28/07/2022 15:23

Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

McCormick & Company, Incorporated is a global leader in flavor. As a company with over $6 billion in annual sales across 170 countries and territories, we manufacture, market and distribute spices, seasoning mixes, condiments and other flavorful products to the entire food industry including e-commerce channels, grocery, food manufacturers and foodservice businesses. Our most popular brands with trademark registrations include McCormick, French's, Frank's RedHot, Stubb's, OLD BAY, Lawry's, Zatarain's, Ducros, Vahiné, Cholula, Schwartz, Kamis, DaQiao, Club House, Aeroplane and Gourmet Garden. Every day, no matter where or what you eat or drink, you can enjoy food flavored by McCormick. Founded in 1889 and headquartered in Hunt Valley, Maryland USA, McCormick is guided by our principles and committed to our Purpose – To Stand Together for the Future of Flavor. McCormick envisions A World United by Flavor where healthy, sustainable and delicious go hand in hand. We are committed to combating the effects of climate change by adhering to targets informed by science for the reduction of carbon emissions, energy consumption, waste and water use. We acknowledge our need to play a part in addressing the risks of climate change by reducing our environmental impacts related to our GHG emissions, water use, solid waste, and packaging carbon footprint. We support all stakeholders, including those in government and business, who take steps to reduce GHG emissions within their scope of influence. McCormick's responses in this Questionnaire may contain forward-looking statements that involve risks and uncertainties. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements are not guarantees of future performance and the Company's actual results may differ significantly from the results discussed in the forward-looking statements. McCormick assumes no obligation to revise or update any information included in this Questionnaire.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	December 1, 2020	November 30, 2021	No

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Canada
China
El Salvador
France
India
Italy
Mexico
Poland
Portugal
South Africa
Thailand
Turkey
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption

of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Consumption	No

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

McCormick either does not own land or do farming of agricultural raw materials or any such activities are immaterial.

C-AC0.6f/C-FB0.6f/C-PF0.6f

(C-AC0.6f/C-FB0.6f/C-PF0.6f) Why are emissions from distribution activities within your direct operations not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Outside the direct operations of my organization

Please explain

We do not own our own transportation fleet. Distribution of raw materials and of products are completed by third parties. Distribution related greenhouse gas emissions are not in McCormick's scope 1 & 2 emissions but are included in the scope 3 emissions reported. Distribution emissions are not included in our Scope 3 goal.

C-AC0.6g/C-FB0.6g/C-PF0.6g

(C-AC0.6g/C-FB0.6g/C-PF0.6g) Why are emissions from the consumption of your products not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Evaluated but judged to be unimportant

Please explain

The emissions from the consumption of our products (black pepper, vanilla etc.) were determined to be immaterial. This is consistent with our scope 3 emissions analysis.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Other, please specify

Black Pepper

% of revenue dependent on this agricultural commodity

Don't know

Produced or sourced

Sourced

Please explain

Black Pepper is one of McCormick's five iconic ingredients and represents the greatest percentage of the herbs and spices portfolio in terms of volume procured annually. Black Pepper is included in varying amounts in McCormick's product portfolio, and we do not have a figure on the % of revenue dependent on this agricultural commodity.

Agricultural commodity

Palm Oil

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

The percent revenue dependent on this commodity is less than 10%.

Agricultural commodity

Rice

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

The percent revenue dependent on this commodity is less than 10%.

Agricultural commodity

Soy

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

The percent revenue dependent on this commodity is less than 10%.

Agricultural commodity

Wheat

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

The percent revenue dependent on this commodity is less than 10%.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	MKC-V: US5797801074 MKC: US5797802064

Yes, a CUSIP number	MKC-V: 579780107 MKC: 579780206
Yes, a Ticker symbol	MKC-V MKC
Yes, a SEDOL code	MKC-V: N/A MKC: 2550161

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	McCormick has a proud legacy and commitment to doing what's right for people, the communities where we live, work, and source and for the planet we all share. At the highest level, McCormick's Board, led by the Chairman of the Board, has general oversight of environmental related issues by regularly reviewing material initiatives and policies related to environmental matters and assessing progress with respect to environmental commitments. For example, in 2021 the Chairman of the Board signed off on the decision for McCormick to up the ambition of its Science-Based Target, aligning to the more aggressive 1.5C degree scenario.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are	Governance mechanisms into which climate-related issues are integrated	Please explain

a scheduled agenda item		
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	The Board and its Committees has general oversight of McCormick's Purpose-Led Performance (PLP) strategy, including its sustainability and environmental, social and governance (ESG) commitments. The Board and/or its Committees receive regular reports from management on, among other things, material initiatives and policies related to ESG matters and progress with respect to our ESG commitments. In addition, management's reports often cover ESG strategy and risks to major plans of action and key performance indicators. A summary of the allocation of general oversight of ESG matters among the Board and its Committees is as follows: Board of Directors – provides general oversight of ESG matters with an emphasis on directing McCormick's strategy and setting its course for growth; Nominating and Corporate Governance Committee – leads the oversight of McCormick's corporate responsibility programs and ESG matters; Compensation and Human Capital Committee – oversees ESG matters relating to people and human capital; Audit Committee – oversees the management of risks, including those relating to ESG matters.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	The Chairman of our Board has competence on climate-, water-, and forests-related issues. This is assessed based on his demonstrated understanding of the critical issues McCormick faces with regard to climate change, water security and deforestation. The Chairman of our Board was the one that commissioned the development of McCormick's Purpose-Led Performance (PLP) strategy.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Chief Administration Officer	Both assessing and managing climate-related risks and opportunities	Annually
Sustainability committee [1]	Both assessing and managing climate-related risks and opportunities	Annually

[1] Purpose-led Performance (PLP) Governing Council

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Purpose-led Performance (PLP) Governing Council holds the highest management-level of direct responsibility for climate-related issues. The committee is responsible for both assessing and managing climate-related risks and opportunities and providing overall coordination and strategic direction for driving Purpose-led Performance.

The PLP Governing Council is led by the **President, Global Flavor Solutions, EMEA and Chief Administrative Officer** and is composed of senior executives with direct responsibility for a variety of functional areas, including sales and marketing, supply chain, human resources, environment, packaging, sourcing, community relations, and communications.

This cross-functional committee is tasked to embed principles of PLP into every aspect of the business and is best positioned to manage and drive progress on climate-related issues as a result. The PLP Governing Council also separately reports to the McCormick Management Committee, which is the top-level senior management committee.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other C-Suite Officer	Monetary reward	Emissions reduction target	The Chief Supply Chain Officer receives monetary incentives for the management of McCormick's public emissions reduction target. This role is functionally a C-Suite position at McCormick.
Other, please specify Supply Chain employees	Monetary reward	Emissions reduction target	
Chief Procurement Officer (CPO)	Monetary reward	Emissions reduction target	The Chief Procurement Officer reports directly to the Chief Supply Chain Officer and has a monetary reward for the management of environmental criteria used in purchasing the five iconics and for the scope 3 emissions goal.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	6	
Long-term	6	10	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

McCormick defines a substantive financial or strategic impact based on the criteria of Impact, Vulnerability and Velocity, as defined in our proprietary Risk Rating Criteria. A risk assessment methodology is used which includes but is not limited to the following factors: Damage to our reputation or brand name, Consolidation of customers, Procurement of raw materials, Laws and regulations, Disasters, business interruptions or similar events.

Risk/opportunities are those risks that are reasonably possible, financially significant, and are defined by an impact of $20M or more.

CDP's definition of substantive risk and our response to questions presenting "substantive" risks should not be considered to relate to matters or facts deemed "material" to reasonable investors as referred to under U.S. securities laws or similar requirements from other jurisdictions. Investors should refer to disclosures in our Annual Report on Form 10-K ("10-k") and in other filings with the US Securities and Exchange Commission, including our quarterly reports on form 10-Q and our current reports on Form 8-K, for a discussion of "material" matters.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Climate-related risk management is integrated into our multi-disciplinary company-wide risk management process through the Purpose-led Performance (PLP) Governing Council which reports into the McCormick Management Committee, the top-level senior management committee. The PLP Governing Council is responsible for identifying, assessing and responding to climate-related risks and opportunities and providing overall coordination and strategic direction for driving Purpose-led Performance.

(i) Risk/opportunities which are assessed at the company level, both in upstream and downstream operations, are those risks that 1) expose the Company to significant or catastrophic permanent decline in shareholder value 2) the risk must be reasonably possible 3) and are defined by an impact of $20M or more.

(ii) Risks and opportunities are assessed within our direct operations, at an asset or facility level, where it can impact the overall organization and result in an overall enterprise risk. Additionally, McCormick has partnered with an insurance carrier to evaluate weather related and other risks at the asset level and to mitigate those risks where feasible. These risks include but are not limited to potential for flooding, wind damage and structural issues related to heavy snow and rainfall events. Opportunities are being addressed at the asset level through reduction programs for water, electricity, greenhouse gases and solid waste.

(iii) A risk assessment methodology is used which includes but is not limited to the following factors: Damage to our reputation or brand name. Consolidation of customers, Procurement of raw materials, Laws and regulations, Disasters, business interruptions or similar events. These assessments are conducted more than once a year.

Case Study 1: Physical risk/opportunity Tropical cyclones and floods can and have impacted the origin countries of our raw agricultural materials. For example in March 2017, Cyclone Enawo hit the east coast of Madagascar directly impacting the farming communities from which McCormick source vanilla. Likewise in 2004 a hurricane impacted Grenada and destroyed approximately 75% of the nutmeg trees. Severe floods in India in 2018 increased the outbreak of disease in the materials sourced from those regions, including turmeric and red pepper, thus reducing the yield in 2019 and impacting market price of commodities. To manage the risk, McCormick implements dual or multi-origin sourcing of its agricultural raw materials where possible.

