

# The Power of People™



**Lisa Manzone**  
Senior Vice President, Human Relations,  
McCormick and Company, Inc.

**Global diversity and inclusion remains a core value and strategic business priority for McCormick, and our people culture—built on respect, diversity, inclusion and accountability—is a key differentiator in a competitive talent marketplace.**

As a Company, we are committed to investing in, and competitively incentivising, all our people to help them advance their careers and enable McCormick's continued growth.

We are pleased to publish this UK Gender Pay Gap report and highlight our progress in advancing gender pay equity. We believe that our results demonstrate that we are paying our staff equitably, in line with their skills and experience, and not based on gender.

More than 90% of our McCormick UK employees and more than 83% of our McCormick Merchandising Services employees benefit from Profit Share and bonuses. These are much higher figures than many other companies in the food manufacturing sector against whom we benchmark ourselves.

We are working towards a global target of 50% women in leadership positions by the year 2020. To achieve this, we have put in place programmes to drive greater inclusion and career progression at McCormick, which are outlined within this report and reflect the extent to which our commitment to diversity and inclusion is embedded into our business strategy.

We are proud to be ranked in the Top 50 Companies for Diversity by *DiversityInc* in recognition of our proven success integrating diversity and inclusion into our culture and operations.

We welcome the opportunity for greater transparency on these issues and look forward to future dialogue.



## UK GENDER PAY GAP REPORT

2017



# Our Commitment to Diversity, Leadership and Development



McCormick Employee Ambassador Groups (EAGs) serve as resources for community-building, professional development and employee engagement. One such group is the Women's International Network (WIN), which has over 500 members around the world, with groups in the UK, France, China and the U.S., with another chapter launching in Poland later this year. WIN is dedicated to furthering the professional growth and achievement of women at McCormick while also contributing to the success of our Company and our communities.



Ignite is a global programme that recognises leaders who are female with the potential to strongly contribute to McCormick's future success. This initiative seeks to create a workplace where all employees can contribute to their fullest by removing the invisible forces standing in the way of women.



Our global Multiple Management Boards (MMB) allow employees across many levels to work on strategic business projects which are sponsored by executives and tied to the Company's long-term strategic plans. Our MMB participants contribute to company decision-making, build relationships with McCormick leadership and develop the necessary skills and competencies to become the next generation of McCormick leaders. Our MMB programme is intentionally diverse, in line with our belief that diversity translates to greater business impact.



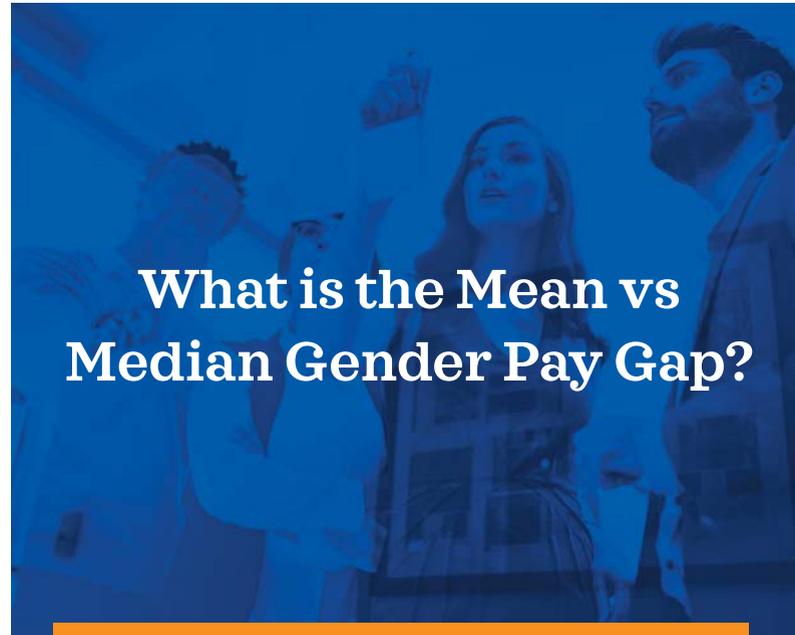
# The Gender Pay Gap



## What is the Gender Pay Gap?

The Gender Pay Gap is the difference in mean and median pay and bonuses between men and women. This pay gap is influenced by a range of factors, which we explain in this report.

