MCCORMICK & CO INC
Form DEF 14A
February 16, 2016
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

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

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

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

McCORMICK & COMPANY, INCORPORATED
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):
No fee required.
Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:
(2) Aggregate number of securities to which transaction applies:
(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
(4) Proposed maximum aggregate value of transaction:
(5) Total fee paid:
Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:
(2) Form, Schedule or Registration Statement No.:
(3) Filing Party:
(4) Date Filed:

McCORMICK & COMPANY, INCORPORATED

18 Loveton Circle, Sparks, Maryland 21152

February 16, 2016

We are pleased to invite you to attend the March 30, 2016, Annual Meeting of Stockholders, which will again be held at the Martin's Valley Mansion, 594 Cranbrook Road, Hunt Valley, Maryland 21030.

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

Prior to the meeting, we encourage you to review the Company's Annual Report to Stockholders for the 2015 fiscal year.

At McCormick, our focus is on people, growth and performance.

- People – More than 10,000 McCormick employees around the world are the key ingredient to our success. Our Company is founded on a participative, multiple management culture which has led to success and high performance across the organization.

- Growth – Our global business is well-aligned with today's consumer and an increasing demand for flavor. In markets around the world, we are driving growth through our base business, innovation and expanded distribution, as well as customer intimacy and consumer insights. We are fueling these investments in growth through our Comprehensive Continuous Improvement (CCI) program. Led by this program, we delivered nearly $98 million of cost savings in 2015.

- Performance – We achieved solid underlying performance in sales and profit in 2015. This increase was driven by both our consumer and industrial segments. Cash flow from operations reached a record $590 million, and we returned $351 million of cash to shareholders through dividends and share repurchases.

McCormick's Board of Directors and leadership team are directing our strategy and setting our course for growth. Departing from our Board is John Bilbrey, who has served as a director since 2005. We sincerely appreciate his contributions and service. We are pleased to have two new independent directors join McCormick's Board in 2015: Maritza Montiel, former Deputy CEO and Vice Chairman of Deloitte LLP and Michael Conway, President, Global Channel Development for Starbucks Coffee Company.

Lawrence Kurzius was promoted to President and Chief Executive Officer, effective February 1, 2016, and joined our Board in 2015. Former CEO, Alan Wilson, remains with the Company as Executive Chairman of the Board, also effective February 1, 2016. After more than 30 years of distinguished service and strong leadership, Cecile Perich, Senior Vice President, Human Relations and Paul Beard, Senior Vice President, Finance retired from the Company.

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

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

Best regards,

Alan D. Wilson
Executive Chairman of the Board

Lawrence E. Kurzius
President and Chief Executive Officer

Notice of Annual Meeting of Stockholders

March 30, 2016

10:00 a.m.

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

The Annual Meeting of Stockholders of McCormick & Company, Incorporated will be held at the **Martin's Valley Mansion, 594 Cranbrook Road, Hunt Valley, Maryland 21030** at 10:00 a.m. on March 30, 2016, for the purpose of considering and acting upon:

(1) the election of directors from the nominees named in the proxy statement to act until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified;

(2) the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm of McCormick to serve for the 2016 fiscal year; and

(3) any other matters that may properly come before such meeting or any adjournments thereof.

The Board of Directors has fixed the close of business on **January 4, 2016,** as the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting or any adjournments thereof. **Only holders of Common Stock are entitled to vote.** Holders of Common Stock Non-Voting are welcome to attend the Annual Meeting.

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

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

February 16, 2016

Jeffery D. Schwartz

Vice President, General Counsel & Secretary

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

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING TO BE HELD ON MARCH 30, 2016:

The proxy statement and McCormick's Form 10-K for the 2015 fiscal year are available at www.proxyvote.com. These materials are also available on McCormick's Investor Relations website at ir.mccormick.com under "Financial Information," then "Proxy Materials."