Case Study 2: Transition risk/opportunity As a CPG company, McCormick closely tracks and responds to shifts in consumer preferences and market demands. In 2018, McCormick joined other companies in signing the New Plastics Economy Commitment led by the Ellen MacArthur Foundation to underscore its promise in promoting a circular economy. As part of the PLP journey, McCormick commits to reducing packaging carbon footprint by 25% and to achieve 100% circular plastics packaging (reused, recycled or repurposed) by 2025. McCormick's packaging commitments are partially underpinned by ongoing lightweighting efforts, which reduce both the packaging carbon footprint and direct costs to the business.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We monitor current regulations and compliance with them as they directly and indirectly relate to climate risks. This is done at multiple levels, within our regional units, business units and legal and compliance functions. Identified risks are elevated within management

		appropriately and are part of our Strategic Risk Management program. Example of a specific risk considered includes enhanced emissions reporting obligations.
Emerging regulation	Relevant, always included	We monitor emerging regulations as they directly and indirectly relate to climate risks. This is done at multiple levels, within our regional units, business units and legal and regulatory functions. Identified risks are elevated within management appropriately and are part of our Strategic Risk Management program. Example of a specific risk considered includes mandates on and regulation of existing products and services.
Technology	Relevant, always included	As opportunities arise, we review new technologies that may reduce our energy use to meet our corporate sustainability goals. Examples include McCormick's investment in R&D to improve the recyclability of single-use flexible plastics, introduction of recycled content and bioresins in packaging material, and ongoing lightweighting initiatives.
Legal	Relevant, always included	We address legal compliance risk, for example in our Form 10-K, where we state (page 16, Risk Factors): Food products are extensively regulated in most of the countries in which we sell our products. We are subject to numerous laws and regulations relating to the growing, sourcing, manufacturing, storage, labeling, marketing, advertising and distribution of food products, as well as laws and regulations relating to financial reporting requirements, the environment, consumer protection, competition, anti-corruption, privacy, relations with distributors and retailers, foreign supplier verification, customs and trade laws, including the import and export of products and product ingredients, employment, and health and safety. Enforcement of existing laws and regulations, changes in legal requirements, and/or evolving interpretations of existing regulatory requirements may result in increased compliance costs and create other obligations, financial or otherwise, that could adversely affect our business, financial condition or operating results. Increased regulatory scrutiny of, and increased litigation involving, product claims and concerns regarding the attributes of food products and ingredients may increase compliance costs and create other obligations that could adversely affect our business, financial condition or operating results. Governments may also impose requirements and restrictions that impact our business, such as labeling disclosures pertaining to ingredients. For example, "Proposition 65, the Safe Drinking Water and Toxic Enforcement Act of 1986," in California exposes all food companies to the possibility of having to provide warnings on their products in that state. If we were required to add warning labels to any of our products or place warnings in locations where our products are sold in order to comply with Proposition 65, the sales of those products and other products of our company could suffer, not only in those locations but elsewhere.

Market	Relevant, always included	We address market issues through a variety of ways, including through our raw materials management programs, sourcing criteria and Strategic Risk Management program. Examples of a specific risks considered include environmental risks across our supply chain that could damage our reputation and brand image and changes in customer behavior.
Reputation	Relevant, always included	We consider reputational risks, including those associated with climate change, as part of our Strategic Risk Management program. These climate related reputational risks are managed by the Purpose-led Performance (PLP) Committee, which reports into the McCormick Management Committee, the top-level senior management committee. Risks considered include: environmental risks across our supply chain that could damage our reputation and brand image.
Acute physical	Relevant, always included	We address acute physical risk, for example in our Form 10-K, where we state (page 10, Risk Factors): We could have an interruption in our business, loss of inventory or data, or be rendered unable to accept and fulfill customer orders as a result of a natural disaster, catastrophic event, epidemic or computer system failure. Natural disasters could include an earthquake, fire, flood, tornado or severe storm. A catastrophic event could include a terrorist attack. An epidemic could affect our operations, major facilities or employees' and consumers' health. In addition, some of our inventory and production facilities are located in areas that are susceptible to harsh weather; a major storm, heavy snowfall or other similar event could prevent us from delivering products in a timely manner. Production of certain of our products is concentrated in a single manufacturing site.
Chronic physical	Relevant, always included	We address chronic physical risk, for example in our Form 10-K, where we state (page 12, Risk Factors): Unseasonable or unusual weather or long-term climate changes may negatively impact the price or availability of spices, herbs and other raw materials. There is concern that greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. In the event that such climate change has a negative effect on agricultural productivity or practices, we may be subject to decreased availability or less favorable pricing for certain commodities that are necessary for our products. In addition, such climate change may result in modifications to the eating preferences of the ultimate consumers of certain of our products, which may also unfavorably impact our sales and profitability.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased direct costs

Company-specific description

Tropical cyclones and floods can and have impacted the origin countries of our raw agricultural materials. For example in March 2017, Cyclone Enawo hit the east coast of Madagascar directly impacting the farming communities from which McCormick source vanilla. Likewise in 2004 a hurricane impacted Grenada and destroyed approximately 75% of the nutmeg trees. Severe floods in India in 2018 increased the outbreak of disease in the materials sourced from those regions, including turmeric and red pepper, thus reducing the yield in 2019 and impacting market price of commodities.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

7,750,000

Potential financial impact figure – maximum (currency)

31,000,000

Explanation of financial impact figure

The potential financial impact is calculated based on an estimated range of percentages of McCormick's agriculture spend in FY2020. Weather impact generally depends on severity, region, concentration and product mix. Overall spend impact range estimated in US dollars.

Cost of response to risk

3,000,000

Description of response and explanation of cost calculation

Strategy: McCormick implements dual or multi-origin sourcing of its agricultural raw materials where possible.

Case Study: For example, black pepper is sourced from Vietnam, Brazil, Indonesia, India etc. to reduce the impact of a poor harvest in a particular region. As part of McCormick's Purpose-led Performance (PLP) strategy, we have a target to increase the resilience of 90% of smallholder farmers who grow our five iconic ingredients (black pepper, cinnamon, oregano, red pepper, vanilla). To date we have partnered in training approximately 18,300 smallholder farmers on Good Agricultural Practices (GAP) which teaches methods that will increase a crop's resilience to extreme weather conditions.

Cost Calculation: Since launching the goal of increasing the resilience of 90% of smallholder farmers that grow our iconic herbs and spices, McCormick has implemented many sustainable sourcing initiatives globally. The cost to realize this opportunity is calculated based on our annual spend on all sustainable sourcing initiatives, which in FY20 is about $3,000,000.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact

Increased direct costs

Company-specific description

Changes in precipitation patterns impact the growing conditions of our agricultural raw materials. Too much or too little rain at certain times in the crop cycle can affect both the quality and quantity of the product. Excessive rain during harvest could also inhibit the farmer's ability to reap the crop. For example, excessive rain and/or wind during the flowering phase of the black pepper cycle can hinder the plants ability to pollinate, thus producing less berries. In 2020, rainfall during the red pepper drying season damaged a proportion of the crop yield.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

4,400,000

Potential financial impact figure – maximum (currency)

44,000,000

Explanation of financial impact figure

The potential financial impact is calculated based on an estimated range of percentages of McCormick's agriculture spend in FY2020. Weather impact generally depends on severity, region, concentration and product mix. Overall spend impact estimated in US dollars.

Cost of response to risk

3,000,000

Description of response and explanation of cost calculation

Strategy: McCormick implements dual or multi-origin sourcing of its agricultural raw materials where possible.

Case Study: For example, black pepper is sourced from Vietnam, Brazil, Indonesia, India etc. to reduce the impact of a poor harvest in a particular region. As part of McCormick's Purpose-led Performance (PLP) strategy, we have a target to increase the resilience of 90% of smallholder farmers who grow our five iconic ingredients (black pepper, cinnamon, oregano, red pepper, vanilla). To date we have partnered in training approximately 18,300 smallholder farmers on Good Agricultural Practices (GAP) which teaches methods that will increase a crop's resilience to unpredictable weather

conditions. To mitigate precipitation risks to a harvest during the sun drying process, McCormick are currently investigating options for solar dry crops.

Cost Calculation: Since launching the goal of increasing the resilience of 90% of smallholder farmers that grow our iconic herbs and spices, McCormick has implemented many sustainable sourcing initiatives globally. The cost to realize this opportunity is calculated based on our annual spend on all sustainable sourcing initiatives, which in FY20 is about $3,000,000.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market
Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

As stated in our Form 10-K (page 12, Risk Factors): Climate change may negatively affect our business, financial condition and results of operations. Unseasonable or unusual weather or long-term climate changes may negatively impact the price or availability of spices, herbs and other raw materials. There is concern that greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. In the event that such climate change has a negative effect on agricultural productivity or practices, we may be subject to decreased availability or less favorable pricing for certain commodities that are necessary for our products. In addition, such climate change may result in modifications to the eating preferences of the ultimate consumers of certain of our products, which may also unfavorably impact our sales and profitability.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We are unable to provide a potential financial impact.

Cost of response to risk

0

Description of response and explanation of cost calculation

Strategy: One of the ways that McCormick manages this market risk is the adoption of renewable energy. McCormick leverages a variety of renewable energy sources to reduce its operational greenhouse gas emissions footprint while limiting its exposure to price volatility, including on-site solar, bundled renewable energy certificates through retail electricity purchases, etc.

Case Study: For example, in 2019, McCormick signed a 15-year deal with Constellation to buy solar power from the Skipjack Solar Center. It will enable McCormick to further its emissions reduction by powering its Maryland and New Jersey facilities with 100% renewable electricity. This coverage is estimated to be the equivalent of 27,000,000 pounds of CO2e annually, which will account for 17% across our Americas Supply Chain, or 11% globally, by 2022.

Cost Calculation: By entering into a long-term contract with Constellation, McCormick enables the development of this 175-megawatt solar plant while locking into a relatively low rate for the duration of the contract. This renewable energy contract is projected to be cost neutral over its life span. As a result, $0 is entered for “cost to realize opportunity”.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Other, please specify

Agricultural supply chain resilience

Primary potential financial impact

Other, please specify

Increased reliability of supply chain and ability to operate under various conditions

Company-specific description

McCormick's supply chain includes agricultural products sourced from over 80 countries, many of which are vulnerable to climate change. For example, Black Pepper is currently procured from various countries, including Vietnam, Brazil, Indonesia and India. In 2017 McCormick launched its Purpose-Led Performance (PLP) strategy, which included the goal of increasing the resilience of 90% of smallholder farmers that grow our iconic herbs and spices (black pepper, cinnamon, oregano, red pepper, vanilla) by 2025. Training initiatives for farmers in our agricultural supply chain are underway in Vietnam, Madagascar, India, Indonesia and Turkey and by the end of 2020 had benefited approximately 18,300 farmers (around 52% of our 2025 target). Agricultural resilience of our smallholder farmers is key to increased reliability of McCormick's supply chain and ability to operate under various conditions.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

3,500,000

Potential financial impact figure – maximum (currency)

5,000,000

Explanation of financial impact figure

The range of potential financial impact of $3,500,000 to $5,000,000 represents the calculated financial impact as a result of poor resiliency felt in terms of yield loss, poor quality and appearance, and disease. As an opportunity, this figure translates into the potential cost savings from improving resiliency in our agricultural supply chain through Good Agricultural Practices (GAP), water input and crop protection management.