Where results show a negative number, this means that men have lower pay/bonus than women. Where results show a positive number, this means that women have lower pay/bonus than men.



## What is the Mean vs Median Gender Pay Gap?

The Mean Gender Pay Gap is the difference in the average hourly rate of pay between women and men.

The Median Gender Pay Gap represents the difference between the middle pay point for women compared to the middle pay point for men when all hourly pay rates are placed in numerical order from lowest to highest.



## Where do our employees work?

McCormick employees in the UK work for either McCormick (UK) Ltd. or McCormick Merchandising Services Ltd. We have reported data from these two entities separately, which we have explained in this report.



# McCormick (UK) Ltd.

## OUR GENDER PAY GAP RESULTS

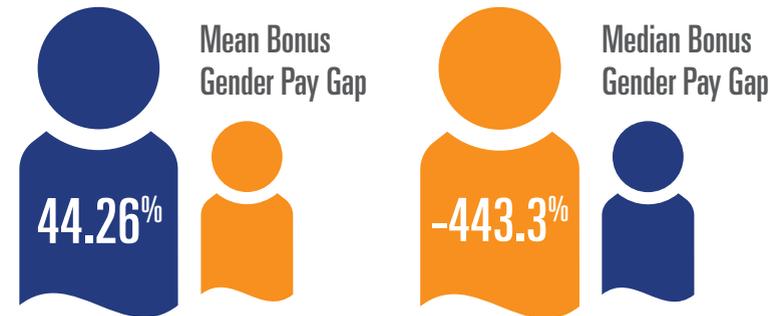
Male  
Female

We pay our employees equitably with an overall variation in mean and median pay which is favourable to women. The median gender pay gap is greater because of the higher proportion of women in mid-level positions.

Mean Gender Pay Gap **-12.39%**

Median Gender Pay Gap **-41.27%**

Mean bonus levels are higher for men due to the higher proportion of men in senior positions receiving larger bonuses. This data includes our President of Global Flavour Solutions, whose position is also one of the top five NEOs reported in our proxy statement. Median bonus levels are higher for women due to the number of men receiving Profit Share payouts, which are lower on average than bonus payouts.



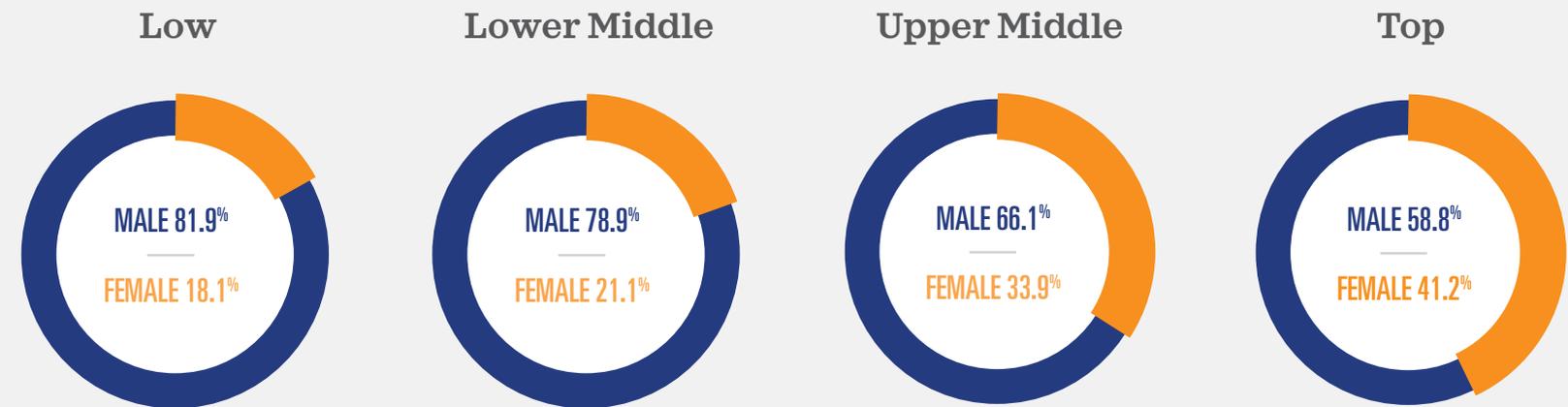
All employees are eligible for either a discretionary bonus or Profit Share payout – those who did not receive one were as a result of length of service eligibility (both plans) or performance (bonus only).