Table of Contents

PROXY SUMMARY i

SELECTED DEFINITIONS iii

PROXY STATEMENT 1

PRINCIPAL STOCKHOLDERS 1

CORPORATE GOVERNANCE 2

DIRECTORS 4

PROPOSAL 1 — ELECTION OF DIRECTORS 16

EXECUTIVE OFFICERS 17

COMPENSATION OF EXECUTIVE OFFICERS 18
Introduction 18
Our Executive Compensation Philosophy and Practices 18
Principles of McCormick's Executive Compensation Policy 19
Overview of Our Executive Compensation Program for Fiscal 2015 19
How We Determined Executive Compensation for Fiscal 2015 21
Elements of Executive Compensation 22
Performance-Based Compensation and Risk 27
Compensation Committee Report 28
Summary Compensation Table 29
Grants of Plan-Based Awards 30
Outstanding Equity Awards at Fiscal Year-End 31
Option Exercises and Stock Vested in Last Fiscal Year 32
Retirement Benefits 32
Non-Qualified Deferred Compensation 33
Potential Payments Upon Termination or Change in Control 34
Equity Compensation Plan Information 38
Report of Audit Committee 38
Fees of Independent Registered Public Accounting Firm 39

PROPOSAL 2 — RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM 40

Back to Contents

PROXY SUMMARY

This summary highlights selected information contained in this proxy statement. It does not contain all the information you should consider and as such we urge you to carefully read the proxy statement in its entirety prior to voting. For additional information, please review the Company's Annual Report to Stockholders for the 2015 fiscal year.

Select Business Highlights for 2015

Top Line / Bottom Line Results	
Strong sales and cash flow	For the past five years, we have achieved 5% compound annual sales growth and, in 2015, generated $590 million of cash flow from operations. Our focus on people, growth and performance has led to strong long-term results for the past decade that include a compound annual growth rate of 5% in sales and earnings per share that has doubled since 2005.
Increased stockholder return	McCormick's 10-year total annual stockholder return has increased at a double-digit rate, out-pacing the S&P 500 Stock Index. In fact, total annual shareholder return has risen at a double-digit pace for the past 1, 5, 10 and 20 year periods. In 2015, we returned $351 million of cash to our stockholders through dividends and share repurchases. We also used our cash to complete three acquisitions during the year.
Growth on a global scale	We operate from more than 50 locations in 26 countries to achieve long-term growth in developed markets, and increase our presence in emerging markets, like China, Latin America and Eastern Europe. In 2015, 17% of McCormick's sales were in emerging markets, up from 9% in 2010. Globally, consumers purchase our brands in more than 140 countries and territories, and we sell to 9 of the top 10 food and beverage companies and each of the top 10 foodservice restaurant chains.
30 years of uninterrupted dividend increases	We have paid dividends every year since 1925 and have increased our dividend in each of the past 30 years, placing McCormick among the S&P 500's Dividend Aristocrats. In 2015, our dividend paid reached $1.60 per share as compared to 64 cents per share ten years ago. During the past five years, our dividends per share have risen at a compound annual rate of 9%.

DIVIDENDS PAID

McCormick has increased its dividend in each of the past 30 years. We have paid a dividend for 90 consecutive years.

TOTAL ONE YEAR ANNUAL SHAREHOLDER RETURN*

*At fiscal year-end November 30, 2015

Back to Contents

Executive Compensation and Performance Alignment Summary

Our pay-for performance philosophy requires that a substantial portion of each executive's total compensation should be performance-based and dependent on the achievement of financial performance goals over both the short and longer term. Those financial performance goals should be drivers of stockholder value over both the short-and long-term.