Cost to realize opportunity

3,000,000

Strategy to realize opportunity and explanation of cost calculation

Strategy: McCormick is working with suppliers and other stakeholders to identify and create projects that will increase the resilience of small holder farmers in our supply chain. We are working towards implementing Rainforest Alliance (RA) and other sustainability certifications across the five iconics (black pepper, cinnamon, oregano, red pepper, vanilla), which actively promotes Climate Smart Agriculture (CSA).

Case Study: For example, McCormick has partnered with USAID, USDA, GIZ and NCBA CLUSA to improve the resilience of around 10,000 vanilla smallholder farmers in Madagascar and Indonesia. These initiatives aim to increase incomes while protecting biodiversity and improving governance through strong farmer cooperatives and Rainforest Alliance certification. As a result of our engagement, farmers either initiate, expand or diversify their farms to generate additional benefits through the sales of these products into McCormick's supply chain.

Cost Calculation: Since launching the goal of increasing the resilience of 90% of smallholder farmers that grow our iconic herbs and spices, McCormick has implemented many sustainable sourcing initiatives globally. Our annual spend on all sustainable sourcing initiatives is about $3,000,000 in FY20.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Other, please specify

Reduced exposure to price volatility

Company-specific description

McCormick has embraced the opportunity to reduce its operational footprint through renewable energy procurement. The recently announced agreement with the Skipjack Solar Center is McCormick's most substantial commitment to renewables to date. The facility, currently under construction in Virginia, is planned to come online by 2022.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

0

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

While the agreement with the skipjack Solar Center project does not directly reduce the energy costs, it enables McCormick to lock into a low rate over a long period of time, thus reducing its exposure to potential utility price volatility in the future. This renewable energy contract is projected to be cost neutral over its life span. As a result, potential financial impact for this opportunity is $0.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Strategy: McCormick leverages a variety of renewable energy sources to reduce its operational greenhouse gas emissions footprint while limiting its exposure to price

volatility, including on-site solar, bundled renewable energy certificates through retail electricity purchases, etc.

Case Study: For example, in 2019, McCormick signed a 15-year deal with Constellation to buy solar power from the Skipjack Solar Center. It will enable McCormick to further its emissions reduction by powering its Maryland and New Jersey facilities with 100% renewable electricity. This coverage is estimated to be the equivalent of 27,000,000 pounds of CO2e annually, which will account for 17% across our Americas Supply Chain, or 11% globally, by 2022.

Cost Calculation: By entering into a long-term contract with Constellation, McCormick enables the development of this 175-megawatt solar plant while locking into a relatively low rate for the duration of the contract. This renewable energy contract is projected to be cost neutral over its life span. As a result, $0 is entered for “cost to realize opportunity”.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Reduced direct costs

Company-specific description

As a CPG company, McCormick closely tracks and responds to shifts in consumer preferences and market demands. In 2018, McCormick joined other companies in signing the New Plastics Economy Commitment led by the Ellen MacArthur Foundation to underscore its promise in promoting a circular economy. As part of the PLP journey, McCormick commits to reducing packaging carbon footprint by 25% and to achieve 100% circular plastics packaging (reused, recycled or repurposed) by 2025. McCormick’s packaging commitments are partially underpinned by ongoing lightweighting efforts, which reduce both the packaging carbon footprint and direct costs to the business.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

202,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The potential financial savings of $202,000 are based on two plastic bottle lightweighting projects implemented in recent years. By reducing PET weight in the packaging material by 3 grams and 1.2 grams per bottle, a respective annual savings of $112,000 and $90,000 were achieved, totalling $202,000.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Strategy: Lightweighting, in addition to R&D in bio-based resin and improving recyclability of single-use flexible plastic materials, is a key lever to achieving McCormick's packaging goals of reducing packaging carbon footprint by 25% and achieving 100% circular plastics packaging (reused, recycled or repurposed) by 2025. When a new product design is called for, the packaging team ensures that sustainability is embedded in the decision-making process. Specifically, the team actively seeks to reduce packaging weight where feasible and appropriate, and as a result GHG emissions, when engaging with packaging suppliers for new tooling.

Case Study: For example, McCormick implemented two PET bottle lightweighting projects in recent years, resulting in a source reduction of 3 and 1.2 grams of PET material respectively per bottle. These projects have both financial savings and carbon savings.

Cost Calculation: Because lightweighting opportunities are pursued as part of a packaging design refresh, there is no additional cost to McCormick to realize this opportunity. As a result, $0 is entered for "cost to realize opportunity".

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan

Yes

Mechanism by which feedback is collected from shareholders on your transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

McCormick's Climate Transition plan is included within our Purpose-Led Performance (PLP) Report. External stakeholders are able to provide feedback on McCormick's Transition Plan through the contact information provided in the PLP report. Shareholders are also able to provide feedback on the Transition Plan during shareholder meetings, although the item is not formally voted on.

Frequency of feedback collection

Annually

Attach any relevant documents which detail your transition plan (optional)

2021_PLP_Report.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to	Primary reason why your organization does not use climate-related scenario	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future

	inform strategy	analysis to inform its strategy	
Row 1	No, and we do not anticipate doing so in the next two years	Important but not an immediate priority	McCormick has not implemented a climate-related scenario analysis as of 2021 but plan to in the future. Climate-related risks are reviewed by McCormick's PLP Governance Committee. Launched in 2017, our PLP journey has been our focus on climate action, including issues on sustainable sourcing, GHG emissions reduction, waste diversion, and packaging circularity. To date, McCormick has done supply risk analysis for multiple commodities in our agricultural value chain.. Although the risk analysis does not explicitly align with any climate-related scenarios, climate drivers such as rising temperature and shifting precipitation patterns are included in the assessment.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Shifting consumer preferences related to the amount of plastics packaging have influenced McCormick's strategy with regard to our products and services. This has resulted in McCormick's commitment to reduce the packaging footprint throughout the life cycle of its products in the short- and medium-term time horizons. One of the most substantial strategic decisions made by the business in response to this commitment was the development of 2 packaging goals by 2025. The first is to reduce McCormick's carbon footprint from packaging by 25% and the second is to achieve 100% circular plastics packaging (reused, recycled or repurposed) by 2025. McCormick tracks its global packaging carbon footprint and plastics usage through a lifecycle assessment tool and is estimated to use more than 25,500 metric tons of plastic in North America. To date, the company has already reduced its footprint by more than 12,500 metric tons through initiatives such as bottle light weighting and packaging redesign. In

		addition, McCormick has also signed the New Plastics Economy Commitment led by the Ellen MacArthur Foundation to underscore its promise in promoting a circular economy.
Supply chain and/or value chain	Yes	McCormick is committed to responsibly sourcing raw materials and improving transparency throughout its value chain. This commitment led to the substantial strategic decision to remove intermediaries in the supply chain and interact with suppliers directly when possible, as reflected in McCormick's goal to source all herbs and spices in its portfolio sustainably by 2025. This medium-term goal is supported by McCormick's novel sustainable sourcing framework, Grown for Good, the first ever sustainability certification program in the Herbs & Spice Industry. In this, McCormick has partnered with IFC, CARE, and WWF to conduct risk and opportunity assessments in key countries of origin and inform the design of the framework, including third party verification of supplier performance.
Investment in R&D	Yes	Shifting consumer preferences related to the amount of plastics packaging have also influenced McCormick's strategy with regard to our Research and Development efforts. Working towards the packaging goals of reducing carbon footprint from packaging by 25% and achieving 100% circular plastics packaging (reused, recycled or repurposed) by 2025, McCormick has invested globally in R&D to improve the recyclability of single-use flexible plastics, introduction of recycled content and bioresins in packaging material, and ongoing lightweighting initiatives.
Operations	Yes	McCormick has embraced the opportunity to reduce its operational footprint through short-term renewable energy procurement goals. This is in line with McCormick's strategy to reduce its GHG emissions footprint from facilities through clean energy. The recently announced agreement with the Skipjack Solar Center is McCormick's most substantial commitment to renewables to date. The facility, currently under construction in Virginia, is planned to come online by 2022. It will enable McCormick to further its emissions reduction by powering its Maryland and New Jersey facilities with 100% renewable energy. This coverage is estimated to be the equivalent of 27,000,000 pounds of CO2e annually, which will account for 17% across our Americas Supply Chain, or 11% globally, by 2022. Based on this experience, McCormick aims to integrate renewable energy into other business units.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs	McCormick has embraced the opportunity to reduce its operational footprint by incorporating renewable energy procurement in its financial planning process. This is in line with McCormick's strategy to reduce its GHG emissions footprint from facilities through clean energy procurement. The recently announced agreement with the Skipjack Solar Center is McCormick's most substantial commitment to renewables to date. The facility, currently under construction in Virginia, is planned to come online by 2022. It will enable McCormick to further its emissions reduction by powering its Maryland and New Jersey facilities with 100% renewable energy. This coverage is estimated to be the equivalent of 27,000,000 pounds of CO2e annually, which will account for 17% across our Americas Supply Chain, or 11% globally, by 2022. Based on this experience, McCormick aims to integrate renewable energy into other business units.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

No, and we do not plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 3

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

35,869

Base year Scope 2 emissions covered by target (metric tons CO2e)

90,629

Base year Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

126,498

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

42

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

73,368.84

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

37,889

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

53,824

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

100

% of target achieved relative to base year [auto-calculated]

237.9070175399

Target status in reporting year

New

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

In 2019 we set ambitious science-based goals to reduce emissions in our operations (Scope 1 & 2) by 20% and in our supply chain (Scope 3) by 16% from a 2015 baseline. The latest science stresses the importance of limiting the rise of global temperatures to 1.5°C to avoid the most catastrophic effects of climate change. In response to our environmental imperative and scientific consensus, we have elevated our existing goal and are committed to achieving a target of 1.5°C in alignment with the Science Based Targets initiative and to achieve Net Zero by 2050. Our target was approved by Science Based Targets initiative in June 2022. The new reduction goal will use our 2020 emissions as a baseline year and from there, we are targeting a reduction of 42% in our Scope 1 and 2 emissions.

