The Committee is also responsible for performing other duties and responsibilities set forth in a written Charter approved by the Board of Directors. The Charter of the Committee and McCormick's Corporate Governance Guidelines are available on McCormick's Investor Relations website at ir.mccormick.com under "Corporate Governance," then "Nominating/Corporate Governance Committee Charter."

All members of the Committee qualify as independent directors under McCormick's Corporate Governance Guidelines and the NYSE Listing Standards.

Committee Membership and Meetings

The table below shows the current members of each of the Committees and the number of meetings held by each Committee in fiscal 2018.

Name	**Audit**	**Compensation**	**Nominating/ Corporate Governance**
Michael A. Conway	•		
J. Michael Fitzpatrick	•		
Freeman A. Hrabowski, III			Chair
Patricia Little	Chair		
Michael D. Mangan[(1)]		•	•
Maritza G. Montiel[(2)]	•		
Margaret M.V. Preston			•
Gary M. Rodkin			•
Jacques Tapiero		•	
W. Anthony Vernon		Chair	
Number of Committee Meetings Held in Fiscal 2018	9	9	5

(1) Lead Director.

(2) Effective January 22, 2019, Ms. Montiel became a member of the Audit Committee and ceased to be a member of the Compensation Committee.

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Director Attendance at Meetings

During fiscal 2018, there were six regular meetings of the Board. Each incumbent director attended at least 75% of the total number of meetings of the Board and each of the Board Committees on which he or she served.

Each year, the Board of Directors meets on the same day as the Annual Meeting of Stockholders. Although there is no policy requiring Board members to attend the Annual Meeting of Stockholders, all Board members are encouraged to attend and typically do so. All Board members attended last year's Annual Meeting of Stockholders.

Risk Oversight

A summary of the allocation of general risk oversight functions among management, the Board and its Committees is as follows:

BOARD OF DIRECTORS

Continuous oversight of overall risks, with emphasis on strategic risks, as well as reputation and operational risks, along with oversight of the Company's risk management and risk mitigation processes at both the full Board and Board Committee levels

AUDIT COMMITTEE	**COMPENSATION COMMITTEE**	**NOMINATING & CORPORATE GOVERNANCE COMMITTEE**
Oversees the risk management process, with an emphasis on risk management processes related to financial reporting, internal controls and financial risks	Compensation policies, practices and incentive-related risks, organizational talent and culture, and management succession risks	Governance structure, Board composition and succession risks

MANAGEMENT

Responsible for the day-to-day management of the risks facing the Company

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Board of Directors

The full Board assesses the Company's strategic direction and operational risks throughout the year. In addition, management annually provides the Board with an enterprise risk management ("ERM") review of the strategic risk issues and major trends that may impact business functions and the Company's overall risk profile, with recommendations for responsive action on ERM issues as needed. These plans and related risks are monitored throughout the year as part of the regular financial and performance reports given to the Board and Board Committees by management.

In addition to the formal compliance program, the Board encourages management to promote a corporate culture that incorporates risk management into the Company's corporate strategy and day-to-day business operations.

Audit Committee

The Board has designated the Audit Committee to take the lead in overseeing the risk management process. The Audit Committee makes regular reports to the Board regarding briefings by management and advisors as well as the Committee's own analysis and conclusions regarding the adequacy of the Company's risk management process.

Compensation Committee

The Compensation Committee considers the relationship between the Company's compensation policies and practices for all employees and risk, including whether such policies and practices encourage imprudent risk taking, and/or would be reasonably likely to have a material adverse effect on the Company. In performing its responsibilities, the Committee receives regular reports on compensation matters and trends from the Committee's independent compensation consultant. In 2018, the Compensation Committee evaluated the current risk profile of our executive and broad-based compensation programs, as discussed below in "Performance-Based Compensation and Risk." Additionally, the Compensation Committee reviewed the Company's incentive plans (executive and broad-based) to determine if any practices might encourage excessive risk taking on the part of senior executives. The Committee noted features of the Company's incentive plans (executive and broad-based) that mitigate risk, including the use of multiple measures in our annual and long-term incentive plans, Compensation Committee discretion in payment of incentives in the executive plans, use of various types of long-term incentives, payment caps, significant stock ownership guidelines, and our clawback policy. In light of these analyses, the Compensation Committee believes that the Company's compensation programs (executive and broad-based) provide multiple and effective safeguards to protect against undue risk.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee oversees risks related to corporate governance and Board composition. The Committee establishes criteria (for approval of the Board) for the selection of nominees for election to the Board, and reviews, evaluates and makes recommendations to the Board about its Committee structure and operations to ensure a commitment to effective governance.

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Other Directorships

Certain individuals nominated for election to the Board of Directors hold, or have held in the past five years, directorships in other public companies:

Name	Current	2018	2017	2016	2015	2014
Michael A. Conway	—	—	—	—	—	—
Freeman A. Hrabowski, III	• T. Rowe Price Group, Inc.	• T. Rowe Price Group, Inc.	• T. Rowe Price Group, Inc.	• T. Rowe Price Group, Inc.	• T. Rowe Price Group, Inc.	• T. Rowe Price Group, Inc.
Lawrence E. Kurzius	• Elanco Animal Health Inc.	• Elanco Animal Health Inc.	—	—	—	—
Patricia Little	—	—	—	—	—	—
Michael D. Mangan	• Nutrisystem, Inc. • AptarGroup, Inc.	• Nutrisystem, Inc. • AptarGroup, Inc.	• Nutrisystem, Inc. • AptarGroup, Inc.	• Nutrisystem, Inc. • AptarGroup, Inc.	• Nutrisystem, Inc. • AptarGroup, Inc.	—
Maritza G. Montiel	• Royal Caribbean Cruises Ltd. • Comcast Corporation	• Royal Caribbean Cruises Ltd. • Comcast Corporation	• Royal Caribbean Cruises Ltd.	• Royal Caribbean Cruises Ltd.	• Royal Caribbean Cruises Ltd.	—
Margaret M.V. Preston	—	—	—	—	—	—
Gary M. Rodkin	• Simon Property Group, Inc.	• Simon Property Group, Inc.	• Simon Property Group, Inc.	• Simon Property Group, Inc. • Avon Products, Inc.	• Simon Property Group, Inc. • Avon Products, Inc. • ConAgra Foods, Inc.	• Avon Products, Inc. • ConAgra Foods, Inc.
Jacques Tapiero	—	—	—	—	—	—
W. Anthony Vernon	• Intersect ENT, Inc. • Novocure Limited	• Intersect ENT, Inc. • Novocure Limited • Axovant Sciences, Inc.	• Intersect ENT, Inc. • Novocure Limited • Axovant Sciences, Inc.	• Intersect ENT, Inc. • Novocure Limited • Medivation, Inc.	• Intersect ENT, Inc. • Novocure Limited • Medivation, Inc.	• Kraft Foods Group, Inc. • Novocure Limited • Medivation, Inc.

• WhiteWave Foods Company	• WhiteWave Foods Company	• Kraft Foods Group, Inc.

Stock Ownership and Service on Other Boards

It is expected that each non-management director will acquire, within five years after his or her election to the Board, a number of shares having a value at least equal to four times the annual retainer paid to such member for service on the Board. The annual retainer was $90,000 during 2018. The annual retainer is paid in quarterly installments with the first quarterly installment upon election to the Board being paid in Common Stock to assist in meeting the Company's stock ownership expectations (subsequent quarterly payments are paid in cash). Such ownership must thereafter be maintained while serving on the Board.

No director of the Company may serve on the boards of more than four other publicly traded companies while also serving on McCormick's Board; however, if such director also serves as the Company's CEO then he/she is further limited to serving on only one other board of a publicly traded company while also serving on McCormick's Board.

All nominees are currently in compliance with these Board membership requirements, with the exception of Ms. Montiel and Messrs. Conway, Rodkin and Vernon with respect to the stock ownership requirement. Ms. Montiel and Mr. Conway joined the Board in 2015 and have until 2020 to meet the stock ownership requirement, while Messrs. Rodkin and Vernon joined the Board in 2017 and have until 2022.

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Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee is, or during fiscal 2018 was, an officer or an employee of McCormick or any of its subsidiaries, and no Committee member has any interlocking relationship with McCormick which is required to be reported under applicable rules and regulations of the SEC. For a discussion of insider participation in certain transactions, see "Procedure Regarding Transactions with a Related Person" above.

Compensation of Directors*

The following table sets forth the compensation earned by the non-management directors for services rendered during the fiscal year ended November 30, 2018:

Name	Fees Earned or Paid in Cash ($)[1]	Stock Awards ($)[2][3]	Option Awards ($)[2]	Total ($)
Michael A. Conway	90,000	100,019	60,007	250,026
J. Michael Fitzpatrick	90,000	100,019	60,007	250,026
Freeman A. Hrabowski, III	105,000	100,019	60,007	265,026
Patricia Little	108,750	100,019	60,007	268,776
Michael D. Mangan	116,250	100,019	60,007	276,276
Maritza G. Montiel	90,000	100,019	60,007	250,026
Margaret M.V. Preston	90,000	100,019	60,007	250,026
Gary M. Rodkin	90,000	100,019	60,007	250,026
Jacques Tapiero	90,000	100,019	60,007	250,026
W. Anthony Vernon	101,250	100,019	60,007	261,276
Alan D. Wilson[4]	22,500	–	–	22,500

* *Lawrence E. Kurzius, Chairman, President & CEO, is a member of the Board of Directors and was also an executive officer of the Company during fiscal 2018. Mr. Kurzius' compensation for fiscal 2018 is set forth below under "Compensation of Executive Officers."*

(1) Amounts shown include fees deferred at the election of the director as follows: Dr. Hrabowski – $105,000; Ms. Little – $108,750; Ms. Preston – $90,000 and Mr. Tapiero – $90,000.