While the CEO's salary increased modestly in 2015, his total paid direct compensation decreased when compared to 2014 due to reductions in both the earned annual incentive and the payment from the most recently completed three-year Long-Term Performance Plan (LTPP) cycle. Earnings Per Share (EPS) is a key component in the annual incentive. While the underlying profit growth globally was strong and met target in fiscal 2015, adjusted EPS growth was significantly impacted by foreign currency exchange rates. Cumulative sales growth is one of two key metrics in the earned awards under the LTPP. While sales growth trended favorably over the three-year period, it did not meet the cumulative target of 14%. The other metric in the LTPP is Total Shareholder Return (TSR) (not displayed on this graph), relative to our peer companies. While our TSR was strong in 2015, when compared to our selected peer companies for the three-year period, it achieved 35th percentile, below our targeted performance goal for a payout of 44% of target. This also contributed to the reduced compensation paid versus the prior year, when the percentile achievement yielded a payout of 150% of target.

COMPANY PERFORMANCE AND CEO COMPENSATION*
2013-2015

*Amounts shown reflect compensation paid to Alan D. Wilson who served as CEO during the periods covered.

For purposes of demonstrating that CEO pay is well aligned with company performance, only three elements of direct compensation are included in CEO Paid Compensation on this graph – 1) Base salary, 2) Annual bonus earned, 3) Cash and stock (based on the market value on the vesting date) earned at the end of the three-year cycle for the LTPP. Total compensation, including the value of pension changes, stock option grants, and all other compensation for all Named Executive Officers, can be found in the Summary Compensation Table on page 29. The Adjusted EPS figures used in the above graph are non-GAAP financial measures which are prepared as a complement to our financial results prepared in accordance with United States generally accepted accounting principles. An explanation of the adjustments may be found in our Form 10-K for the 2015 fiscal year under "Non-GAAP Financial Measures" beginning on page 34 in the "Management's Discussion and Analysis" section.

Back to Contents

SELECTED DEFINITIONS

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

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

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

Market Group – those consumer products companies listed under "How We Determined Executive Compensation for Fiscal 2015." The Compensation Committee of the Board of Directors compares the executive compensation programs of these companies to the total targeted compensation for each position occupied by McCormick's executive officers, including its Named Executive Officers.

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

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

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

Record Date – the date established by the Board of Directors for determining the stockholders eligible for notice of, and to vote at, the Annual Meeting of Stockholders. The Record Date for the 2016 Annual Meeting of Stockholders is January 4, 2016.

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

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

2016 ANNUAL MEETING OF STOCKHOLDERS ADMISSION GUIDELINES

- Please bring a **photo ID** as you may be asked to present it in order to be admitted to the 2016 Annual Meeting of Stockholders.
- The use of cameras, camcorders, videotaping equipment, and other recording devices will not be permitted in Martin's Valley Mansion. Attendees may not bring into Martin's Valley Mansion large packages or other material that could pose a safety or disruption hazard.

Back to Contents

PROXY STATEMENT

General Information

This proxy statement is furnished on or about February 16, 2016 to the holders of Common Stock in connection with the solicitation by the Board of Directors of McCormick of proxies to be voted at the 2016 Annual Meeting of Stockholders or any adjournments thereof.

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

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

Record Date. At the close of business on the Record Date, there were 11,741,826 shares of Common Stock outstanding, which constitute all of the outstanding voting shares of McCormick. Except for certain voting limitations imposed by the Charter on beneficial owners of 10% or more of the outstanding shares of Common Stock, each share of Common Stock is entitled to one vote. Only holders of record of shares of Common Stock at the close of business on the Record Date will be entitled to vote at the Annual Meeting or any adjournments thereof.

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

PRINCIPAL STOCKHOLDERS

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

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

Title of Class	Name & Address of Beneficial Owner	Amount & Nature of Beneficial Ownership[1]	Percent of Class
Common Stock	McCormick 401(k) Retirement Plan 18 Loveton Circle Sparks, Maryland 21152	2,076,662[2]	17.7%
Common Stock	Harry K. Wells P.O. Box 409 Riderwood, Maryland 21139	1,013,246[3]	8.6%
Common Stock	Hugh P. McCormick c/o Hardesty Capital Management 303 International Circle, Suite 430 Hunt Valley, Maryland 21030	592,025	5.0%

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

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

(3) Shares are held in two trusts.