Plan for achieving target, and progress made to the end of the reporting year

We have developed and supported large-scale renewable energy projects in regions where we operate, and we will pursue increased reliance on renewable energy. In tandem, we will continue to address energy use through efficiency, continual

improvement and innovations in processing and distribution. We have introduced efficiencies along with creative measures to reduce Scope 1 emissions.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number
Abs 4

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method

Scope 3 category(ies)
Category 1: Purchased goods and services

Base year
2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3 emissions covered by target (metric tons CO2e)
2,528,829

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
3,272,848

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

77

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

77

Target year

2030

Targeted reduction from base year (%)

42

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

1,898,251.84

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

2,354,356

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

3,110,639

% of target achieved relative to base year [auto-calculated]

11.8004840054

Target status in reporting year

New

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

The target includes 77% of the total baseline emissions which meets the SBTI criteria of being greater than 2/3 of the total scope 3 emissions. In 2019 we set ambitious science-based goals to reduce emissions in our operations (Scope 1 & 2) by 20% and in our supply chain (Scope 3) by 16% from a 2015 baseline. The latest science stresses the importance of limiting the rise of global temperatures to 1.5°C to avoid the most catastrophic effects of climate change. In response to our environmental imperative and

scientific consensus, we have elevated our existing goal and are committed to achieving a target of 1.5°C in alignment with the Science Based Targets initiative and to achieve Net Zero by 2050. Our target was approved by Science Based Targets initiative in June 2022. The new reduction goal will use our 2020 emissions as a baseline year and from there, we are targeting with a 42% reduction in our Scope 3 emissions by 2030.

Plan for achieving target, and progress made to the end of the reporting year

Our Scope 3 emissions reduction efforts will rely heavily on our Supplier Leadership on Climate Transition (S-LoCT) program, which engages our suppliers to reduce emissions and set science-based targets. We actively partner with our suppliers to improve our environmental performance, and continued participation within our supply chain will be critical to support our suppliers and achieve our Scope 3 target.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Abs 1

Year target was set

2017

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2015

Base year Scope 1 emissions covered by target (metric tons CO2e)

28,115

Base year Scope 2 emissions covered by target (metric tons CO2e)

96,512

Base year Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

124,627

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

20

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

99,701.6

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

37,889

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

53,824

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

91,713

% of target achieved relative to base year [auto-calculated]

132.0500373113

Target status in reporting year

Achieved

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Please explain target coverage and identify any exclusions

This goal was announced in October of 2017 and has been approved by the SBTi in 2019.

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

Purchase of renewable electricity.

Target reference number

Abs 2

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Base year

2017

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3 emissions covered by target (metric tons CO2e)

1,869,859

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1,990,645.95

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

76

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

94

Target year

2030

Targeted reduction from base year (%)

16

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

1,672,142.598

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

2,528,829

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2,528,829

% of target achieved relative to base year [auto-calculated]

-168.972491693

Target status in reporting year

Revised

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Please explain target coverage and identify any exclusions

This target was set in 2019 and has been approved by the SBTi. The target includes 77% of the total baseline emissions which meets the SBTI criteria of being greater than 2/3 of the total scope 3 emissions. In 2019 we set ambitious science-based goals to reduce emissions in our operations (Scope 1 & 2) by 20% and in our supply chain (Scope 3) by 16% from a 2015 baseline. The latest science stresses the importance of limiting the rise of global temperatures to 1.5°C to avoid the most catastrophic effects of climate change. In response to our environmental imperative and scientific consensus, we have elevated our existing goal and are committed to achieving a target of 1.5°C in alignment with the Science Based Targets initiative and to achieve Net Zero by 2050. Our target was approved by Science Based Targets initiative in June 2022. The new reduction goal will use our 2020 emissions as a baseline year and from there, we are targeting with a 42% reduction in our Scope 3 emissions by 2030

Plan for achieving target, and progress made to the end of the reporting year

Our Scope 3 emissions reduction efforts will rely heavily on our Supplier Leadership on Climate Transition (S-LoCT) program, which engages our suppliers to reduce emissions and set science-based targets. We actively partner with our suppliers to improve our environmental performance, and continued participation within our supply chain will be critical to support our suppliers and achieve our Scope 3 target.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2017

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Percentage of total waste generated that is recycled

Target denominator (intensity targets only)

Base year

2015

Figure or percentage in base year

64

Target year

2025

Figure or percentage in target year

80

Figure or percentage in reporting year

62

% of target achieved relative to base year [auto-calculated]

-12.5

Target status in reporting year

Revised

Is this target part of an emissions target?

No formal climate target has been set for this at this time, however any improvement in recycle and recovery rate will result in lower greenhouse gas emissions.

Is this target part of an overarching initiative?

No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions

McCormick has updated its global goal of achieving a recycle and recovery rate (RRR) from 80% by 2025 to 85% by 2030. Total Waste Generated (total waste generated = solid waste + recycled waste). The criteria for reporting is as follows:

- Include all manufacturing facilities (unless the number of employees is ten or less) which McCormick has operational control;
- Optional for other facilities which generate less than 100 short tons (91 MT) (<0.25%) per year total waste generated;
- Any Distribution Center or office building which is not required to report electricity data is not required to report waste data;
- Recycled Waste includes any beneficial reuse and recovery such as: composting, animal feed, recycling, biogas

It does not include incineration with or without energy recovery. Demolition debris is excluded from solid waste and recycling reporting. Solid Waste is anything which is sent to a landfill or incinerator for disposal.

Plan for achieving target, and progress made to the end of the reporting year

We recognize that we haven't made the progress expected and we are identifying additional opportunities to improve our waste recycling and management processes. We're also strengthening our governance process to ensure we're making the progress needed to reach our goal. To date, we've implemented programs to monitor our solid waste streams for all facilities in the Americas. Waste management draws on the logistical expertise of our staff to design site-specific plans to manage waste appropriately for individual geographies and municipal waste systems. In Thailand, McCormick has partnered with a waste supplier to transform unused pepper, flour and water into fertilizer for local farmers. The initiative diverts solid waste and provides organic fertilizer to support the livelihood and resilience of farmers. Our partnership with Used Cardboard Boxes (UCB) has helped to divert significant waste from our manufacturing operations. Used Cardboard Boxes manages waste at over 15 McCormick sites, implementing a solution to divert cardboard boxes to secondary markets resulting in cost savings and environmental benefits. Additionally, in Dallas, we divert organic waste from the landfill to a compost facility and in Atlanta, we recycle fiber drums by mixing them in with cardboard recycling. At our Springfield, Missouri, distribution center, we work with a third party to break down any unsold products into compostable material and packaging.

List the actions which contributed most to achieving this target

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Target reference number

Oth 2

Year target was set

2017

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers

Other, please specify

Percentage of iconic herbs and spices sourced sustainably

Target denominator (intensity targets only)

Base year
2015

Figure or percentage in base year
0

Target year
2025

Figure or percentage in target year
80

Figure or percentage in reporting year
66

% of target achieved relative to base year [auto-calculated]
82.5

Target status in reporting year
Revised

Is this target part of an emissions target?
No this is not part of our Science Based Targets.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions
McCormick has set a target to sustainably source 100% of its branded iconic herbs and spices by 2025.

Plan for achieving target, and progress made to the end of the reporting year
As part of this effort, in 2020 third party verified sustainability certification was achieved on 47% of the volume target. The majority of sustainable material procured was Rainforest Alliance certified. The Rainforest Alliance standard is designed to reduce emissions by: 1. Preventing deforestation 2. Promoting the reduction of chemical usage on farm 3. Working with farmers on crop intensification. In 2020 approximately 18,000 hectares of land on which McCormick products (black pepper, cinnamon, vanilla, red pepper, oregano) were grown were under Rainforest Alliance certification.

List the actions which contributed most to achieving this target

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	4	455
To be implemented*	6	13,928
Implementation commenced*	9	4,814
Implemented*	16	39,271
Not to be implemented	1	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption
Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

22,929

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

119,699

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

11-15 years

Comment

Project Skipjack off-site solar electricity purchase for MD/NJ sites

Initiative category & Initiative type

Low-carbon energy generation
Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

22

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

18,000

Investment required (unit currency – as specified in C0.4)

88,000

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

McCasa on-site solar, phase 1

Initiative category & Initiative type

Low-carbon energy consumption
Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

15,562

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

45,000

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

Springfield REC Purchase - agricultural byproducts

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

476

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

34,000

Investment required (unit currency – as specified in C0.4)

85,000

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

Mojave Plant and DC LED Lighting

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

3.49

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,305

Investment required (unit currency – as specified in C0.4)

106,673

Payback period

>25 years

Estimated lifetime of the initiative

11-15 years

Comment

Atlanta warehouse LED lighting - this was a portion of Project Maverick (CAAP PSIAT20036)

Initiative category & Initiative type

Low-carbon energy consumption

Other, please specify

Low-carbon electricity mix in France (4 sites) & Italy (3 sites)

Estimated annual CO2e savings (metric tonnes CO2e)

4,300

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes
Compressed air

Estimated annual CO2e savings (metric tonnes CO2e)

13.8

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,473

Investment required (unit currency – as specified in C0.4)

19,763

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

Energy Efficient Air compressor CAAP Number : PSAIN21002 (Completed in 2021)

Initiative category & Initiative type

Energy efficiency in production processes
Waste heat recovery

Estimated annual CO2e savings (metric tonnes CO2e)

20.48

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

15,212

Investment required (unit currency – as specified in C0.4)

18,027

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Condensate recovery system CAAP Number: PSAIN21001(completed in 2021)

Initiative category & Initiative type

Energy efficiency in production processes

Other, please specify

Energy efficiency in production processes

Estimated annual CO2e savings (metric tonnes CO2e)

42.12

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

14,764

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

>30 years

Comment

Hooter provided in Maintenance room so that Electrcian can respond fast in case if there is a power cut.