(2) Amounts shown represent the aggregate grant date fair values computed in accordance with FASB ASC Topic 718 for each director. Awards include grants of RSUs (Stock Awards) and options (Option Awards) under the 2013 Omnibus Incentive Plan. For a discussion of the assumptions used in determining these values, see Note 11 to our 2018 financial statements.

(3) Amounts shown include RSUs granted in 2018 and deferred at the election of the following director: Dr. Hrabowski.

(4) As previously disclosed, Mr. Wilson served as a director until his departure from the Board effective March 28, 2018.

Options and RSUs

The following chart sets forth the number of exercisable and unexercisable options (exercisable for Common Stock and Common Stock Non-Voting, as indicated) and unvested RSUs held by each non-management director that served during fiscal 2018, as of November 30, 2018:

Name	Exercisable Options		Unexercisable Options		Unvested RSUs	
	Common Stock	Common Stock Non-Voting	Common Stock	Common Stock Non-Voting	Common Stock	Common Stock Non-Voting
Michael A. Conway	13,408	0	2,956	0	962	0
J. Michael Fitzpatrick	23,408	0	2,956	0	962	0
Freeman A. Hrabowski, III	40,908	2,500	2,956	0	962	0
Patricia Little	23,408	0	2,956	0	962	0
Michael D. Mangan	37,158	1,250	2,956	0	962	0
Maritza G. Montiel	13,408	0	2,956	0	962	0
Margaret M.V. Preston	40,908	2,500	2,956	0	962	0
Gary M. Rodkin	3,408	0	2,956	0	962	0
Jacques Tapiero	25,908	0	2,956	0	962	0
W. Anthony Vernon	3,260	0	2,956	0	962	0
Alan D. Wilson	874,737	0	0	0	0	0

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Narrative to the Director Compensation Tables

Directors who are employees of McCormick do not receive any fees for their service as a director. Mr. Kurzius was an employee of the Company during the whole of fiscal 2018.

The cash components of non-management director compensation are: (i) an annual retainer of $90,000, paid in equal quarterly installments (the first quarterly installment upon election to the Board is paid in Common Stock; subsequent quarterly payments are paid in cash), and (ii) for a director who serves as the Lead Director and/or as a Board Committee chair, an additional annual retainer of $15,000 in cash (paid in equal quarterly installments). Based on an assessment of compensation for non-management directors conducted in 2017, changes were approved, effective April 1, 2018, to increase the additional annual retainers for the Audit Committee Chair and the Lead Director to $20,000 and $25,000, respectively.

In addition, non-management directors received an annual option grant in whole shares of common stock approximating the value of $60,000 under the 2013 Omnibus Incentive Plan. The shares subject to these options vest in full on March 15 of the year following the year in which the grant date occurs, provided that the director continues to serve on the Board until such date. Non-management directors also received an annual RSU grant in whole shares approximating the value of $100,000. The RSUs vest in full on March 15 of the year following the year in which the grant date occurs, provided that the director continues to serve on the Board until such date. All outstanding stock options become fully exercisable and all outstanding RSUs vest in the event of disability or death of the participant, or a change in control of McCormick, while the director is serving on the Board.

Directors are eligible to participate in the McCormick Non-Qualified Retirement Savings Plan. Pursuant to this plan, directors may elect to defer anywhere from 10% to 100% of their cash Board fees. McCormick makes no contributions to the Directors' Non-Qualified Retirement Savings Plan accounts. For all plan participants, including directors, the deferred amounts are recorded in a notional deferred compensation account and change in value based upon the gains and losses of benchmark fund alternatives (one of which tracks the performance of McCormick stock) selected by the participant. Plan participants may generally elect to change their fund choices at any time (there are certain restrictions applicable to participants subject to Section 16 of the Exchange Act). Director participants may elect the deferred amounts plus earnings to be distributed either six months following retirement from the Board or on an interim distribution date. Distributions upon a director's retirement from the Board are paid in either a lump-sum or in 5 year, 10 year, 15 year or 20 year installments, based on the director's distribution election. Interim distributions are paid on a lump-sum basis and the distribution date must be at least four years from the date of the deferral election. If a director leaves the Board prior to the interim distribution date, then his or her plan balance will be paid as either a lump sum distribution or as indicated in the retirement distribution election. Participants may make a change to their distribution election subject to the requirements of the plan and Section 409A of the Internal Revenue Code. Amounts deferred under the Non-Qualified Retirement Savings Plan are held in a "rabbi" trust and remain subject to the claims of McCormick's creditors until they are paid.

Prior to the grant of RSUs, directors may elect to defer receipt of the underlying common stock upon vesting. If the director so elects, the director will not be considered the owner of the underlying common stock and will not receive voting rights or dividends on the stock until the deferral period expires, which is a date specified by the director or six months after the director's departure from the Board. At the expiration of the deferral period, the director becomes the owner of the underlying common stock.

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PROPOSAL 1 ELECTION OF DIRECTORS

Director Nominees

The persons listed in the following table have been nominated by the Board for election as directors to serve until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified. All nominees currently serve as directors. Management has no reason to believe that any of the nominees will be unavailable for election. In the event a nominee is unable to serve on the Board, or will not serve for good cause, the proxy holders will have discretionary authority for the election of any person to the office of such nominee. Alternatively, the Board may elect to reduce the size of the Board.

The following table shows the names and ages of all nominees, the principal occupation and business experience of each nominee during the last five years, the year in which each nominee was first elected to the Board, and, as of the Record Date, the amount of McCormick stock beneficially owned by each nominee, and the directors and executive officers of McCormick as a group, and the nature of such ownership. Except as shown in the table or footnotes, no nominee or executive officer beneficially owns more than 1% of either class of McCormick common stock.

Required Vote of Stockholders

The affirmative vote of a majority of all votes cast by holders of the shares of Common Stock present in person or by proxy at a meeting at which a quorum is present is required for the election of each nominee.

The Board of Directors recommends that stockholders vote FOR each of the nominees listed below.

Director Nominees

		Amount and Nature of Beneficial Ownership[1]	
Name	**Principal Occupation & Business Experience**	**Common**	**Common Non-Voting**
Michael A. Conway Age 52 Year First	Executive Vice President & President, Canada (2018 to present); President, Licensed Stores, U.S. and Latin America (2016 to 2018); President, Global Channel Development (2013 to 2016); Starbucks Coffee Company	16,947 *13,408*[2]	0 *0*[2]

Elected 2015			
Freeman A. Hrabowski, III Age 68 Year First Elected 1997	President, University of Maryland, Baltimore County (1992 to present)	91,098 *55,983*(2)	7,693 *4,617*(2)
Lawrence E. Kurzius Age 60 Year First Elected 2015	Chairman, President & CEO (2017 to present); President & CEO (2016 to 2017); Chief Operating Officer & President (2015 to 2016); President – Global Consumer (2013 to 2016); President – Global Consumer & Chief Administrative Officer (2013 to 2015); President – McCormick International (2008 to 2013); McCormick & Company, Incorporated	379,932 *283,302*(2) (3.9%)	0 *0*(2)
Patricia Little Age 58 Year First Elected 2010	Senior Vice President and Chief Financial Officer, The Hershey Company (2015 to present); Executive Vice President and Chief Financial Officer, Kelly Services, Inc. (2008 to 2015)	33,045 *23,408*(2)	696(3) *0*(2)
Michael D. Mangan Age 62 Year First Elected 2007	Retired Executive (2010 to present); President, Worldwide Power Tools and Accessories, The Black & Decker Corporation (2008 to 2010); Senior Vice President, Chief Financial Officer, The Black & Decker Corporation (2000 to 2008)	53,272 *37,158*(2)	3,367 *1,250*(2)
Maritza G. Montiel Age 67 Year First Elected 2015	Retired Executive (2014 to present); Deputy Chief Executive Officer & Vice Chairman (2011 to 2014) Managing Partner (2009 to 2011), Deloitte LLP	14,447 *13,408*(2)	2,500 *0*(2)
Margaret M.V. Preston Age 61 Year First Elected 2003	Managing Director, Private Wealth Management, TD Bank (2014 to present); Managing Director US Trust, Bank of America Private Wealth Management (2008 to 2014)	78,100 *44,181*(2)	11,385 *3,245*(2)
Gary M. Rodkin Age 66 Year First Elected 2017	Retired Executive (2015 to present); President and Chief Executive Officer, ConAgra Foods, Inc. (2005 to 2015)	4,687 *3,408*(2)	0 *0*(2)

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Name	Principal Occupation & Business Experience	Amount and Nature of Beneficial Ownership[1] Common	Common Non-Voting
Jacques Tapiero Age 60 Year First Elected 2012	Retired Executive (2014 to present); Director, Esteve – Spain (2016 to present); Senior Advisor, McKinsey & Company LLC (2014 to present); Senior Vice President and President, Emerging Markets (2009 to 2014); President, Intercontinental Region (2004 to 2009); Eli Lilly and Company	34,127 *25,908*[2]	1,310 *0*[2]
W. Anthony Vernon Age 63 Year First Elected 2017	Retired Executive (2015 to present); Senior Advisor and Executive Director (2014 to 2015) and Chief Executive Officer (2012 to 2014), Kraft Foods Group, Inc.	4,397 *3,260*[2]	0 *0*[2]
Directors and Executive Officers as a Group (17 persons)[4]		1,140,773 *827,400*[2] (11.0%)	44,314 *9,612*[2]