Back to Contents

CORPORATE GOVERNANCE

Corporate Governance Guidelines

McCormick has adopted Corporate Governance Guidelines, which are available on its Investor Relations website at ir.mccormick.com under "Corporate Governance," then "Corporate Governance Guidelines." These Guidelines contain general principles regarding the function of McCormick's Board of Directors and Board Committees. The Guidelines are reviewed on an annual basis by the Nominating/Corporate Governance Committee of the Board, which submits to the Board for approval any changes deemed desirable or necessary.

The Corporate Governance Guidelines make clear that directors and executive officers of the Company may not pledge Company stock as collateral for a loan or otherwise use Company stock to secure a debt, and may not engage in any hedging transactions with respect to Company stock.

Independence of Directors

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

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

- Michael A. Conway is President of Global Channel Development for Starbucks Coffee Company and a commercial relationship exists between McCormick and Starbucks Coffee Company. However, the Board has determined that the commercial relationship is not material for the following reasons: (1) the payments made between McCormick and Starbucks Coffee Company are substantially less than 2% of the consolidated gross revenues of Starbucks Coffee Company; (2) Mr. Conway does not participate in the negotiation of commercial transactions on behalf of Starbucks Coffee Company, nor has he been involved in the execution of any commercial transactions between McCormick and Starbucks Coffee Company since their inception; and (3) the products supplied by McCormick to Starbucks Coffee Company are readily available from other sources of supply. For fiscal 2015, all commercial transactions between McCormick and Starbucks Coffee Company amounted to less than $1,000,000, which is substantially less than 2% of the consolidated gross revenues of Starbucks Coffee Company. All commercial transactions were conducted at arm's

length and consisted of products Starbucks Coffee Company and McCormick purchased from each other.

Freeman A. Hrabowski, III is the President of the University of Maryland, Baltimore County (UMBC) and a relationship exists between McCormick and UMBC, as described below. However, the Board has determined that the relationship is not material for the following reasons: (1) the payments made between McCormick and UMBC are substantially less than 2% of the consolidated gross revenues of UMBC; (2) Dr. Hrabowski does not participate in the negotiation of such transactions on behalf of UMBC, nor has he been involved in the execution of any transactions between McCormick and UMBC since their inception; and (3) the funds provided by McCormick to UMBC are readily available from other sources. For fiscal 2015, all transactions between McCormick and UMBC amounted to less than $10,000, which is substantially less than 2% of the consolidated gross revenues of UMBC. All such transactions were conducted at arm's length and consisted of monies McCormick paid to UMBC to fund McCormick's Unsung Hero Award Scholarship.

Patricia Little is an executive officer of The Hershey Company and a commercial relationship exists between McCormick and The Hershey Company. However, the Board has determined that the commercial relationship is not material for the following reasons: (1) the payments made between McCormick and The Hershey Company are substantially less than 2% of the consolidated gross revenues of The Hershey Company; (2) Ms. Little does not participate in the negotiation of commercial transactions on behalf of The Hershey Company, nor has she been involved in the execution of any commercial transactions between McCormick and The Hershey Company since their inception; and (3) the products supplied by McCormick to The Hershey Company are readily available from other sources of supply. For fiscal 2015, all commercial transactions between McCormick and The Hershey Company amounted to less than $1,000,000, which is substantially less than 2% of the consolidated gross revenues of The Hershey Company. All commercial transactions were conducted at arm's length and consisted of products The Hershey Company purchased from McCormick and Hershey Entertainment & Resort tickets McCormick purchased from The Hershey Company. In addition, Ms. Little was an executive officer of Kelly Services, Inc. until March 2015 and a commercial relationship exists between McCormick and Kelly Services, Inc. However, the Board also determined that the commercial relationship is not material for the following reasons: (1) the payments made by McCormick to Kelly Services, Inc. are substantially less than 2% of the consolidated gross revenues of Kelly Services, Inc.; (2) Ms. Little did not participate in the negotiation of commercial transactions on behalf of Kelly Services, Inc., nor was she involved in the execution of any commercial transactions between McCormick and Kelly Services, Inc. since their inception; and (3) the services provided by

Back to Contents

Kelly Services, Inc. to McCormick are readily available from other workplace staffing companies. For fiscal 2015 (until March 2015), all commercial transactions between McCormick and Kelly Services, Inc. amounted to less than $1,000,000, which is substantially less than 2% of the consolidated gross revenues of Kelly Services, Inc. All commercial transactions were conducted at arm's length and consisted of temporary services McCormick purchased from Kelly Services, Inc.