Initiative category & Initiative type

Energy efficiency in buildings

Other, please specify

Wastewater treatment

Estimated annual CO2e savings (metric tonnes CO2e)

67.97

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
12,375

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative
11-15 years

Comment
Electrical usage reduction at WWTP Air Blower (Non-investment)

Initiative category & Initiative type
Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
3.83

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
698

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative
11-15 years

Comment
Electrical idel reduction and lighting in production process (Non-Investment)

Initiative category & Initiative type

Energy efficiency in production processes
Other, please specify
Energy efficiency in production processes

Estimated annual CO2e savings (metric tonnes CO2e)
30.39

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
14,713

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative
6-10 years

Comment
Spice throughput speed increase from 500 Kgs/Hr up to 650 Kgs/Hr (Non-investment)

Initiative category & Initiative type
Energy efficiency in production processes
Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)
29.81

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
5,428

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative

3-5 years

Comment

Dry Blending 4 time reduction (Non-investment)

Initiative category & Initiative type

Waste reduction and material circularity

Other, please specify

Waste management

Estimated annual CO2e savings (metric tonnes CO2e)

3.19

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

13,024

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

<1 year

Comment

30% of waste reduction to secure landfill compare FY 2021 (Jan-Mar) and 2022 (Jan - Mar)

Initiative category & Initiative type

Energy efficiency in production processes

Waste heat recovery

Estimated annual CO2e savings (metric tonnes CO2e)

12.19

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,501

Investment required (unit currency – as specified in C0.4)

60,000

Payback period

11-15 years

Estimated lifetime of the initiative

16-20 years

Comment

Condensate recover in Chicken paste Shop - Wuhan, saving 7 months in 2022, CAAP#PSWWH194

Initiative category & Initiative type

Energy efficiency in production processes

Other, please specify

Energy efficiency in production processes

Estimated annual CO2e savings (metric tonnes CO2e)

1.54

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

268

Investment required (unit currency – as specified in C0.4)

9,000

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

The cooling tower replacement of Liquid flavoring workshop - Wuhan (2021), saving 10 months in 2022, CAAP#PSWWH21003, the cost saving of water did not included here

---

Initiative category & Initiative type

Energy efficiency in buildings

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

54.15

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

8,825

Investment required (unit currency – as specified in C0.4)

33,500

Payback period

4-10 years

Estimated lifetime of the initiative

3-5 years

Comment

Lighting replacement by LED - Wuhan (2021), saving 12 months in 2022

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	McCormick is implementing its Journey to Excellence program which includes Total Productive Maintenance (TPM) and High Performance Organization (HPO). HPO is a tool which drives high employee engagement.
Internal incentives/recognition programs	McCormick has set a combined scope 1 and 2 emissions reduction goal and included this in the overall company objectives program which is tied to compensation.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

Sustainably sourced ingredients

Type of product(s) or service(s)

Other

Other, please specify

Branded iconic herbs and spices (black pepper, cinnamon, red pepper, oregano, vanilla)

Description of product(s) or service(s)

Sustainability certification is designed to reduce emissions by: 1. Preventing deforestation 2. Promoting the reduction of chemical usage on farm 3. Working with farmers on crop intensification. In 2021 over 20,000 hectares of land on which McCormick products (black pepper, cinnamon, vanilla, red pepper, oregano) were grown are under 3rd party verified certification. In addition, we have a number of projects actively reducing GHG emissions including a partnership with USAID for vanilla farmers in Madagascar that counteracts deforestation and a joint-funded project with USDA in Indonesia that includes planting 500,000 trees over the next 5 years. https://www.usaid.gov/madagascar/press-releases/usg-through-usaid-funding-global-development-alliance.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

19

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with

McComick acquired FONA International LLC and Cholula.

Details of structural change(s), including completion dates

In early fiscal 2021, we completed the purchase of FONA International, LLC and certain of its affiliates (FONA), a privately held company. The purchase price was approximately $710 million, net of cash acquired, subject to certain customary purchase price adjustments. FONA is a leading manufacturer of clean and natural flavors providing solutions for a diverse customer base across various applications for the food, beverage and nutritional markets. The acquisition of FONA broadens our value-add offerings with products that are highly complementary to our existing portfolio. By combining the portfolios and infrastructures, we have added manufacturing capacity as well as greater scale and
expect to accelerate our global flavor growth. At the time of the acquisition, annual sales

of FONA were approximately $114 million. The results of FONA's operations will be included in our financial statements as a component of our flavor solutions segment from the date of FONA's acquisition on December 30, 2020. Unless expressly noted, our disclosures contained in this Annual Report on Form 10-K for the year ended November 30, 2020 exclude the impact of our acquisition of FONA.

On November 30, 2020, we completed the purchase of the parent company of Cholula Hot Sauce® (Cholula) from L Catterton. The purchase price was approximately $803 million, net of cash acquired, subject to certain customary purchase price adjustments. Cholula, a premium Mexican hot sauce brand, is a strong addition to McCormick's global branded flavor portfolio, which broadens the Company's offering in the high growth hot sauce category to consumers and foodservice operators and accelerates our condiment growth opportunities with a complementary authentic Mexican flavor hot sauce. At the time of the acquisition, annual sales of Cholula were approximately $96 million. The results of Cholula's operations have been included in our financial statements as a component of our consumer and flavor solutions segments from the date of acquisition

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	McCormick has set new 1.5C aligned goals and revised our baseline year to FY2020 and included new acquisitions as appropriate. Structural changes that result in a 5% change to emissions trigger a recalculation.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

35,869

Comment

Scope 2 (location-based)

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

83,381

Comment

Scope 2 (market-based)

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

90,629

Comment

Scope 3 category 1: Purchased goods and services

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

2,679,663

Comment

Scope 3 category 2: Capital goods

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

93,194

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

18,285

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

188,709

Comment

Scope 3 category 5: Waste generated in operations

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

4,176

Comment

Scope 3 category 6: Business travel

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)
8,716

Comment

Scope 3 category 7: Employee commuting

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)
13,419

Comment

Scope 3 category 8: Upstream leased assets

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)
62,903

Comment

Scope 3 category 10: Processing of sold products

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)
31,615

Comment

Scope 3 category 11: Use of sold products

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)
172,168

Comment

Scope 3 category 13: Downstream leased assets

Base year start
December 1, 2019

Base year end
November 30, 2020

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 14: Franchises

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 15: Investments

Base year start

December 1, 2019

Base year end

November 30, 2020

Base year emissions (metric tons CO2e)

0

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

37,889

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

McCormick is reporting both approaches but will use the market-based approach for determining progress on our combined scope 1 and 2 emission goal.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

50,858

Scope 2, market-based (if applicable)

53,824

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Scope 1 emission exclusion: Facilities with fuel usage below 388,000 kwh per year or 13,000 therms is excluded from reporting (<0.25% baseline usage). Scope 2 emission exclusion: Manufacturing facilities - Include all manufacturing facilities where McCormick has operational control except those with ten or less employees and an annual electricity consumption of less than 350,000 kwh (<0.25% of baseline usage). Non-manufacturing facilities - Include all other facilities with 50 employees or more where McCormick has operational control. Inclusion is optional for any warehouse or office space which consumes less thanv350,000 kwh electricity per year (<0.25% of baseline usage) unless it is located at a manufacturing facility. This assumes that any facility that uses less than 350,000 kWh of electricity annually also uses an amount of fuel which is negligible. Also excluded are following: • The emissions from fuel use for company owned or operated vehicles. A review confirmed that McCormick owns or operates not more than 100 vehicles worldwide. In addition, it operates one leased jet. The estimated combined GHG impact of these vehicles is <1% of the total footprint. •Refrigerant emissions from air-conditioning. For most part, there are HVAC systems in the buildings. There are no large air-conditioning systems and industrial cooling

processes in the facilities. We assume that the impact of the air-conditioning used in McCormick's facilities is negligible. • The emissions from the liquid CO2 used in one of the manufacturing facilities. It emits approximately 60 t C¬O2 annually, <0.05% of the of the total footprint and therefore negligible. • The emissions from fuel used in some sub-stations to fire back-up generators. The impact is insignificant. • Refrigerant emissions are excluded and deemed irrelevant. The effect of these exclusions is expected to be small relative to the total footprint and thus they can be justified.

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

The sources are small and less than (<0.25% of baseline usage). The total number of excluded facilities is also insignificant.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

2

Explain how you estimated the percentage of emissions this excluded source represents

A hybrid methodology was used to calculate the electricity use for excluded facilities (scope 2). If employee count is available for the given excluded facility, multiply average electricity consumption per employee by the employee count to estimate electricity consumption. If employee count is not available for the given excluded facility, applied the average electricity consumption/facility based on facility type categorization to estimate consumption. Fuel use for excluded facilities (Scope 1) was calculated assuming fuel use is the same as electricity use for facilities requiring space heating. Since most facilities are small, categorized as non mfg warehouse or official types, location in warmer climates, these facilities have less space heating needs hence are not taken into account for Scope 1 natural gas fuel calculation.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2,491,821

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

23

Please explain

Emissions associated with procured raw materials and packaging materials (referred to as direct spend) are calculated with material procurement volume data (e.g. lbs) and emission factors from Ecoinvent 3 and other reputable sources. For materials with particularly high estimated emissions impact, McCormick engaged its suppliers to collect data to develop more supplier- and product-specific emission factors. For indirect spend (all goods and services procured that are not directly incorporated into a final product), emissions are estimated based on total spend per business activity type using the relevant input-output emission factors provided by DEFRA. Both direct and indirect spend calculations are adjusted to account for the estimated portion of activity not covered by the activity data (<10% for both).

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

93,194

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions are estimated based on total spend per capital good type by applying the relevant input-output emission factors provided by DEFRA.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

15,934

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The emissions represent 0.5% of total Scope 3 emissions and are therefore not relevant. Emissions are calculated using global electricity and fuel use data from McCormick's scope 1&2 calculations and upstream T&D loss emission factors from DEFRA.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

202,623

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions are calculated with McCormick's global transport and warehousing activity data, applying transportation emission factors from DEFRA and the US EPA and storage emission factors estimated based on the emissions intensities of comparable McCormick facilities. Calculations for both transport and storage are then adjusted to account for the estimated portion of activity not covered by the available data.