(1) *Includes (i) shares of Common Stock and Common Stock Non-Voting beneficially owned by directors and executive officers alone or jointly with spouses, minor children, and relatives (if any) who have the same home as the director or executive officer; (ii) shares of Common Stock that are beneficially owned by virtue of participation in the McCormick 401(k) Retirement Plan: Mr. Kurzius – 6,956, executive officers as a group – 9,102; and (iii) shares of Common Stock which are beneficially owned by virtue of participation in the Non-Qualified Retirement Savings Plan: Dr. Hrabowski – 11,929; Mr. Kurzius – 14,163, Ms. Preston – 10,532; and Mr. Tapiero – 904.*

(2) *Number of shares included in the above number which can be acquired within 60 days of the Record Date pursuant to the exercise of stock options and/or the vesting of RSUs and/or shares earned under the LTPP.*

(3) *Includes 201 shares held for a family member in a separate household over which Ms. Little exercises voting and investment control.*

(4) *Includes 74,129 shares of Common Stock (24,908 shares of which can be acquired within 60 days of the Record Date) and 12,702 shares of Common Stock Non-Voting (500 shares of which can be acquired within 60 days of the Record Date) beneficially owned by J. Michael Fitzpatrick, as well as 8,778 shares of Common Stock which are beneficially owned by virtue of participation in the Non-Qualified Retirement Savings Plan. Mr. Fitzpatrick joined the Board of Directors in 2001. In accordance with the Company's Corporate Governance Guidelines, he is not being nominated for re-election at the 2019 Annual Meeting of Stockholders. The Company appreciates his contributions and service.*

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EXECUTIVE OFFICERS

Named Executive Officers

The following table shows, as of the Record Date, the names, ages and positions of the executive officers named in the Summary Compensation Table (the "Named Executive Officers"), the amount of Common Stock and Common Stock Non-Voting beneficially owned by each such executive officer, and the nature of such ownership. Except as shown in the table, no executive officer owns more than 1% of either class of McCormick common stock. Mr. Kurzius is also included in the director nominee table.

		Amount and Nature of Beneficial Ownership[1]	
Name	**Principal Position**	**Common**	**Common Non-Voting**
Lawrence E. Kurzius Age 60	Chairman, President & CEO	379,932 *283,302*[2] (3.9%)	0 *0*[2]
Michael R. Smith Age 54	Executive Vice President & Chief Financial Officer (2016 to present); Senior Vice President, Corporate Finance (2015 to 2016); Senior Vice President, Finance Capital Markets & Chief Financial Officer North America (2014 to 2015); Chief Financial Officer & Vice President Finance EMEA (2012 to 2014); Vice President, Treasury & Investor Relations (2011 to 2012); McCormick & Company, Inc.	71,776 *53,958*[2]	3,194 *0*[2]
Brendan M. Foley Age 53	President, Global Consumer and Americas (2017 to present); President, Global Consumer and North America (2016 to 2017); President, North America (2015 to 2016); President, U.S. Consumer Foods Division (2014 to 2015); McCormick & Company; President North American Zone (2013 to 2014); President U.S. Consumer Products (2012 to 2013); President, U.S. Food Service (2008 to 2012); H.J. Heinz Co.	66,020 *54,393*[2]	124 *0*[2]
Jeffery D. Schwartz Age 49	Vice President, General Counsel & Secretary (2014 to present); Associate General Counsel & Assistant Secretary (2011 to 2014); Associate Counsel & Assistant Secretary (2009 to 2011); McCormick & Company, Inc.	47,923 *42,350*[2]	203 *0*[2]
Malcolm Swift Age 58	President, Global Flavor Solutions and McCormick International (2018 to present); President, Global Industrial and McCormick International (2016 to 2018); President, Global Industrial (2015 to 2016); President – EMEA and Asia Pacific (2014 to present); President – EMEA (2008 to 2014); McCormick & Company, Inc.	119,110 *104,300*[2] (1.2%)	273 *0*[2]

(1) *Includes: (i) shares of Common Stock and Common Stock Non-Voting beneficially owned by the executive officers alone or jointly with spouses, minor children and relatives (if any) who have the same home as the executive officer; (ii) shares of Common Stock which are beneficially owned by virtue of participation in the McCormick 401(k) Retirement Plan: Mr. Kurzius – 6,956 and Mr. Smith – 2,147; and (iii) shares of Common Stock which are beneficially owned by virtue of participation in the Non-Qualified Retirement Savings Plan: Mr. Kurzius – 14,163 and Mr. Foley – 759.*

(2) *Number of shares included in the above number which can be acquired within 60 days of the Record Date pursuant to the exercise of stock options and/or the vesting of RSUs and/or shares earned under the LTPP.*

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COMPENSATION OF EXECUTIVE OFFICERS

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

The purpose of this Compensation Discussion and Analysis ("CD&A") is to provide stockholders with a description of the material elements of McCormick's compensation program for its executive officers, including the Named Executive Officers, for fiscal 2018 and the policies and objectives which support the program. The compensation details are reflected in the compensation tables and accompanying narratives which follow.

The CD&A is divided into the following sections:

- Executive Summary
- Our Executive Compensation Philosophy and Practices
- Overview of Our Executive Compensation Program for Fiscal 2018
- How We Determined Executive Compensation for Fiscal 2018
- Elements of Executive Compensation
- Performance-Based Compensation and Risk

Executive Summary

In a challenging year for consumer goods companies, fiscal 2018 was another outstanding year in McCormick's history with exceptional financial and operating performance on both an absolute and relative basis, to the benefit of our stockholders and employees. Our focus on growth, performance, and people is driving strong long-term results which generated double-digit stockholder returns over the past 1-, 5-, 10- and 20-year periods. Importantly, in the last year we significantly exceeded the average return of both the broader market and the food group.

The outcomes under our variable pay programs reflect these achievements and demonstrate the stretch goals set for our Named Executive Officers.

- Annual incentive awards in respect of fiscal 2018 ranged from 82% to 121% of target; and
- December 2015 Long-Term Performance Plan awards vested, in aggregate, at 169% of target.

For fiscal 2018, the Compensation Committee approved several changes to our executive compensation program, with the goal of ensuring continued alignment with our compensation philosophy and being in the best interests of our stockholders.

CEO compensation

In April 2018, in recognition of his strong individual performance and the Company's strong performance under his leadership, and to improve the competitiveness of his total compensation relative to market, the Compensation Committee made adjustments to Mr. Kurzius' compensation. His annual base salary was increased to $1.25 million, his bonus opportunity was increased to 130% of base salary ($1.625 million), and his long-term incentive plan target was increased to $5.2 million, resulting in target total compensation of $8.075 million for fiscal 2018, an increase of 19.6% from fiscal 2017.

Other Named Executive Officer compensation

Also, in April 2018, the Compensation Committee made adjustments to the compensation levels for the other Named Executive Officers. These adjustments equated to increases in target total compensation ranging from 8.0% to 25.7% for fiscal 2018 relative to fiscal 2017. In approving these adjustments, the Committee took into account individual and Company performance, as well as the general market competitiveness of compensation levels.

Introduction of RSUs

Effective for awards made at the start of fiscal 2018 in December 2017, the Compensation Committee approved a change to deliver the time-vested component of the long-term incentive plan in an equal combination of stock options and RSUs. As in prior years, 50% of the overall target long-term incentive opportunity continues to be delivered under the LTPP, with vesting contingent on our sales growth and relative TSR performance. This reflects the core principles of our compensation program of pay for performance, through the use of the LTPP and stock options, which inherently require stock price appreciation to deliver any value; and retention of key talent through the use of RSUs. The Committee believes this mix is also more in line with typical practices in the market.

Special equity awards

During fiscal 2018, the Compensation Committee and independent members of the full Board collectively approved special equity awards in the form of time-based RSUs for our CEO and other Named Executive Officers. The primary objective of these awards is to retain the exceptional leadership team we have in place, who have collectively been instrumental in the delivery of market-leading performance to

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the benefit of our stockholders, employees and customers. At a time of uncertainty for others in our industry, competition for proven talent is intensifying. We believe these awards balance recognition of the strong performance delivered to date and the critical role our leaders have played, with a desire to retain and focus this group without distraction on continued stockholder value creation and delivering sustainable long-term growth.

Further details on all of these items are provided in the balance of the CD&A.

Our Executive Compensation Philosophy and Practices

The core philosophy of McCormick's executive compensation program is to pay for performance and retain key talent. McCormick's compensation program is designed to align McCormick's executive compensation with our five guiding principles (which are described on the back cover of this proxy statement) and long-term stockholder interests. Our executive compensation program includes elements with 1-, 3- and 10-year time horizons, along with a varied mix of payout factors tied to these elements to ensure that compensation is not focused on any one area above others, mitigating risk and ensuring a well-balanced recognition of both annual and long-term performance. McCormick's compensation policy is based on the following compensation principles:

- We must pay competitively – both as to the amount and type of compensation we offer in order to attract and retain our executive talent.
- A substantial portion of each executive's total compensation should be performance-based and dependent on the achievement of financial and other performance goals over both the short and longer term.
- The financial performance goals should be drivers of stockholder value over the short and longer term, such as sales growth, and EPS.