- Maritza G. Montiel is the former Deputy Chief Executive Officer and Vice Chairman of Deloitte LLP and continues to receive retirement benefits from Deloitte LLP. A commercial relationship exists between McCormick and Deloitte LLP. However, the Board has determined that the commercial relationship is not material for the following reasons: (1) the payments made between McCormick and Deloitte LLP are substantially less than 2% of the consolidated gross revenues of Deloitte LLP; (2) Ms. Montiel does not participate in the negotiation of commercial transactions on behalf of Deloitte LLP, nor has she been involved in the execution of any commercial transactions between McCormick and Deloitte LLP since their inception; and (3) the services supplied by Deloitte LLP to McCormick are readily available from other service providers. For fiscal 2015, all commercial transactions between McCormick and Deloitte LLP amounted to less than $1,000,000, which is substantially less than 2% of the consolidated gross revenues of Deloitte LLP. All commercial transactions were conducted at arm's length and consisted of consulting services Deloitte LLP and its affiliates provided to McCormick.

For these reasons, the Board has concluded that Mr. Conway, Dr. Hrabowski, Ms. Little and Ms. Montiel have no direct or indirect material relationship with McCormick that would preclude a determination of independence.

Procedure Regarding Transactions with a Related Person

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

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

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

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

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

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

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

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

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

Back to Contents

Business Ethics

McCormick's business is conducted by its employees under the leadership of its CEO and under the oversight and direction of its Board of Directors for the purpose of enhancing the long-term value of McCormick for its stockholders. McCormick's management and the Board of Directors believe that the creation of long-term value requires McCormick to conduct its business honestly and ethically as well as in accordance with applicable laws. McCormick has a Business Ethics Policy which was first adopted by the Board more than 25 years ago. The Policy is reviewed annually by management and the Audit Committee of the Board and is amended as circumstances warrant. The Policy is administered by McCormick's General Counsel under the oversight of the CEO and the Audit Committee. McCormick's Business Ethics Policy is available on its Investor Relations website at ir.mccormick.com under "Corporate Governance," then "Business Ethics Policy."

The Audit Committee has established procedures for (i) employees to submit confidential and anonymous reports of suspected illegal or unethical behavior, concerns regarding questionable accounting or auditing matters, or violations of McCormick's Business Ethics Policy, and (ii) interested persons to submit concerns regarding accounting, internal controls over financial reporting, or auditing matters. Anonymous reports by employees may be made to a confidential "hotline" service, which may be accessed by telephone. As well, concerns regarding such matters may be expressed in e-mails that may be sent to the Chair of the Audit Committee, and/ or in correspondence that may be sent to a post office box, to the attention of the General Counsel.

Available Information

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

DIRECTORS

Executive Sessions of the Board of Directors

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

Communications with the Board of Directors

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

Board of Directors (or specific director)
McCormick & Company, Incorporated
c/o Corporate Secretary
18 Loveton Circle, Sparks, Maryland 21152

Back to Contents

Process for Nominating Potential Director Candidates

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

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

Nominating/Corporate Governance Committee
McCormick & Company, Incorporated
c/o Corporate Secretary
18 Loveton Circle, Sparks, Maryland 21152