Waste generated in operations

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

4,670

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The emissions represent 0.2% of total Scope 3 emissions and are therefore not relevant. Emissions are calculated using global solid waste and water use data and the appropriate solid waste/wastewater treatment emission factors from DEFRA.

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

8,716

Emissions calculation methodology

Supplier-specific method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

55

Please explain

The emissions represent 0.3% of total Scope 3 emissions and are therefore not relevant. McCormick's business travel service provider calculates the emissions for flights and train transport, and the activity data for car rentals and hotel stays (rental days and hotel nights, respectively). Assumptions are made for vehicle miles per day to estimate fuel use; then appropriate emissions factors are taken from DEFRA. Total emissions calculations are then adjusted to account for the estimated portion of activity not covered by the available data.

Employee commuting

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

13,419

Emissions calculation methodology

Average data method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The emissions represent 0.4% of total Scope 3 emissions and are therefore not relevant. McCormick assumed each employee commutes with a 40km round trip with an average car, 5 days a week, 48 weeks/yr. Applying these assumptions, McCormick

calculated that each employee has a commuting emission factor of 1.1 tCO2e per year. This factor is then applied to all employees globally.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

McCormick does not have any additional upstream leased assets not already included in the boundary of our Scope 1 and 2 reporting.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

67,541

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

This category was deemed relevant because it makes up about 2% of Scope 3 emissions. Limited activity data is currently available to estimate this category. Downstream transport and distribution is estimate to make up approximately 33% of total transport and distribution activity (with category 4, upstream T&D accounting for the remaining 67%). Accordingly, the total emissions for this category are estimated from upstream T&D by applying this assumption.

Processing of sold products

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

27,845

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The emissions represent 0.9% of total Scope 3 emissions and are therefore not relevant. McCormick estimated the approximate portion of product coming from each facility (on a weight basis) that will undergo additional processing. The emissions factor is conservatively estimated based on the processing emissions for a particular McCormick product with large production volume and high processing emissions. To make a conservative estimate, this emissions factor is applied to the entire estimated processed volume.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

The use of McCormick's sold products is deemed not relevant to its Scope 3 footprint because there are no direct emissions associated with their use.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

184,876

Emissions calculation methodology

Average data method
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The emissions for this category were estimated by taking the total production volume (weight) of sold product and assuming that all packaging materials entered the waste stream and 33% of food items were wasted (due to food waste). These waste streams were then assumed to undergo the US-average end-of-life treatment for each material group (plastic, paper, food, etc.). The end of life emissions are then calculated using DEFRA waste emission factors.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

McCormick does not have any downstream leased assets.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

McCormick does not have any franchises.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

McCormick does not have relevant investments.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

Yes

C-AC6.8a/C-FB6.8a/C-PF6.8a

(C-AC6.8a/C-FB6.8a/C-PF6.8a) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

Emissions (metric tons CO2)

12,865

Methodology

Default emissions factors

Please explain

DEFRA "outside of scope" emission factor for biogas and landfill gas.

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Rice

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

McCormick has identified rice as one of the commodities to be included in the Scope 3 emissions reduction strategy.

Agricultural commodities

Other

Black Pepper

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

Carbon reduction calculations have been undertaken on sustainable vs conventional black pepper.

C-AC6.9a/C-FB6.9a/C-PF6.9a

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.

Rice

Reporting emissions by

Unit of production

Emissions (metric tons CO2e)

3.41

Denominator: unit of production

Kilograms

Change from last reporting year

Higher

Please explain

Ecoinvent 3.6 (2019): Rice, basmati {GLO}| market for rice, basmati | Cut-off, S- Transport component removed.

Other

Reporting emissions by

Unit of production

Emissions (metric tons CO2e)

5.4

Denominator: unit of production

Kilograms

Change from last reporting year

This is our first year of measurement

Please explain

Emissions from black pepper from suppliers.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000015

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

91,713

Metric denominator

unit total revenue

Metric denominator: Unit total

6,317,900,000

Scope 2 figure used

Market-based

% change from previous year

35.7

Direction of change

Decreased

Reason for change

We believe the change is in part due to emissions reduction activities implemented in the reporting year, including improved efficiency of the business, improvements in the power grids renewable energy and renewable energy purchases including the purchase of renewable natural gases (RNG) for two of our UK facilities.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	37,776	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	95	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	18	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	486
Canada	2,235
China	4,800
El Salvador	95
France	985
India	583
Italy	2,072

Mexico	25
Poland	1,058
Thailand	631
Turkey	179
United States of America	24,741
United Kingdom of Great Britain and Northern Ireland	0

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Americas	27,095
Europe, Middle East, Africa	4,294
China	4,800
Asia Pacific	1,699

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Processing/Manufacturing

Emissions (metric tons CO2e)

37,889

Methodology

Region-specific emissions factors

Please explain

The Scope 1 emissions reported here are identical to what is reported in section C6.1. Any emissions from distribution or farming of agricultural raw materials are Scope 3 emissions.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Australia	6,465	6,456
Canada	1,091	1,091
China	14,749	14,749
El Salvador	232	232
France	585	677
India	923	923
Italy	713	1,231
Mexico	678	678
Poland	4,126	5,210
Portugal	64	132
Thailand	2,109	2,109
Turkey	671	671
United Kingdom of Great Britain and Northern Ireland	0	0
United States of America	17,266	18,470
South Africa	534	534
United Arab Emirates	651	651

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)

Americas	19,268	20,472
Europe, Middle East, Africa	7,344	9,106
China	14,749	14,749
Asia Pacific	9,497	9,497

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	35,471	Decreased	28	In 2021, McCormick increased its renewable energy consumption from 21,528 MWh to 86, 169 MWh, equivalent to additional carbon saving of 35,471 tCO2e. The percentage reduction is calculated by dividing 35,471 tCO2e by McCormick's combined Scope 1 and 2 emissions in 2020 (126,498tCO2e). Calculation: 35,471 / 126,498 *100% = 28%
Other emissions reduction activities	759	Decreased	1	In 2021, McCormick implemented 13 new energy reduction projects, excluding renewable energy purchases. The total carbon savings from these projects are 759 tCO2e. The percentage reduction is calculated by dividing 759 tCO2e by McCormick's combined Scope 1 and 2 emissions in 2020 (126,498 tCO2e). Calculation: 622 / 126,498 *100% = 1%.
Divestment				
Acquisitions				

Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No

Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	15,366	212,270	227,636
Consumption of purchased or acquired electricity		76,896	123,125	200,021
Consumption of purchased or acquired steam		0	6,280	6,280
Total energy consumption		92,262	341,675	433,937

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

15,366

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Includes consumption from Renewable Natural Gas - blend of landfill gas and biogas.

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Coal

Heating value

LHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

935

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Includes consumption of diesel.

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

211,335

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Includes consumption from natural gas (non-renewable), liquified petroleum gas and liquified natural gas.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

227,636

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

7,313

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Other biomass

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

25,000

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Springfield REC purchase

Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

27,675

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

Sourcing method

Purchase from an on-site installation owned by a third party

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

China

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

178

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,015

Comment

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Plants with renewable sources as certified by the certification of the Gestore Servizi Energetici (GSE) according to current italian legislation

Country/area of low-carbon energy consumption

Italy

Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,827

Country/area of origin (generation) of the low-carbon energy or energy attribute

Italy

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

nuclear and other low-carbon energy sources

Country/area of low-carbon energy consumption

France

Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

347

Country/area of origin (generation) of the low-carbon energy or energy attribute

France

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix, please specify

Country/area of low-carbon energy consumption

United Kingdom of Great Britain and Northern Ireland

Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

14,467

Country/area of origin (generation) of the low-carbon energy or energy attribute

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

Australia

Consumption of electricity (MWh)

9,869

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,869

Country/area

Canada

Consumption of electricity (MWh)

9,556

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,556

Country/area
China

Consumption of electricity (MWh)
22,453

Consumption of heat, steam, and cooling (MWh)
6,280

Total non-fuel energy consumption (MWh) [Auto-calculated]

28,733

Country/area
El Salvador

Consumption of electricity (MWh)
1,298

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,298

Country/area
France

Consumption of electricity (MWh)
11,923

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

11,923

Country/area
India

Consumption of electricity (MWh)

1,281

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,281

Country/area

Italy

Consumption of electricity (MWh)

4,511

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,511

Country/area

Mexico

Consumption of electricity (MWh)

1,934

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,934

Country/area

Poland

Consumption of electricity (MWh)

6,524

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6,524

Country/area
Portugal

Consumption of electricity (MWh)
350

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

350

Country/area
South Africa

Consumption of electricity (MWh)
573

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

573

Country/area
Thailand

Consumption of electricity (MWh)
5,533

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

5,533

Country/area

Turkey

Consumption of electricity (MWh)

1,604

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,604

Country/area

United States of America

Consumption of electricity (MWh)

106,854

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

106,854

Country/area

United Arab Emirates

Consumption of electricity (MWh)

1,290

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,290

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

14,467

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

14,467

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

IG_MKC - Independent Assurance Statement (CDP 2022).pdf

Page/ section reference
pg.3-4

Relevant standard
AA1000AS

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

IG_MKC - Independent Assurance Statement (CDP 2022).pdf

Page/ section reference
pg.3-4

Relevant standard
AA1000AS

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services

Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Upstream transportation and distribution
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting
Scope 3: Upstream leased assets
Scope 3: Investments
Scope 3: Downstream transportation and distribution
Scope 3: Processing of sold products
Scope 3: Use of sold products
Scope 3: End-of-life treatment of sold products
Scope 3: Downstream leased assets
Scope 3: Franchises

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

IG_MKC - Independent Assurance Statement (CDP 2022).pdf

Page/section reference

pg. 3-4

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

IG_MKC - Independent Assurance Statement (CDP 2022).pdf

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1)	AA1000AS	Year on year change in Scope 1 emissions is +6036
C6. Emissions data	Year on year change in emissions (Scope 2)	AA1000AS	Year on year change in Scope 2 emissions is -33,603
C6. Emissions data	Year on year change in emissions (Scope 3)	AA1000AS	Year on year change in Scope 3 emissions is +478,012

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

0.23

% total procurement spend (direct and indirect)

5

% of supplier-related Scope 3 emissions as reported in C6.5

19

Rationale for the coverage of your engagement

Through our expansive supply chain, we source over 14,000 raw materials from more than 85 countries. Emissions from purchased goods and services, especially those associated with agricultural products, make up a significant percentage of McCormick's Scope 3 footprint. As a result, McCormick engages with our key raw material suppliers to collect environmental data such as commodity-specific emissions data.