The framework of our executive compensation programs includes the governance features and other specific elements discussed below:

Compensation Practice	Pursued at McCormick?	Best Practice
Independent Compensation Committee and Consultant	**YES.** McCormick's Compensation Committee is comprised solely of independent directors. The Committee also engages an independent compensation consultant to provide data, insight and advice. The Compensation Committee retained the services of Exequity L.L.P. until March 31, 2018. In May 2018, following a competitive bid process, the Compensation Committee finalized the decision to engage Willis Towers Watson on a forward looking basis. For the relevant period each advisor (i) was retained directly by the Committee; (ii) performed little or no consulting or other services for McCormick; and (iii) was independent with no conflicts of interest with regard to the work performed.	

Compensation Risk Assessments	**YES.** The Compensation Committee's annual review and approval of McCormick's compensation strategy includes a review of compensation-related risk management. In this regard, the Compensation Committee annually considers the relationship between the Company's overall compensation policies and practices for employees, including executive officers, and risk, including whether such policies and practices (i) encourage imprudent risk taking, and/or (ii) would be reasonably likely to have a material adverse effect on the Company. The Committee believes that the Company's compensation programs (executive and broad-based) provide multiple and effective safeguards to protect against undue risk.
Favorable Risk Assessment for Fiscal 2018	**YES.** The Compensation Committee's independent consultant at the time assessed the Company's compensation policies and practices in fiscal 2018 and concluded that they do not motivate imprudent risk taking. The Compensation Committee reviewed and agreed with this assessment.
Limited Perquisites and No Tax Gross-Ups	**YES.** The NEO's receive a limited number of personal benefits and the Company does not provide tax gross-ups for personal benefits, meaning these benefits are fully taxable to the recipient.
Employment Agreements	**NO.** McCormick's executive officers do not have employment agreements, except where legally required, and do not have guaranteed levels of compensation.
Pledging, Hedging or Speculative Trading	**NO.** Executive officers are prohibited from pledging or hedging their Company stock (see discussion above under "Corporate Governance Guidelines") and are prohibited from engaging in short sales or equivalent transactions in McCormick stock.
Stock Ownership	**YES.** To further align the long-term interests of our executives and our stockholders, our Board has established stock ownership guidelines applicable to our CEO and executive officers.
Clawback Policy	**YES.** McCormick's 2013 Omnibus Incentive Plan (and the prior 2007 Omnibus Incentive Plan) outlines circumstances under which share-based and cash-based awards made under that plan may be forfeited, annulled, and/or reimbursed to McCormick, as described below.
Focus on Performance-Based Compensation	**YES.** The Compensation Committee endeavors to structure the executive compensation program so that each executive's compensation is comprised of a majority of elements that are performance-based, including our annual incentive plan, LTPP and long-term equity incentive plan.

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Compensation Practice	Pursued at McCormick?	Best Practice
Pay and Performance Alignment Assessment	**YES.** Each year the pay of McCormick's CEO and performance of the Company is compared to CEO pay and performance at our peer companies. The analysis conducted by the independent consultant in fiscal 2018 found that McCormick's relative performance consistently outranked relative pay. In effect, this indicated a misalignment between pay and performance, with McCormick's CEO earning relatively less for significantly superior performance.	
Cap on Performance-Based Compensation	**YES.** There is a cap for executive officer incentive payments made under the annual performance-based compensation and long-term incentive programs, and no payment is guaranteed under any incentive plans.	

Overview of Our Executive Compensation Program for Fiscal 2018

During fiscal 2018, the primary elements of compensation earned by each of our Named Executive Officers consisted of base salary, an annual incentive cash payment, a long-term performance plan (in the form of cash-based and equity-based incentive awards), a long-term equity incentive plan (in the form of time-vested stock options and restricted stock), a limited number of personal benefits, and retirement benefits earned under our qualified retirement plans, our defined benefit pension plan, now closed and frozen effective December 1, 2018, and supplemental executive retirement plan, which was frozen effective February 1, 2017 (Messrs. Kurzius and Smith were the historic participants in the Company's supplemental executive retirement plan).

The Compensation Committee annually reviews and approves each element of compensation. If necessary, the Compensation Committee makes adjustments to individual elements of compensation to achieve an overall total targeted compensation that it believes is market competitive and consistent with our compensation philosophy and objectives. In its deliberations, the Committee reviews data prepared by the independent consultant on pay levels and pay mix in relevant peer companies, referred to as our "Market Group" (see details of the constituent companies for fiscal 2018 target pay decisions below, in "How We Determined Executive Compensation for Fiscal 2018"). The Committee also reviews tally sheets for each executive officer, which summarize the elements of compensation noted above, the total estimated payments upon retirement, and the total estimated payments upon involuntary termination from McCormick.

The elements of the Executive Compensation Program described in the table below apply as stated to our US-based executive officers and it is our intent to follow our compensation principles and to provide similar benefits, where available and appropriate, to those executive officers located outside of the US. In 2018, Malcolm Swift remained based in the UK and therefore subject to country-specific differences in benefits.

OVERVIEW OF EXECUTIVE COMPENSATION PROGRAM FOR FISCAL 2018

	Element	Objective	Key Features
Annual Cash Compensation	Base Salary	Provide a competitive annual fixed level of cash compensation.	• On average, represents about 28% of compensation. • Adjustments are based on individual performance, company performance, role scope, internal equity, and informed by practices in our Market Group.
	Annual Performance-Based Incentive Compensation	Motivate and reward executive contributions in producing annual financial results.	• Annual incentive cash payments are based on a formula that includes adjusted EPS growth and operating income growth, adjusted for working capital charges.
Long-Term Incentive Plan	Long-Term Performance Plan	Retain executives and align their compensation with the Company's key financial goals to drive stockholder value over time.	• Awards represent 50% of the overall long-term incentive mix. • Awards based on the achievement of cumulative growth in net sales and relative TSR over the three-year performance period. • Annual grants of three-year overlapping cycles. • Earned awards to be delivered in cash and/or stock.
	Long-Term Equity Incentive Plan	Retain executive officers and align their interests with our stockholders.	• Awards represent 50% of the overall long-term incentive mix. • Awards made in the form of stock options and RSUs. • Awards generally vest at a rate of one-third per year or, if earlier, upon the retirement eligibility date of the holder.

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	Element	Objective	Key Features
Retirement Benefits	Pension Plan (Defined Benefit) and 401(k) Retirement Plan (Defined Contribution)	Provide retirement income for employees.	• Tax qualified defined benefit pension plan (now closed and frozen on December 1, 2018) in which many of our US employees, including some Named Executive Officers, are eligible to participate. Plan formula is based on age, years of service, and cash compensation. • The Company provides a match in the defined contribution 401(k) plan of up to 4% of eligible compensation, which increased to 5% effective December 1, 2018.
	Supplemental Executive Retirement Plan (Defined Benefit) ("SERP")	Provide retirement income for eligible executives to replace a reasonable percentage of their annual pre-retirement income.	• The plan was frozen on February 1, 2017. • For eligible executives who are age 50 and over, includes annual compensation over IRS limit and incentive bonus in the benefit calculation. • For certain executive officers, including eligible Named Executive Officers, includes one additional month of service credit for each month of service in the Plan between ages 55 and 60 up to a five year maximum. • For participants, including Named Executive Officers, who were eligible for the SERP, the Company will make an annual contribution in FY17 through FY20 to their Non-Qualified Retirement Savings Plan based on their age, service and eligible compensation in excess of the IRS limit.
	Non-Qualified Retirement Savings Plan (formerly the Deferred Compensation Plan)	Provide retirement savings vehicles to executives in a tax-efficient manner.	• Effective February 1, 2017, the plan was implemented in connection with the SERP freeze. • Participants, including Named Executive Officers, may elect to defer up to 80% of salary and annual bonus into a non-qualified deferred compensation plan. • Employees, including the Named Executive Officers, that have compensation in excess of the IRS limit, receive an annual contribution by McCormick into their deferred compensation account equal to 3% of the compensation amount in excess of the IRS limit. For FY18, the Company made a matching contribution of 4% of eligible compensation, with respect to deferred compensation that exceeded the IRS limit.
	McCormick (UK) Limited Pension & Life Assurance Plan	Provide retirement income for employees based in the U.K.	• Defined benefit, contributory pension plan.

	(Defined Benefit)		• Plan formula is based on final pensionable salary and length of service in the plan. • Plan closed to new employees in 2003 and frozen on December 31, 2016.
Personal Benefits	Automobile & Executive Benefit Allowances	Support executive with transportation, financial planning and wellness benefits.	• Combination of fixed monthly cash amounts and financial counseling services, all of which are fully taxable to the executive.
	Company Airplane	Available primarily for business use by executive officers to provide for security, confidentiality, and efficiency of travel time.	• The value of any personal use of the Company airplane (such as spouse travel) is imputed as income to the executive. • The executive is fully responsible for all taxes on such imputed amount.

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How We Determined Executive Compensation for Fiscal 2018

The Compensation Committee of the Board of Directors administers the compensation program for McCormick's executive officers, including the Named Executive Officers. The Committee applies the executive compensation principles listed above when approving pay for each individual officer. In determining the compensation of the Company's executive officers, the Committee is assisted by an independent compensation consultant retained directly by the Committee.