Board Membership

Selection Criteria and Qualifications for All Directors

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

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

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

Back to Contents

Particular Skills Represented on the Board as a Whole

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

Summary of Skills of Director Nominees

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

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

Back to Contents

Director Skills Narrative

Michael A. Conway

Mr. Conway's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) general management experience in international operations, and (iv) as a senior executive responsible for a global consumer packaged foods business, a particular knowledge of the business, markets and customers in which McCormick operates. Mr. Conway currently serves as President, Global Channel Development for Starbucks Coffee Company, which is a publicly traded multinational company. He previously worked at Johnson & Johnson from 2004 to 2013, serving as worldwide President of McNeil Nutritional, a division of Johnson & Johnson from 2010 to 2013; and worked at the Campbell Soup Company from 1994 to 2004, serving as Vice President for the Adult Simple Meals Division of the Campbell Soup Company from 2003 to 2004. At Starbucks, Mr. Conway is a Senior Officer and Executive Team Member with full profit and loss responsibility for the global $1.5 billion Starbucks consumer packaged goods, licensed store and foodservice business. He has responsibility for all commercial and business strategy functions and is driving aggressive plans to expand into emerging international markets.

J. Michael Fitzpatrick

Dr. Fitzpatrick's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) general management experience in international operations, (iii) a high level of financial literacy, and (iv) extensive experience in mergers and acquisitions. Dr. Fitzpatrick currently serves as a director of Novolex Holdings, Inc. (formerly Hilex Poly Co. LLC), a privately held company. He was formerly the Chairman and President of Citadel Plastics Holdings, Inc., a privately held company, and formerly served as the President and Chief Operating Officer at Rohm and Haas, which was a public multinational company until its acquisition by Dow Chemical, where he served for over 30 years. Dr. Fitzpatrick's international experience with Rohm and Haas included service in marketing and business management roles in Brazil and Italy, service in general and regional management positions in Mexico and the United Kingdom, and global responsibility for various Rohm and Haas businesses from 1999 to 2005. He has experience both at Citadel Plastics and at Rohm and Haas in overseeing the performance of public accountants in the preparation, auditing and evaluation of financial statements, and has served as a member of the audit committee of the board of directors of Carpenter Technology Corporation. The McCormick Board of Directors has determined that Dr. Fitzpatrick is an "audit committee financial expert" under the rules of the SEC. Service with Rohm and Haas and Citadel Plastics has involved Dr. Fitzpatrick in over 45 acquisitions, dispositions, and joint ventures.

Freeman A. Hrabowski, III

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

Lawrence E. Kurzius

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

Back to Contents

industrial – and had senior level responsibility for strategic planning and leadership with respect to these businesses. In his present role, Mr. Kurzius is responsible for the strategic leadership of the Company. He has extensive knowledge of consumer goods marketing in general, with a specific knowledge of the business, markets, and customers within the food industry in particular, and has hands-on experience in directing the day-to-day operations of our large, multi-faceted, consumer and industrial foods business.

Patricia Little

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

Michael D. Mangan

Mr. Mangan's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) a high level of financial literacy, and (iv) general management experience in international operations. Mr. Mangan served as the President of the Worldwide Power Tools and Accessories (WPTA) group of The Black & Decker Corporation until its acquisition in 2010 by The Stanley Works. In that role he provided strategic leadership of the WPTA group, and had oversight over the consumer marketing activities of that group in the international consumer marketplace. Service as President of the WPTA group, and past service as the Chief Financial Officer of The Black & Decker Corporation, broadened Mr. Mangan's international experience and provided an in-depth understanding of the company's key international markets. Service as the Chief Financial Officer of The

Black & Decker Corporation, and prior service as the Executive Vice President & Chief Financial Officer of The Ryland Group, Inc., included responsibilities for overseeing the performance of those companies' public accountants in the preparation, auditing and evaluation of financial statements, business planning, corporate finance and investments, internal controls, and information systems. Although he no longer serves as a member of the Audit Committee, the McCormick Board of Directors has determined that Mr. Mangan meets the standards of an "audit committee financial expert" under the rules of the SEC.