Impact of engagement, including measures of success

Impact of Engagement: We have worked to collect emissions data from key suppliers and use new information in the accounting of our Scope 3 footprint. We measure the success of engagement by the % of suppliers from who we obtain actual LCA emission factors from. By 2023, McCormick aims to have 20% of its footprint containing supplier specific data. As part of this engagement, McCormick issues a Scope 3 GHG Emissions Supplier Questionnaire, which asks various questions pertaining to supplier's carbon inventories, setting of science-based targets, emissions reduction activities, conduction of LCAs and available product specific emission factors. It also asks for the total volume of products sold from each supplier to allocate emissions to McCormick accordingly. As a result of this initiative, McCormick increased the number of key suppliers who provided LCA emission factors from 2 in FY20 to 10 in FY21.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

0.6

% total procurement spend (direct and indirect)

15

% of supplier-related Scope 3 emissions as reported in C6.5

29

Rationale for the coverage of your engagement

McCormick's flagship supplier engagement initiative, Supplier Leadership on Climate Transition (SLoCT), helps drive our suppliers towards our Scope 3 targets. With the help of Guidehouse, we provide our suppliers access to financial support and monthly training to understand how to establish Scope 1, 2, and 3 footprints, how to set science-based targets, and how to abate emissions throughout their operations. McCormick has engaged more than 90 of its suppliers through this program by inviting them to participate in S-LOCT with McCormick as their sponsoring brand, with a focus on suppliers who form a significant portion of our Scope 3 greenhouse gas footprint in order to achieve maximum impact to address our Scope 3 footprint. However, not all suppliers are always resourced or ready to participate and to date, 67 distinct suppliers in total have participated in S-LOCT with McCormick being their brand sponsor in its first full year. In April 2021, together with our partners, we launched the inaugural training season of S-LoCT and 25 of our suppliers participated in the 6-month training. The program was so successful that in October 2021, five additional food industry and packaging companies joined S-LoCT as brand sponsors and more than 180 supplier companies enrolled in the program, including more than 40 McCormick suppliers. In 2022, more training tracks are being added and the brand sponsors continue to grow. S-LoCT will offer two 6-month trainings each year. Up to 40 suppliers may be enrolled by each brand in each "season" for a cost of $50,000. Progress is tracked and reported to the sponsoring brand. Supplier/brand relationship remains anonymous. This percentage of suppliers was selected based on the total number of McCormick suppliers enrolled in the SLoCT program, over the total enrolment requests amongst McCormick suppliers.

Impact of engagement, including measures of success

Success is measured by a brand enrolling the maximum number of permitted suppliers per season, which is 40 suppliers. In the first season of its engagement, McCormick enrolled 25 suppliers and in the second, the maximum allowed of 40. This engagement equips suppliers with the knowledge and tools to establish a process of setting GHG reduction targets, conducting annual reporting and developing LCA factors that can be used in McCormick's assessment of its own Scope 3 emissions.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

1

% of customer - related Scope 3 emissions as reported in C6.5

29

Please explain the rationale for selecting this group of customers and scope of engagement

We engage with our major retail customers and partners through the annual CDP disclosure cycle and other sustainability reporting platforms.

Impact of engagement, including measures of success

Impact of engagement: As a result of our engagement, we have seen improved customer intimacy, trust and business loyalty. Measure of success: For example, McCormick's goals to reduce emissions in our value chain through sustainable sourcing and the reduction of packaging waste contribute further to Wal-Mart's Project Gigaton, in which Wal-Mart aims to avoid one billion metric tons of GHG emissions in its value chain. McCormick achieved “Giga-Guru” status in 2021, for the 4th year in a row, and we were one of the first such companies to achieve this recognition. “Giga-Guru” is the highest level of supplier recognition awarded to Wal-Mart suppliers which recognizes Wal-Mart suppliers who are leading the industry and Wal-Mart to help them achieve their vision of reducing one Gigaton of CO2 in their supply chains by 2030. Wal-Mart specifically recognizes Giga-Guru Suppliers as “Suppliers that have set a SMART goal (specific, measurable, achievable, relevant and time limited), agreed to share it publicly, and have reported avoiding emissions in the most recent reporting year.”

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

McCormick has set ambitious sustainable sourcing targets for 2025 and recognizes that it is essential to partner with a diverse group of stakeholders to achieve them. To date, we have engaged with external stakeholders such as international government and regulatory authorities, non-governmental organizations (NGOs), trade groups and industry organizations as well as peers and suppliers. In partnership, we have identified and created initiatives to build small holder farmer resilience in the supply chain and train farmers in good agricultural practices that includes the agricultural effects on, and impacts of, climate change. We are working towards implementing third-party verified sustainability certification across the five iconics (Black Pepper, Red Pepper, Cinnamon, Vanilla, Oregano), actively promoting

regenerative agriculture practices. For example, McCormick works with NGOs and donor partners to design comprehensive development programs in Madagascar and Indonesia to support farmers as they diversify their income sources. We have partnered with USAID, USDA, GIZ and NCBA CLUSA to improve the resilience of around 10,000 vanilla smallholder farmers. Our programs aim to maintain forests, biodiversity and soil health, and ensure natural resources and ecosystem services support long-term prosperity in local communities. The goal is for these initiatives to increase incomes while protecting biodiversity and improving governance through strong farmer cooperatives and sustainability certification. We aim to positively impact 90% of farmers by implementing initiatives to improve their resilience by 2025.

In addition, through our Supplier Leadership on Climate Change (S-LoCT) program, McCormick has been a leader in the food and beverage industry and partnered with numerous other leading companies to transition the sector to address climate change. In 2019, we partnered with Mars, PepsiCo, and implementing partner consulting firm Guidehouse to provide suppliers in our supply chains with training, tools, and resources to begin their climate change journeys. In just 18 months, this coalition has grown to include 11 global brand partners and more than 500 suppliers. McCormick meets with Guidehouse and the brands monthly to review progress, share ideas, and continue to develop the program to achieve maximum outcomes and encourages other companies to join the coalition.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Biodiversity considerations

Description of management practice

McCormick's Purpose-Led Performance (PLP) strategy mandates that 100% of branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) are sustainably sourced by 2025. To meet this target, we are working with suppliers towards the implementation of third-party verified sustainability standards at farm level under our Grown for Good Framework. These standards require that all existing natural ecosystems must be protected.

Your role in the implementation

Financial
Procurement

Explanation of how you encourage implementation

McCormick have provided upfront financial assistance and/or pay a premium for the implementation of sustainability standards across the five iconics. We adopt a partnership approach with strategic vendors to source certified material. For example, our Joint Venture company, AVT McCormick, based in India, is the the only spice company in India that has used the Biodiversity Monitoring Tool (BDMT), which was co-developed by GIZ, Union for Ethical BioTrade (UEBT) and Global Nature Fund (GNF) for monitoring biodiversity. The BDMT helps the team set seasonal targets on key biodiversity aspects and assess annual improvements in biodiversity management.

Climate change related benefit

Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)

Comment

Management practice reference number

MP2

Management practice

Integrated pest management

Description of management practice

McCormick's Purpose-Led Performance (PLP) strategy mandates that 100% of branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) are sustainably sourced by 2025. To meet this target, we are working with suppliers towards the implementation of third-party verified sustainability standards at farm level under our Grown for Good framework. These standards require that the farm have an integrated pest-management program based on ecological principles for the control of harmful pests. The program must include activities for monitoring pest populations, training personnel that monitor these populations, and integrated pest management techniques.

Your role in the implementation

Financial
Procurement

Explanation of how you encourage implementation

McCormick have provided upfront financial assistance and/or pay a premium for the implementation of sustainability standards across the five iconics. We adopt a partnership approach with strategic vendors to source certified material. McCormick and IDH, the Sustainable Trade Initiative, partnered in 2018 to engage 1,500 farmers on good agricultural practices and sustainability certification. As the programs expanded, the International Finance Corporation, IFC, joined the program, providing funding and advisory services. The project included the development of an e-learning mobile app to provide training directly to farmers on the use of agrochemicals, integrated pest management, sustainable pepper farming, harvest and post-harvest practices and export market requirements. The Vietpepper app launched in 2020 and was piloted with approximately 1,266 farmers.

Climate change related benefit

Reduced demand for pesticides (adaptation)

Comment

Management practice reference number

MP3

Management practice

Waste management

Description of management practice

McCormick's Purpose-Led Performance (PLP) strategy mandates that 100% of branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) are sustainably sourced by 2025. To meet this target, we are working with suppliers towards the implementation of third-party verified sustainability standards at farm level under our Grown for Good framework. These standards require that the farm have an integrated waste management program for the waste products it generates. In Thailand, McCormick has partnered with a waste supplier to transform unused pepper, flour and water into fertilizer for local farmers. The initiative diverts solid waste and provides organic fertilizer to support the livelihood and resilience of farmers.

Your role in the implementation

Financial
Procurement

Explanation of how you encourage implementation

McCormick have provided upfront financial assistance and/or pay a premium for the implementation of sustainability certification across the five iconics. We adopt a partnership approach with strategic vendors to source certified material. For instance,

Climate change related benefit

Emissions reductions (mitigation)

Comment

Management practice reference number

MP4

Management practice

Reducing energy use

Description of management practice

McCormick's Purpose-Led Performance (PLP) strategy mandates that 100% of branded iconic ingredients (black pepper, cinnamon, oregano, red pepper and vanilla) are sustainably sourced by 2025. To meet this target, we are working with suppliers towards the implementation of third-party verified sustainability standards, at farm level under our Grown for Good framework. These standards often require that the farm must annually describe its energy sources and the amount of energy used from each source for production processes, transport and domestic use within the farm limits. The farm must have an energy efficiency plan with goals and implementation activities for increased efficiency, for reducing dependency on non-renewable sources and for increasing the use of renewable energy. Where appropriate, the use of on-farm energy sources must be preferred.

Your role in the implementation

Financial
Procurement

Explanation of how you encourage implementation

McCormick have provided upfront financial assistance and/or pay a premium for the implementation of sustainability certification across the five iconics. We adopt a partnership approach with strategic vendors to source certified material.