The Compensation Committee considered the following information in its evaluation of the compensation program for fiscal 2018:

- A total compensation review against an agreed group of companies deemed relevant for talent by the Committee ("Market Group") provided by the independent compensation consultant;
- A review of current and historic financial information, such as EPS, sales growth and TSR, of an agreed group of companies deemed relevant for performance and investment comparisons ("Peer Group"); and
- Recommendations by Mr. Kurzius with respect to the compensation of each Named Executive Officer, other than himself, as discussed more fully below.

The Compensation Committee also considered the results of the advisory votes by stockholders on the "say-on-pay" proposal presented to stockholders at the March 28, 2018 Annual Meeting. As reported in the Company's Form 8-K, filed with the SEC on April 3, 2018, stockholders expressed significant support for the compensation program offered to the Company's Named Executive Officers with over 98% of votes cast in favor. Accordingly, the Committee made no direct changes to the Company's executive compensation program as a result of the say-on-pay vote. For fiscal 2018, the Company's executive compensation program continued to focus on pay for performance, alignment of executive interests with those of McCormick's stockholders, and achieving balance between offering annual and long-term incentives without creating improper risks. The Committee will continue to consider the results of stockholders' advisory votes on executive compensation when making decisions about our executive compensation program.

Each year, in the process of considering compensation adjustments, the Compensation Committee compares the target total compensation being offered to McCormick's executive officers, including its Named Executive Officers, to the compensation being paid to individuals in similar positions at the companies listed below (our Market Group companies). Annually, the Committee, with assistance from the independent compensation consultant, reviews the constituent companies to determine whether modifications are necessary to address the elimination of companies due to merger/acquisition activity, changes in business relevance, and other pertinent factors. The Committee also attempts to maintain the Market Group size to include enough new companies from similar or adjacent industries so as to accommodate normal attrition and to reflect a range of revenue and market capitalization that is appropriate to that of McCormick.

For fiscal 2018, the Market Group comprised the following companies for U.S. based executive officers:

Fiscal 2017 and 2018 Companies	Hanesbrands Inc.	**New for Fiscal 2018**
Avery Dennison Corporation	The Hershey Company	ConAgra Brands, Inc.
Brown-Forman Corporation	Hormel Foods Corporation	Dean Foods Company
Brunswick Corporation	Ingredion Incorporated	
Campbell Soup Company	The J. M. Smucker Company	**Removals versus Fiscal 2017**
Church & Dwight Co., Inc.	Kellogg Company	Mead Johnson Nutrition Company
The Clorox Company	Mattel, Inc.	Newell Rubbermaid, Inc.
Coach, Inc.	Molson Coors LLC	WhiteWave Foods Company
Constellation Brands Inc.	Mohawk Industries	
Dr. Pepper Snapple Group, Inc.	Packaging Corporation of America	
Flowers Foods, Inc.	PVH Corp.	
Fresh Del Monte Produce Inc.	Sonoco Products Company	
The Hain Celestial Group Inc.	Tupperware Brands Corporation	

We believe these companies provide an appropriate comparison against which to measure the adequacy and suitability of our target compensation for executive officers because they are a potential source of executive talent for us, their executive positions are similar in scope, authority and impact to the positions occupied by our executives, and/or they broadly operate within the same or similar industry groups as McCormick.

Overall, fiscal 2018 target total direct compensation and pay mix, as well as the underlying elements of compensation, for all McCormick executives was aligned with market median.

For fiscal 2018, the Peer Group comprised the following companies for U.S. based executive officers:

Fiscal 2017 and 2018 Companies	The J. M. Smucker Company	**New for Fiscal 2018**
Campbell Soup Company	Kellogg Company	Pinnacle Foods
ConAgra Brands, Inc.	Kraft Heinz Company	
Dean Foods Company	Lamb Weston Holdings, Inc.	**Removals versus Fiscal 2017**
Flowers Foods, Inc.	Mondelêz International, Inc.	Lancaster Colony Corporation
General Mills, Inc.	Post Foods, LLC	Mead Johnson Nutrition Company
The Hain Celestial Group Inc.	Treehouse Foods	
The Hershey Company	Tyson Foods, Inc.	
Hormel Foods Corporation		

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Elements of Executive Compensation

1. Annual Cash Compensation and Long-Term Incentives

Base Salaries

Adjustments to base salaries are considered annually, but there is no guarantee that base salary will increase in any given year. In light of McCormick's continued superior growth, achievement of key strategic initiatives, and the fact that a number of key executive positions have historically trailed competitive market pay levels, the Committee elected to make adjustments to base salaries for certain senior executive officers, including the CEO, for 2018.

The determination of our Named Executive Officer's compensation considers such factors as our compensation philosophy, individual performance, company, performance, retention, succession planning, scope of role, experience, and the positioning of McCormick's executive total compensation levels relative to market.

In respect of the CEO's strong individual performance, continued Company performance, and to improve the competitiveness of his total compensation relative to market, the Compensation Committee approved an adjustment to Mr. Kurzius' base salary to $1.25 million. Similar adjustments were made for the other Named Executive Officers.

The following base salaries were approved with effect from April 1, 2018:

Name	Base Salary
Lawrence E. Kurzius	$1,250,000
Michael R. Smith	$570,000
Brendan M. Foley	$700,000
Jeffery D. Schwartz	$470,000
Malcolm Swift	£410,000

In aggregate, following the increases approved with effect from April 1, 2018, base salaries for all executive officers as a group were aligned with the 50th percentile of the Market Group.

Annual Performance-Based Incentive Compensation

In accordance with McCormick’s 2013 Omnibus Incentive Plan, the annual incentive program for executive officers, in which our Named Executive Officers participate, consists of an annual incentive pool that shall not exceed 2.5% of McCormick’s net income for the year. At the beginning of the year, the Compensation Committee establishes the maximum percentage of the pool that each will be eligible to earn, and the sum of these percentages cannot exceed 100% of the pool.

Target annual incentive award values are established annually for the CEO and other Named Executive Officers, and considered as part of the Compensation Committee’s annual review of total target compensation. Given the strong individual and superior Company performance, and a desire to improve the competitiveness of total compensation, the Compensation Committee approved small adjustments to the CEO’s and Named Executive Officers’ target opportunities for fiscal 2018:

Name	Target Annual Incentive Opportunity (% of Salary)
Lawrence E. Kurzius	130%
Michael R. Smith	85%
Brendan M. Foley	100%
Jeffery D. Schwartz	70%
Malcolm Swift	100%

As in prior years, for fiscal 2018 the performance metrics approved reflect the role and responsibilities of the executive officer. Given the acquisition of Reckitt Benckiser’s Food Division (“RB Foods”) in 2017, all Named Executive Officers had a portion of their annual incentive award contingent on the sales growth delivered in the RB Foods business.

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Named Executive Officer Population	Named Executive Officers	Fiscal 2018 Performance Factors and Weightings
Not directly responsible for a business unit	Lawrence E. Kurzius Michael R. Smith Jeffery D. Schwartz	70% Adjusted EPS* 24% Global McCormick Profit 6% Global RB Foods Net Sales
Directly responsible for a business unit	Brendan M. Foley	50% Adjusted EPS 25% Americas McCormick Profit 15% Global Consumer McCormick Profit 10% Americas RB Foods Net Sales
	Malcolm Swift	50% Adjusted EPS 25% International McCormick Profit 15% Global Flavor Solutions McCormick Profit 10% International RB Foods Net Sales

* *The Compensation Committee agreed with McCormick's definition of "Adjusted EPS" for fiscal 2018, that is EPS for the respective year, adjusted to exclude the impact of special charges, total transaction and integration expenses related to the acquisition of RB Foods, and the non-recurring benefit of the U.S. Tax Act (as defined in our Form 10-K for the 2018 fiscal year).*

Performance goals for our annual incentive program were approved by the Compensation Committee based on its analysis of the performance observed in and expected of companies in our Peer Group, because they are the companies against which we assess our financial results, with whom we compete for equity investors and whom we want to outperform. The Committee additionally takes account of McCormick's own growth, prior year performance, commitments to the market and strategic priorities.

In evaluating the difficulty of achieving the McCormick Profit targets established by the CEO (McCormick Profit is operating profit adjusted by a charge for working capital), the Committee considers both the historic performance of the business units and the overall McCormick Profit targets established by the CEO for the upcoming fiscal year. In 2018, McCormick's senior executive employees, including the Named Executive Officers, were also measured on net sales goals relating to the acquisition of RB Foods. These goals were developed to reinforce focus on successfully integrating and growing the acquired business. In evaluating the difficulty of achieving the RB Foods net sales goals, the Committee considered the historic performance of the acquired business and the overall McCormick net sales targets established for the upcoming year.

This evaluation is conducted with a view to driving stockholder value, paying our Named Executive Officers competitively, and rewarding superior financial performance. The measure of the difficulty of achieving business unit McCormick Profit targets is illustrated by the fact that the business units led by Messrs. Foley and Swift have not uniformly achieved their McCormick Profit targets from year-to-year and also vary when compared to each other.

The following table summarizes the fiscal 2018 adjusted EPS goals approved by the Compensation Committee. The Committee concluded that the threshold performance requirement is delivering EPS consistent with the prior fiscal year, as adjusted for the effects of the lower U.S. federal income tax rate. The Committee concluded it was appropriate to reward Adjusted EPS performance between the fiscal 2017 achievement, as adjusted for the effects of the lower U.S. federal income tax rate, and growth of 11.2% in recognition of the difficulty of achieving an Adjusted EPS goal which places McCormick among the highest performers in its Peer Group.