### The Proportion of Males / Females Receiving a Bonus:



### Proportion (%) of Males / Females in Each Quartile Pay Band:

McCormick's UK workforce is predominantly male (71%), and two-thirds of the UK workforce are employed in our factories and warehouses. Most of the roles in the lower-two pay quartiles are in Operations and Supply Chain (particularly factories and warehouses) in which there are more men than women. Women are more equally represented in the upper-two pay quartiles.





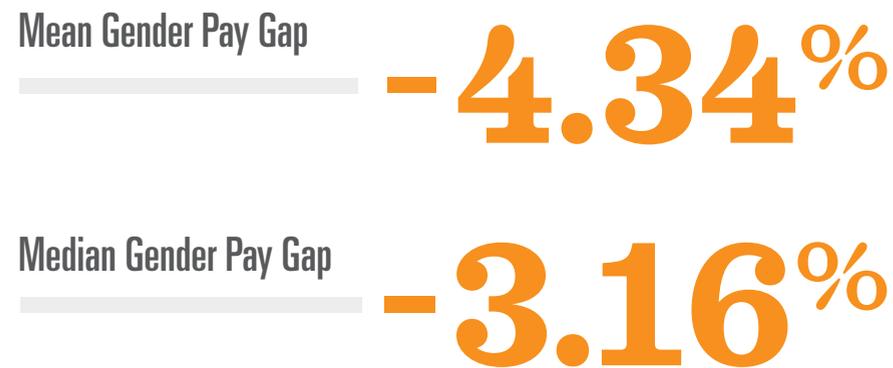
# McCormick Merchandising Services Ltd.

## OUR GENDER PAY GAP RESULTS

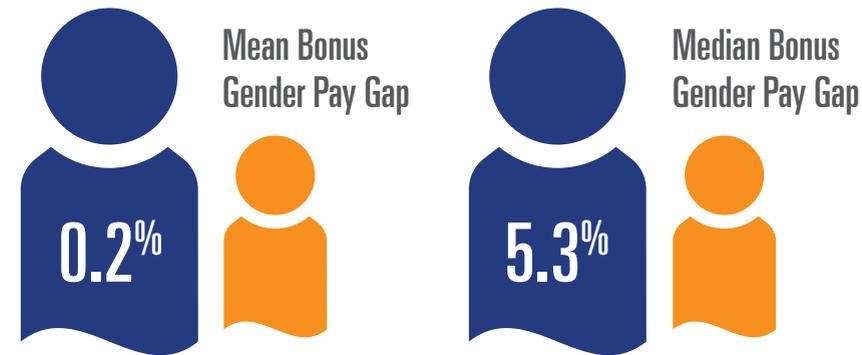


McCormick Merchandising Services Ltd. (MMS) comprises 180 mostly field-based employees who sell our products to retail customers.

We pay our employees equitably with an overall marginal variation in mean and median pay which is favourable to women.