Climate change related benefit

Emissions reductions (mitigation)

Comment

Management practice reference number

MP5

Management practice

Fertilizer management

Description of management practice

Our Joint Venture company, AVT McCormick, based in India, have rolled out a number of farm level initiatives through their backwards integration program. This includes encouraging and supporting farmers in the uptake of fertigation - the application of fertilizer through drip irrigation.

Your role in the implementation

Operational

Explanation of how you encourage implementation

AVT McCormick's field teams train farmers on the benefits of fertigation and assist in implementation. This highly targeted method of plant fertilization reduces the volume of fertilizer used by farmers. During the 2020-21 season, AVT McCormick assisted farmers in implementing drip and mulch irrigation systems across 2,753 acres of Indian red pepper fields, which ultimately saved approximately 9,200 million liters of water. AVT McCormick has won a National Award for Sustainable Agriculture based on the programs we run in red pepper.

Climate change related benefit

Reduced demand for fertilizers (adaptation)

Comment

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

On page 20 of the 2021 PLP (Purpose-Led Performance) Report, "McCormick continues to grow our significant use of renewable electricity in North America and Europe. We have a dedicated Environmental Policy and support the Paris Agreement and other national, regional and local solutions to address climate change and make renewable energy more accessible."

2021_PLP_Report.pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

As stated in the 2021 PLP report on page 12, "McCormick fully recognizes the importance governance and oversight have in driving our PLP and broader business strategy forward. With PLP embedded in all aspects of our organization and business practices, we have dedicated teams who represent our day-to-day governance of People, Communities and Planet." The PLP Governance structure includes the PLP Governing Council whom is responsible for integrating the PLP strategy with overall business strategy, including identification and approval of initiatives, e.g. all climate related activities, investments and resources for PLP goals. Furthermore, the overall process we have in place to ensure our engagement activities are consistent with our overall climate change strategy is stated in the 2021 PLP Report on page 23 "We have a global database for all our PLP goals, which expands our ability to review project status by region, priority and start and end dates. The database also helps us create global and regional dashboard reports, which track project priorities, status, complexity and monthly progress, in addition to a Roadmap Report, which identifies annual targets toward our goals, tracks progress and risks, and is used by our PLP Governing Council in global decision-making."

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

The American Institute for Packaging and the Environment (AMERIPEN)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

McCormick is aligned with AMERIPEN's climate positions and supports them but does not issue press releases regarding trade association support. AMERIPEN's mission is to be " the leading voice for the packaging industry, using science to inspire, create, and advocate for sustainable solutions for packaging" and its vision is that "packaging is recognize for all its benefits, including prevetning waste and driving a circular economy." AMERIPEN is leading on Proactive Public Policy, by developing legislative solutions, building industry coalitions, and directly advocating on behalf of its members with an innovative multi-state government affairs strategy. AMERIPEN is predominantly focused on US based policy issues, largely at the state level. Local and federal opportunities will be addressed as they arise and are supported by member interest. AMERIPEN's collaboration between industry and government with regards to waste policies will be key to recognizing the value of packaging in preventing food waste, which is a significant contributor to global greenhouse gas emissions. Through its Food Waste Committee, AMERIPEN continues to evaluate the role of packaging in food waste reduction to support advocacy activities. The committee has worked in collaboration with a number of partners (WWF, ReFED, FWRA, RLC (CBA), etc.) to identify priority areas including integrating packaging and food waste policies to avoid unintended consequences, better understanding how consumers use packaging in the home, and exploring the best areas for packaging to be leveraged to reduce both household and retail food waste.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

European Organization for Packaging and Environment (EUROPEN)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

McCormick is aligned with EUROPEN's climate position and supports them but does not issue press releases regarding trade association support. EUROPEN's mission aims to achieve a fully accessible European market for packaging and packaged products, while protecting the product and the environment and its vision is for packaging to enable transition to a climate neutral, circular and competitive EU economy while ensuring goods are delivered safely to EU citizens and businesses. EUROPEN supports the objectives of the EU Circular Economy package. EUROPEN advocates for a packaging waste policy framework that clearly defines the roles and responsibilities of stakeholders involved in waste management. The new Circular Economy Package should safeguard the EU internal market and be based on the principle of life cycle assessment. EUROPEN does not plan on engaging in climate specific files at this stage but supports the climate neutrality objective through its advocacy on the circular economy.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Consumer Brands Association (CBA)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

McCormick is aligned with CBA's climate positions and supports them but does not issue press releases regarding trade association support. CBA's mission is to champion growth and innovation for the industry whose products consumers depend on every day.

CBA supports efforts to combat climate change and to promote a sustainable future through initiatives to increase recyclability and reimagine the recycling system. The CBA formed the Recycling Leadership Council (RLC) to unite consumer stakeholders and the packaging and recycling ecosystem to build a policy framework to fundamentally change the recycling system. The RLC issued in February 2021 its vision for an ambitious federal policy action that recommends a scalable solutions fora modern and standardized recycling system across the country to reduce packaging's environmental footprint, e.g.reduction of waste in landfills. In addition, the CBA is a founding member of the Food Waste Reduction Alliance, an industry-led initiative whose focus is on reducing Food waste, increasing the amount of safe, nutritious food donated to those in need and diverting waste from landfills.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

CARE

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

McCormick is aligned with CARE's climate positions and supports them but does not issue press releases regarding trade association support. CARE's mission is to work around the world to save lives, defeat poverty, and achieve social justice and its vision is to seek a world of hope, inclusion, and social justice, where poverty has been overcome and all people live with dignity and security. CARE delivers lasting change to some of the world's poorest communities. CARE places special focus on working alongside women because, equipped with the proper resources, women have the power to help whole families and entire communities escape poverty. In addition, CARE promotes

climate justice to tackle the gendered consequences of climate change and the drivers causing it.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

National Cooperative Business Association CLUSA International (NCBA CLUSA)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

McCormick is aligned with NCBA CLUSA's climate positions and supports them but does not issue press releases regarding trade association support. NCBA CLUSA's mission is to develop, advance and protect cooperative enterprise and its vision is to to build a better world and a more inclusive economy that empowers people to contribute to shared prosperity and well-being for themselves and future generations. By leveraging the shared resources of the cooperative movement, we seek to engage, partner with and empower people from all walks of life—particularly those left behind by a shifting economy and facing the greatest economic and societal barriers. We achieve this vision through collaborative partnerships in development, advocacy, public awareness and thought leadership. NCBA CLUSA's clients are the decision-makers when it comes to solving their most pressing development needs, with a specific focus on sustainability. The organization process facilitates self-directed systems change within the communities, governments, and systems. It works to empower people to articulate, promote and manage sustainable, locally generated solutions.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

McCormick FY22 10K.pdf

Page/Section reference

FY22 10K, p.6, p.9-12

Content elements

Governance
Risks & opportunities
Other metrics

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

2021_PLP_Report.pdf

Page/Section reference

PLP 2021 Report , p86-107

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Biodiversity
Soil
Water

Description of impacts

The implementation of sustainability standards helps to protect biodiversity, conserve natural resources, reduce climate change and offer economic opportunities to populations in need. McCormick are working towards implementing the sustainability standards across the five iconics (Black Pepper, Red Pepper, Cinnamon, Vanilla,

Oregano), with the target of the branded raw materials being 100% sustainably sourced by 2025.

Have any response to these impacts been implemented?

No

Description of the response(s)

We have not engaged with our suppliers to learn about their response to this impact to date, but aim to do so in the future.

Management practice reference number

MP2

Overall effect

Positive

Which of the following has been impacted?

Biodiversity
Water
Yield

Description of impacts

The implementation of sustainability standards helps to protect biodiversity, conserve natural resources, reduce climate change and offer economic opportunities to populations in need. McCormick are working towards implementing sustainability standards across the five iconics (Black Pepper, Red Pepper, Cinnamon, Vanilla, Oregano), with the target of the branded raw materials being 100% sustainably sourced by 2025.

Have any response to these impacts been implemented?

No

Description of the response(s)

We have not engaged with our suppliers to learn about their response to this impact to date, but aim to do so in the future.

Management practice reference number

MP5

Overall effect

Positive

Which of the following has been impacted?

Soil
Water
Yield

Description of impacts

The use of fertigation allows essential nutrients to be delivered to plants in a specialized and exact way. Studies have shown that this can increase yield. The reduction in volume of fertilizer used also improves soil health and reduces leaching into ground water.

Have any response to these impacts been implemented?

No

Description of the response(s)

We have not engaged with our suppliers to learn about their response to this impact to date, but aim to do so in the future.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, board-level oversight	The Board has general oversight of our commitment to Purpose-led Performance (PLP), including our approach to sustainability and environmental, social and governance (ESG) commitments. As part of its oversight, the Board and its committees regularly review our material initiatives and policies related to ESG matters and assess progress with respect to our ESG commitments. The PLP Governing Council, which is the highest management-level committee responsible for the day-to-day management of ESG matters, reports regularly to the Board and its committees on ESG topics covering strategy and risks to major plans of action and key performance indicators. Our commitment to PLP is one of our five guiding principles and the basis for our ESG commitments, which include any such commitments related to biodiversity-related issues.

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public	Initiatives endorsed

	commitment or endorsed any initiatives related to biodiversity	
Row 1	Yes, we have endorsed initiatives only	SDG Other, please specify McCormick has partnered with USAID Biodiversity and Sustainable Landscape Conservation and Communities Projects in two regions of Madagascar to encourage biodiversity, improve farmer livelihoods and prevent deforestation.

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	Yes, we assess impacts on biodiversity in both our upstream and downstream value chain

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Law & policy Livelihood, economic & other incentives

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators Pressure indicators Response indicators

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity Details on biodiversity indicators Influence on public policy and lobbying Risks and opportunities Biodiversity strategy	1

[1]2021_PLP_Report.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Disclaimer: In this Questionnaire, any use of the terms "material," "materiality," "immaterial," "substantive" and other similar terminology refers to topics that reflect McCormick's significant economic, environmental and social impacts or to topics that substantially influence the assessments and decisions of stakeholders in what the CDP may consider to be "material" or "substantive" topics. McCormick does not use these terms as they have been defined by or construed in accordance with the securities laws or any other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting. No communication in this Questionnaire or other sustainability statements are intended to be construed to indicate otherwise.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Supply Chain Officer	Other C-Suite Officer