	Adjusted EPS Metric	**Payout**
Threshold	Prior Year Level	30%
Target	8.1% Growth	100%
Maximum	11.2% Growth	200%
Payout level	8.6%	114%

The other performance goals, while quantifiable, are confidential commercial or financial information, the disclosure of which would cause competitive harm to the Company. The Committee considered the ability to meet or exceed these goals to be at least as difficult as the Adjusted EPS requirements.

The Compensation Committee determined the actual fiscal 2018 annual incentive for each Named Executive Officer using the factors set forth in the following table: (i) the performance metric and respective weight allocated to each metric, as applicable; and (ii) the target annual incentive potential, as a percentage of base salary.

Name	**Performance Metric**	**Target Annual Incentive as a % of Base Salary**	**Payout Factor %**	**Actual Annual Incentive as a % of Base Salary***
		A	B	C
Lawrence E. Kurzius	70% - Adjusted EPS Growth 24% - Global McCormick Profit 6% - Global RB Foods Net Sales	130%	104%	135%
Michael R. Smith	70% - Adjusted EPS Growth 24% - Global McCormick Profit 6% - Global RB Foods Net Sales	85%	104%	88%
Brendan M. Foley	50% - Adjusted EPS Growth 25% - Americas McCormick Profit 15% - Global Consumer McCormick Profit 10% - Americas RB Foods Net Sales	100%	82%	82%

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Name	Performance Metric	Target Annual Incentive as a % of Base Salary	Payout Factor %	Actual Annual Incentive as a % of Base Salary*
Jeffery D. Schwartz	70% - Adjusted EPS Growth 24% - Global McCormick Profit 6% - Global RB Foods Net Sales	70%	104%	73%
Malcolm Swift	50% - Adjusted EPS Growth 25% - International McCormick Profit 15% - Global Flavor Solutions McCormick Profit 10% - International RB Foods Net Sales	100%	121%	121%

* *The fiscal 2018 annual incentive as a percentage of base salary for each Named Executive Officer is determined by multiplying column "A" times column "B" to produce the result in column "C." The resulting annual incentive amount is included in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table below. For fiscal 2017, the actual annual incentive as a percentage of base salary (Column C) for each Named Executive Officer was 204% (Mr. Kurzius), 114% (Mr. Smith), 106% (Mr. Foley), 98% (Mr. Schwartz) and 150% (Mr. Swift).*

Long-Term Incentive Plan

The intent of the LTIP is to align the interests of our executives with those of our stockholders and to drive increasing stockholder value over time. The two components of the LTIP are the LTPP and the Long-Term Equity Incentive Program:

Long-Term Performance Plan (LTPP)

A limited number of executives, including the Named Executive Officers, who are in positions to significantly impact the achievement of key corporate objectives and who provide the long-term strategic leadership necessary to accomplish those objectives, participate in the Company's three-year LTPP. The program provides for payments contingent on the achievement of three-year performance goals, which under all currently open three-year cycles relate to (1) cumulative sales growth, and (2) McCormick's TSR relative to the TSR generated by our Peer Group companies. Consistent with prior years, the Committee determined that the portion of the award measuring cumulative sales growth would be paid in the form of stock, but only if the established performance criteria are met. The Committee believes that this metric aligns the interests of McCormick's executives with the interests of stockholders. The other portion, measuring relative TSR, is paid in cash, again only to the extent the established performance criteria are met.

Cumulative sales growth is considered an appropriate metric given it is central to our growth strategy. Relative TSR growth is considered an appropriate metric because it is a clear and objective measurement of return for our stockholders, and its inclusion as a performance indicator ensures that the interests of plan participants remain aligned with those of our investors. Separate performance goals for cumulative sales growth and TSR were established for each cycle.

We establish our cumulative sales growth and TSR goals to instill in our executive officers an incentive to generate financial growth for McCormick that is competitive with growth rates exhibited by the highest performing companies among our Peer Group. This program plays an important role in aligning the compensation of executives with key financial accomplishments, which the Compensation Committee believes drive stockholder value over the long-term and are therefore important indicators of the performance of our top executives. The three-year performance timeframe and metrics for this plan complement the annual earnings and profit performance focus provided by the annual incentive program and the longer-term focus provided by stock options.

Throughout fiscal 2018, there were three active award cycles in this program, one of which ended on November 30, 2018. They are:

- December 1, 2015 – November 30, 2018 (fiscal 2016-2018) – just completed
- December 1, 2016 – November 30, 2019 (fiscal 2017-2019) –active cycle
- December 1, 2017 – November 30, 2020 (fiscal 2018-2020) –active cycle

The Compensation Committee approved the cash payment to participants at 200% of target because of compounded three-year TSR percentile growth of 84.9% resulting in a three-year relative TSR position at the 100th percentile and share payment to participants at 138% of target because of a compounded three-year sales growth of 14.3%. In aggregate, this translated to a payout of 169% of target.

	FY2016–2018 Performance Period	
	Sales Growth	**Relative TSR**
Threshold	6.0%	30th Percentile
Maximum	18.0%	80th Percentile and above
Actual Performance (FY2016–2018)	14.3%	100th Percentile

The cash payment made to Named Executive Officers for the performance cycle ending November 30, 2018, is included in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.

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The performance goals for the other active cycles are as follows:

	FY2017–2019 Performance Period	
	Sales Growth	**Relative TSR**
Threshold	6.0%	30th Percentile
Maximum	18.0%	80th Percentile and above

	FY2018–2020 Performance Period	
	Sales Growth	**Relative TSR**
Threshold	6.0%	25th Percentile
Maximum	18.0%	75th Percentile and above

If earned, the cash and stock awards under the remaining active cycles will be paid no later than end of February 2020 and February 2021, respectively. As required by SEC rules, the portion of the fiscal 2017-2019 cycle and the fiscal 2018-2020 cycles that may be paid in shares, if earned, is reflected in the Stock Awards column of the Summary Compensation Table for years 2017 and 2018, respectively, even though it would not be paid until the end of the cycle.

To set stretch goals for the LTPP program, the Committee looks externally to peer company goals and achievement levels, as well as internally at McCormick's past performance. The measure of the historical difficulty of achieving the performance goals under this plan is illustrated by the fact that there has not been uniform achievement of the goals from year-to-year and, as shown in the following table, the achievement percentages on the two metrics also vary when compared to each other:

	Earned Achievement Percent	
Performance Cycle	**Sales Growth**	**Relative TSR**
FY14-16	101%	143%
FY15-17	159%	196%
FY16-18	138%	200%

Long-Term Equity Incentive Program

Long-term awards are granted at the meeting of the Board of Directors that is held on the same day as our Annual Stockholders' Meeting. In fiscal 2018, the Compensation Committee determined that the long-term awards for executive officers, including the Named Executive Officers, should be granted as an equally weighted mix of stock options and RSUs. The Compensation Committee decided to grant awards in a combination of the two vehicles, to balance the alignment of our interests between our executive officers and stockholders in long-term sustainable value creation, with retention. The Committee also observed that the use of RSUs was more typically observed in the Market Group.

We determined the number of stock options and RSUs to grant by dividing the award cash value by the grant date fair value. The resulting number of shares was rounded up to the nearest whole number.

The exercise price of stock options is equal to the closing price of McCormick common stock on the date of grant. This methodology is evaluated annually.

The target value of long-term incentive awards is determined annually. In approving long-term incentive award values the Committee considers compensation data and positioning for comparable roles against our Market Group along with individual and company performance.

Special Equity Awards

During fiscal 2018, the Compensation Committee and independent members of the full Board collectively approved special equity awards in the form of time-based RSUs for our CEO and other Named Executive Officers. As previously noted, the primary objective of these awards is to retain the exceptional leadership team we have in place, who have collectively been instrumental in the delivery of market-leading performance to the benefit of our stockholders, employees, and customers. At a time of uncertainty for others in our industry, competition for proven talent is intensifying. We believe these awards balance recognition of the strong performance delivered to date and the critical role our leaders have played, with a desire to retain and focus this group without distraction on continued stockholder value creation and delivering sustainable long-term growth.

A one-time RSU award was approved for Mr. Kurzius with a grant date fair value of approximately $6,000,000. The award will vest over a period of three years, with one-third vesting on the first, second, and third anniversaries of the grant date. The Committee believes that this award recognizes strong performance, provides a compelling incentive for Mr. Kurzius to continue his leadership of McCormick, and will reward his continued focus on McCormick's long-term growth strategy.

In respect of the other Named Executive Officers:

- A one-time RSU award was approved for Mr. Foley with a grant date fair value of $2,861,700. The award will vest over a period of five years, with 2,500 of the 30,000 RSUs vesting on the first and second anniversaries, 5,000 vesting on the third anniversary, and 10,000 vesting on the fourth and fifth anniversary.
- One-time RSU awards were approved for Messrs. Smith and Schwartz, with a grant date fair value of $3,000,000 and $1,000,000 respectively. The awards will vest over a period of three years, with one-third vesting on the first, second, and third anniversaries of the grant date.

These awards were approved in recognition of performance and to provide an additional retention incentive. The independent members of the Board believe that their continued leadership is also essential to the successful execution of McCormick's long-term growth strategy.