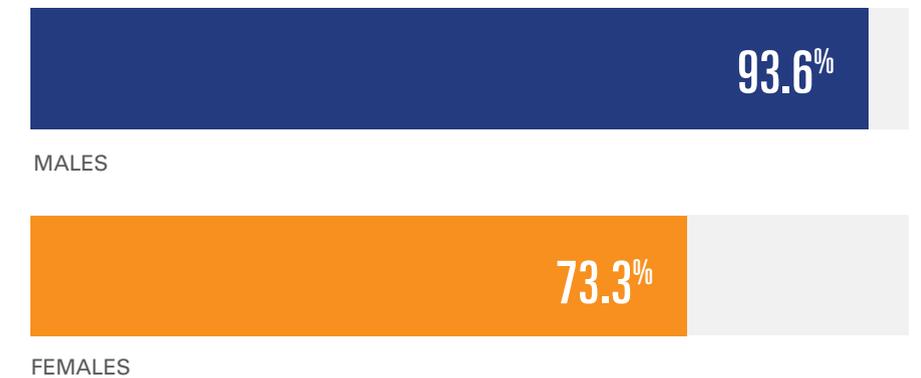


Bonuses are paid equitably with an overall marginal variation in mean and median bonus payout which is favourable to men.



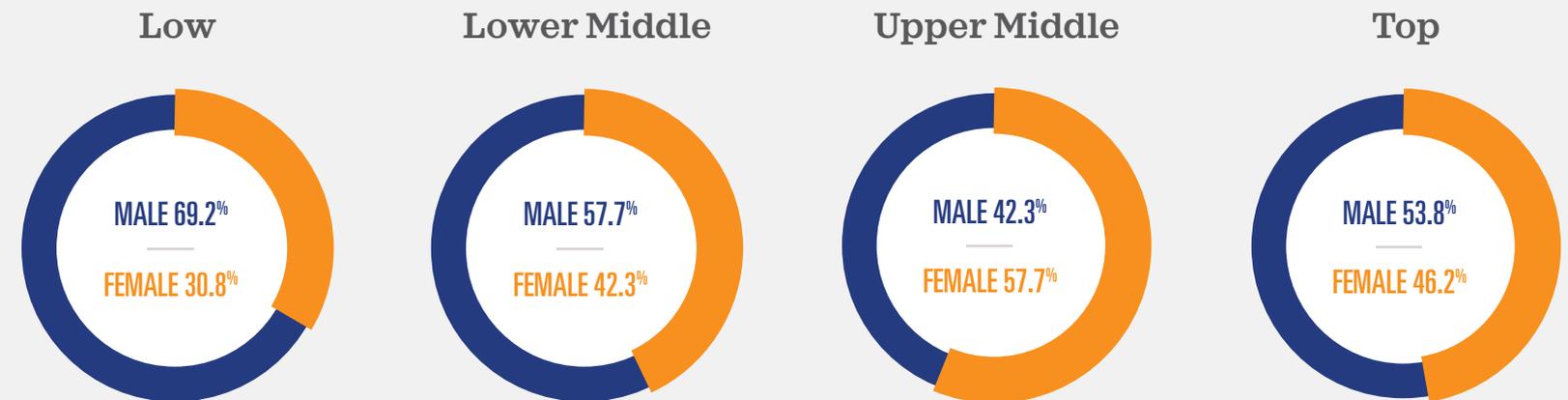
All employees are eligible for monthly and quarterly bonuses, dependent on the achievement of sales targets and deadlines. More females than males work part-time hours, pro-rating their bonus payouts.

### The Proportion of Males / Females Receiving a Bonus:



### Proportion (%) of Males / Females in Each Quartile Pay Band:

The MMS workforce is equally split between males and females (48% / 52%). The proportion of males and females in the lower middle, upper middle and top quartiles is largely balanced. There is a starting salary for new hires, which is at the bottom of the pay band. There are a greater proportion of males in the lower quartile at the snapshot date because of the gender of new recruits around that time.





# Declaration

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I confirm that the information and data reported are accurate and in line with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

A handwritten signature in black ink, appearing to read 'Melanie Williams'.

**Melanie Williams**

Vice President, Human Resources, EMEA

## McCormick UK

Haddenham Business Park  
Pegasus Way, Haddenham  
Aylesbury, Buckinghamshire HP17 8LB

Tel: +44 (0)1844 292930

[www.mccormick.com](http://www.mccormick.com)