The Committee believes that the best reflection of the value that our CEO and other Named Executive Officers bring to the Company is the return provided to our stockholders relative to the returns of other companies within our industry. It is therefore important to look beyond the annual executive compensation program at this time in order to position the Company, our stockholders and employees for continued future success.

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Role of the Independent Compensation Consultant & Recommendations by the CEO

Independent Consultant

Pursuant to its Charter, the Compensation Committee has the sole authority to retain and terminate the services of any outside compensation advisers to the Committee. In fiscal 2017, and prior to May 2018, the Compensation Committee retained Exequity L.L.P. Effective May 2018, following a competitive bid process, the Committee decided to retain Willis Towers Watson on a forward-looking basis. The independent compensation consultant is retained to provide advice to the Committee on general program design and best practices, as well as to assist the Committee in assessing McCormick's programs and the levels of compensation for our executive officers and directors, relative to the Market Group identified above. The independent compensation consultant reports directly to the Committee. The Compensation Committee assessed the work performed by both Exequity L.L.P. and Willis Towers Watson and determined that both were independent, and that the work and advice provided did not raise any conflict of interest. While Exequity L.L.P. performed the general competitive review for pay decisions effective in fiscal 2018, as requested by the Committee, they did not determine the amount or form of compensation with respect to McCormick's executive officers.

CEO Recommendations

The compensation of every McCormick employee, including each Named Executive Officer, is influenced in large part by the responsibilities of the position and the need to ensure that employees having similar job responsibilities are paid equitably, with consideration for individual performance. For fiscal 2018, Mr. Kurzius provided recommendations to the Compensation Committee with respect to the base salary amounts, performance targets for the annual and long-term incentive programs, and any adjustments to the value of long-term awards for each Named Executive Officer (other than himself). These recommendations were based on the Market Group data reviewed by the Committee and Mr. Kurzius' assessment of the executive's relative experience, overall performance, and impact on the accomplishment of McCormick's financial goals and strategic objectives during the prior year. While the Compensation Committee took Mr. Kurzius' recommendations under advisement, it independently evaluated the pay recommendations for each executive officer and made all final compensation decisions in accordance with its formal responsibilities as defined in its Charter.

The Company's CEO does not make any recommendations as to his own compensation and such decisions are made solely by the Compensation Committee. The Compensation Committee determined Mr. Kurzius' compensation, including base salary, performance targets and the value of the annual and long-term awards privately in executive session.

Aside from the Company's CEO, no executive officer of McCormick determined or provided the Committee with recommendations regarding the amount or form of executive or director compensation to the Committee during fiscal

2018.

Share Ownership Guidelines for Executive Officers

We believe our executive officers should be invested in the success of the organization they lead, and thus the Compensation Committee adopted share ownership guidelines in 2004. Each year, most recently in September 2018, the Committee reviews our share ownership guidelines as compared to those of the Market Group companies. Based upon its most recent review, the Committee concluded that the guideline for the Company's CEO should be increased from 5.0x to 6.0x making the share ownership guidelines be as follows:

	Multiple of Base Pay
CEO	6.0x
Executive Vice President and executive officers serving as Presidents of major business units	3.0x
All Other Executive Officers	2.0x

Shares owned by an executive officer include common stock allocated to the officer's 401(k) plan account as well as other shares which are beneficially owned, directly or indirectly, by the officer, but do not include shares available under vested but unexercised options.

All executive officers have five years from their appointment as an executive officer to meet these guidelines, and their stock ownership is reviewed annually by the Compensation Committee. Based on the closing price of the common stock on the Record Date, all of our Named Executive Officers satisfy the guidelines except for Messrs. Schwartz and Foley, who were appointed as executive officers in 2014 and 2015, respectively, and have until 2019 and 2020, respectively, to meet the requirements.

2. Retirement and Other Benefits

Retirement Benefits

We have provided a tax-qualified defined benefit pension plan in which many of our U.S. employees have been eligible to participate. For employees hired prior to December 1, 2000, base salary only is included in the calculation of the pension benefit, while base salary and the annual incentive are included in the calculation of the pension benefit for employees hired on or after December 1, 2000. Effective January 1, 2012, the pension plan was closed to new entrants; however, persons who were employees prior to January 1, 2012 continued to accrue benefits under the pension plan in accordance with its existing terms, before and after January 1, 2012.

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On January 3, 2017, a decision was made to freeze the pension plan effective December 1, 2018, at which point additional benefits ceased to accrue. We have also provided a supplemental executive retirement plan, or SERP, for a limited number of senior management employees who are age 50 and older, including Messrs. Kurzius and Smith. Providing a supplemental retirement benefit has been consistent with comparable organizations and provided a significant retention benefit. The senior executive program contained in McCormick's SERP provides the participating Named Executive Officers with a credit of one additional month of service for each month of service in the SERP between ages 55 and 60. For the eligible Named Executive Officers hired before December 1, 2000, the SERP also includes a significant portion of the executives' incentive payments in the calculation of the SERP pension benefit in recognition of the fact that a substantial portion of the total compensation for these executives is performance-based compensation, consistent with our compensation policy, and the incentive bonuses for these executives are not included in calculating their benefit under the tax-qualified pension plan. For the eligible Named Executive Officers hired on or after December 1, 2000, the SERP is calculated by multiplying the benefit by a factor based upon the Named Executive Officer's wage grade at the date of retirement. The long-term cash and equity based incentive awards described above are not included in the calculation of the SERP benefit. The Compensation Committee had closed the senior executive SERP program to new entrants; however, as is the case with the pension plan, executives who were participating in the senior executive SERP program continued to accrue benefits under the plan in accordance with its existing terms.

On January 3, 2017, a decision was made to also freeze the SERP plan effective February 1, 2017, at which point additional benefits ceased to accrue for participants in the SERP. In connection with the freezing of the SERP and the pension plan, the Company approved (i) the McCormick Non-Qualified Retirement Savings Plan, effective February 1, 2017, and (ii) enhancements to the company's 401(k) plan, effective December 1, 2018, to provide additional retirement benefits for all U.S. employees, including the Named Executive Officers.

Malcolm Swift participated in the McCormick (UK) Limited Pension & Life Assurance Plan ("UK Pension Plan"), which is a defined benefit, contributory plan, until he elected to withdraw from it in April 2016. The UK Pension Plan was closed in 2003 and frozen on December 31, 2016. Mr. Swift's inclusion in the UK Pension Plan as an Executive of McCormick UK was requested by the Company and approved by the Trustees of the UK Pension Plan. The UK Pension Plan provides benefits based on the participant's years of service and the final pensionable salary. As defined in the UK Pension Plan, "years of service" means all of the executive's years of service to McCormick after becoming eligible to enter the UK Pension Plan. Mr. Swift will retain benefits accrued up to the date of his withdrawal in accordance with the UK Pension Plan's terms.

Personal Benefits

The Named Executive Officers received a limited number of personal benefits, including a fixed car allowance and fixed executive benefit allowance for expenses associated with financial planning and wellness. These benefits make up a small portion of the total compensation of our Named Executive Officers and we believe the retention value of these benefits exceeds the cost of such benefits to McCormick. The Company does not provide tax gross-ups for personal benefits, such that these benefits are fully taxable to the recipient.

Company Airplane

McCormick maintains a Company airplane. It is preferred that the CEO and other executives, including the Named Executive Officers, use McCormick's airplane whenever air travel is required for business purposes. This provides for a more efficient use of their time given the greater likelihood of direct flights and improved flight times than are available commercially. It also provides a more secure traveling environment where sensitive business issues may be discussed, and enhances personal security. Spouses, family and other guests generally may accompany the executive on the airplane when the executive is traveling. If the travel by the executive, spouse, family, or guest does not meet the United States Internal Revenue Service standard for business use, the cost of that travel is imputed as income to the executive and the executive is fully responsible for any associated tax liability. To the extent any travel on the airplane results in imputed income to the Named Executive Officer, the Company does not provide gross-up payments to cover the Named Executive Officer's personal income tax obligation due to such imputed income. The Company does not incur any incremental out-of-pocket costs when additional passengers accompany an executive on the Company airplane.

Severance Benefits

The Company's executive officers participate in McCormick's Severance Plan for Executives (the "Severance Plan"). 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 payments and benefits described below under "Potential Payments Upon Termination or Change in Control." The Change in Control features of the Severance Plan are needed to allay the uncertainty that executives can experience while the possibility of a Change in Control exists, thereby allowing them to both operate in the best interests of the Company and stockholders, as well as to remain at the Company through the desired retention period. The Board believes that the Severance Plan allows the Company's executives to continue effectively executing their management responsibilities without being influenced by the uncertainty of their personal situations. In the event of an involuntary termination outside of a Change in Control situation, we consider these benefits important to attract executive talent to the Company. In addition, they help create a stable work environment in which the executives are provided certain economic benefits in the event their employment is terminated. A general release from claims is required to obtain these benefits, making this a mutually beneficial arrangement.

For additional information on the above benefits, see the "All Other Compensation" column and related footnotes to the Summary Compensation Table.

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Performance-Based Compensation and Risk

The Compensation Committee considers risk as well as motivation when establishing performance criteria. During fiscal 2018, the Compensation Committee engaged in a process of reviewing all of the Company's incentive compensation plans to determine whether the Company's compensation policies and practices foster risk taking above the level of risk associated with the Company's business model. In the course of its examination, the Committee evaluated:

- The balance of performance and the quality and sustainability of performance;
- The mix between annual and long-term incentives;
- The relationship between performance criteria for annual and long-term incentive awards;
- Competitive practices;
- Share retention requirements; and
- Clawback provisions.

On the basis of this review, the Compensation Committee determined that the Company's incentive compensation plans are appropriately structured and do not create risks that are reasonably likely to have a material adverse effect on the Company.

Clawback Provisions

McCormick's 2013 Omnibus Incentive Plan, as amended (the "2013 Plan"), which was approved by stockholders at the April 3, 2013 Annual Meeting, and the prior 2007 Omnibus Incentive Plan, which was replaced by the 2013 Plan, outlines circumstances under which share-based and cash-based awards made under that plan may be forfeited, annulled, and/or reimbursed to McCormick. Such circumstances include: a forfeiture of the gain realized by a participating employee on account of actions taken by the employee in violation of the award agreements issued under the 2013 Plan, and/or a finding by the Compensation Committee that a participating employee has been terminated for cause ("cause" means, as determined by the Compensation Committee, (i) gross negligence or willful misconduct in connection with the performance of duties; (ii) conviction of, or plea of nolo contender to, a criminal offense (other than minor traffic offenses); or (iii) material breach of any term of those agreements between the participant and McCormick or an affiliate, as specified in the 2013 Plan).

Furthermore, if McCormick is required to prepare an accounting restatement due to the material noncompliance of McCormick, as a result of misconduct, with any financial reporting requirement under the securities laws, then (i) the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002, and (ii) any participant who (a) knowingly engaged in the misconduct, (b) was grossly negligent in engaging in the misconduct, (c) knowingly failed to prevent the misconduct, or (d) was grossly negligent in failing to prevent the misconduct, is required to reimburse McCormick the amount of any payment in settlement of an award earned or accrued under the 2013 Plan during the twelve month period following the public issuance or Exchange Act filing (whichever first occurred) of the financial document that contained such material noncompliance.

In addition, any award granted pursuant to the 2013 Plan shall be subject to mandatory repayment by the participant to McCormick to the extent the participant is, or in the future becomes, subject to (a) any Company "clawback" or recoupment policy that is adopted to comply with the requirements of any applicable law, rule, regulation or stock exchange listing standard, or (b) any law, rule, regulation or stock exchange listing standard that imposes mandatory recoupment under the circumstances set forth in such law, rule, regulation or listing standard.

Performance-Based Compensation – Section 162(m)

The Compensation Committee annually reviews and considers the deductibility of the compensation paid to our executive officers, which includes each of the Named Executive Officers in the U.S., under Section 162(m) of the Internal Revenue Code. Pursuant to Section 162(m), compensation paid to certain executive officers in excess of $1,000,000 generally is not deductible. However, before the effective date of the 2017 tax reform legislation, amounts in excess of $1,000,000 were deductible if they qualify as "performance-based compensation." With respect to awards made before the 2017 tax reform legislation, the Committee endeavored to structure the executive compensation program so that each executive's compensation will generally be fully deductible. However, the Committee retained the right to approve compensation that was not fully deductible under Section 162(m). The compensation paid pursuant to our cash-based annual and long-term incentive programs was intended to qualify as "performance-based compensation" for purposes of Section 162(m) for all years in which the "performance-based compensation" exception was in effect. Base salaries did not qualify as "performance-based compensation" pursuant to the requirements of Section 162(m).

The 2017 tax reform legislation removed the "performance-based compensation" exception from Section 162(m). Accordingly, awards made after November 2, 2017, generally are not eligible for the "performance-based compensation" exception and will not be deductible to the extent that they cause the compensation of the affected executive officers to exceed $1,000,000 in any year. Awards that were made and subject to binding written contracts in effect on November 2, 2017, are "grandfathered" under prior law and can still qualify as deductible "performance-based compensation," even if paid in future years. The Committee will continue to monitor these awards and endeavor to ensure that they are deductible if and when paid.

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Compensation Committee Report

The Compensation Committee of the Board of Directors has reviewed the foregoing Compensation Discussion and Analysis with management and, based on these reviews and discussions, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in McCormick's Annual Report on Form 10-K for the fiscal year ended November 30, 2018, and in this proxy statement.

Submitted by:	**Compensation Committee**
	W. Anthony Vernon, Chair
	Michael D. Mangan
	Maritza G. Montiel
	Jacques Tapiero

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Executive Compensation Tables

Summary Compensation Table

The following table sets forth the compensation earned during the applicable fiscal year by individuals serving as our CEO and CFO during fiscal 2018, and each of the other three most highly compensated executive officers of McCormick who were executive officers as of the end of fiscal 2017.

Name and Principal Position	Year	Salary ($)(1)	Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(1)(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(5)	All Other Compensation ($)(6)	To ($
Lawrence E. Kurzius	2018	1,163,462	8,600,172(7)	1,300,012	3,446,013	—	326,767	14
Chairman, President & Chief	2017	965,385	1,206,000	2,250,012	2,771,125	1,605,153	250,624	9,
Executive Officer	2016	861,374	875,000	1,750,000	1,853,630	1,114,029	64,311	6,
Michael R. Smith	2018	552,692	3,500,128(8)	250,015	680,673	—	178,269	5,
Executive Vice President and	2017	513,077	782,500	375,005	715,280	430,613	146,841	2,
Chief Financial Officer	2016	394,943	87,500	175,000	511,098	394,263	160,300	1,
Brendan M. Foley	2018	675,769	3,561,738(9)	350,013	1,074,840	—	142,029	5,
President, Global Consumer	2017	595,384	300,000	600,008	916,357	—	127,926	2,
and Americas	2016	519,809	250,000	500,010	555,705	—	102,170	1,
Jeffery D. Schwartz	2018	456,154	1,350,240(10)	175,006	693,377	—	91,765	2,
Vice President, General	2017	419,616	175,000	350,016	567,249	45,524	93,599	1,
Counsel & Secretary	2016	383,015	175,000	350,000	332,640	21,519	64,311	1,
Malcolm Swift(12)	2018	513,726	500,056 (11)	250,015	1,133,501	—	96,314	2,
President, Flavor Solutions	2017	500,166	250,000	500,001	1,037,654	28,793	102,217	2,
and McCormick International	2016	407,714	250,000	500,010	583,382	200,586	76,445	2,

(1) *The Salary and Non-Equity Incentive Plan Compensation columns include amounts deferred at the election of the Named Executive Officer. For more information on the amount of cash compensation deferred for each Named Executive Officer during fiscal 2018, see the “Non-Qualified Deferred Compensation Table” below.*

(2) *We are required to report the equity portion of awards made under the LTPP at the beginning of the three-year LTPP cycle, even though it will not be paid (if at all) until the end of the cycle. The amounts shown assume performance at target. The cash portion of the award is not reported until the end of the cycle. Both the cash and equity portions of the award are paid only if performance conditions are met, and the final payment amount will range from 25% to 200% of the stated target. Refer to the “Grants of Plan-Based Awards” table below for the threshold, target, and maximum amounts that can be earned. Amounts shown represent the aggregate grant date*

fair value computed in accordance with FASB ASC Topic 718 related to the equity component of the FY2016-FY2018, FY2017-FY2019 and FY2018-FY2020 LTPP cycles. For a discussion of the assumptions used in determining these values, see Note 11 to our 2018 financial statements.

(3) *Amounts shown represent the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 with respect to each fiscal year for each Named Executive Officer related to grants of stock options pursuant to our 2013 Omnibus Incentive Plans. For a discussion of the assumptions used in determining these values, see Note 11 to our 2018 financial statements.*

(4) *Amounts shown represent the cash awards earned by the Named Executive Officer under our annual performance-based incentive compensation program for each performance period. For further information, see the "Grants of Plan-Based Awards" table and accompanying footnotes below. Amounts shown for each fiscal year also include cash awards paid to participants for three three-year LTPP cycles, the first beginning on December 1, 2013 and ending on November 30, 2016, the second beginning on December 1, 2014 and ending on November 30, 2017 and the third beginning on December 1, 2015 and ending on November 30, 2018, except for Mr. Foley and Mr. Schwartz, who were only participants in the LTPP cycles that ended on November 30, 2017 and November 30, 2018.*

(5) *Amounts represent the actuarial change in the present value of the Named Executive Officer's benefit under our defined benefit pension plan and SERP, except for Mr. Swift's which is based on the UK Pension Plan. While these amounts appear as a lump sum, the normal form of payment is an annuity and the plan does not currently allow a lump sum payment for these benefits. The pension number reported is an accounting value and was not realized by the Named Executive Officer during 2018. Mr. Foley is not eligible for the Pension Plan or SERP. For fiscal 2018, the total pension value changes for the Named Executive Offer's benefits under the defined benefit pension plan and SERP were negative, for Mr. Kurzius ($442,596), for Mr. Smith ($166,046), for Mr. Schwartz ($1,414) and for Mr. Swift ($36,937).*

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(6)Amounts shown for fiscal 2018 are made up of the following:

Name	Executive Auto Allowance	Executive Benefit Allowance	Executive Financial Counseling Program*	Excess Liability Policy (Annual Premiums)	Employer Matching Funds under McCormick 401(k) Plan	Company Contributions to Deferred Compensation Accounts**	Profit Sharing	Transition Credits	Cash in Lieu of Pensi
Lawrence Kurzius	$22,000	$17,000	$16,515	$417	$10,800	$113,862	$87,704	$58,469	—
Michael Smith	$ 22,000	$ 17,000	$ 16,515	$ 417					