Maritza G. Montiel

Ms. Montiel's qualifications include (i) strategic leadership at a large, complex, organization, (ii) governmental experience, (iii) a high level of financial literacy, and (iv) experience in developing effective governance and shared responsibility models. Ms. Montiel served for more than 40 years at Deloitte LLP before retiring in June 2014. Her most recent appointment was as Deputy Chief Executive Officer and Vice Chairman of the firm's U.S. business. As Deputy CEO, Ms. Montiel led a variety of strategic initiatives including the transformation of the $1.4 billion Federal Government Services Practice. She was also a member of the Deloitte Touche Tohmatsu Limited Global Board of Directors. Prior to her most recent role with Deloitte, Ms. Montiel served as Regional Managing Partner for the Southwest Region in which she led the organization through significant growth, from $600 million in revenue and a 1,800 member team to over $2 billion in revenue and a team of 9,000. Ms. Montiel was also the Managing Partner responsible for Leadership Development & Succession, as well as Deloitte University where she developed and implemented a $350 million strategic initiative aimed at transforming Deloitte's professional development curriculum and training the next generation of leaders.

Margaret M.V. Preston

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

Management platform.

Back to Contents

Gordon M. Stetz, Jr.

Mr. Stetz's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) a detailed knowledge of the food industry, (iii) strategic leadership of a large, complex, organization, (iv) a high level of financial literacy, and (v) extensive experience in mergers and acquisitions. Mr. Stetz serves as the Executive Vice President and Chief Financial Officer of the Company. In that role, Mr. Stetz has oversight responsibility for all aspects of the finance function, including financial reporting, accounting, internal controls and financial systems, the identification of enterprise risks, capital planning, and the evaluation of the performance of the organization's registered independent public accounting firm. He has also served in a variety of other roles within the Company, thereby gaining an understanding of the different facets of the Company's operations and the food industry generally. Prior to assuming his present duties, Mr. Stetz was (a) Vice President–Acquisitions and Financial Planning (1998 to 2002), (b) Vice President – Finance and Administration at the Company's U.S. Consumer Products Division (2002 to 2005), and (c) Chief Financial Officer & Vice President–Finance for the Europe, Middle East, and Africa region (2005 to 2007). In these various roles, Mr. Stetz developed a broad knowledge of the Company's business, markets and customers – both in the United States and internationally.

Jacques Tapiero

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

Alan D. Wilson

Mr. Wilson's qualifications include (i) senior executive experience at a publicly traded multinational company, (ii) consumer marketing experience, (iii) a detailed knowledge of the food industry, (iv) general management experience in international operations, and (v) strategic leadership of a large, complex, organization. Mr. Wilson serves as the Executive Chairman of the Board (since 2016). In his present role, Mr. Wilson is responsible for the strategic leadership of the Company and for coordination with the Company's Board of Directors, both in cooperation with the Company's President and CEO. He has extensive knowledge of consumer goods marketing in general, with a specific knowledge of the business, markets, and customers within the food industry in particular, and has hands-on experience in directing the day-to-day operations of our large, multi-faceted, consumer and industrial foods business. He previously served as the Chairman (2009 to 2016), President (2007 to 2015), and Chief Executive Officer (2008 to 2016) of McCormick. He has also served in a variety of other roles with the Company, thereby gaining an understanding of the different aspects of the Company's operations and the food industry. Prior roles include (a) President of the Company's North American Consumer Foods group and Supply Chain (2005 to 2006), (b) President of the Company's U.S. Consumer Foods group (2003 to 2005), (c) Vice President and General Manager –Sales & Marketing of the Company's U.S. Consumer Products Division (2001 to 2003), (d) President of the McCormick Canada consumer and industrial products business (1998 to 2001), (e) President of the Company's Tubed Products' plastic tubes business (1996 to 1998), which was sold in 2003, and (f) responsibility for the Company's supply chain (1993 to 1996). Prior to joining McCormick, Mr. Wilson worked for nine years at Procter & Gamble. In these various roles, Mr. Wilson developed a broad knowledge of the Company's markets – both domestic and foreign, and consumer and industrial – and had senior level responsibility for strategic planning and leadership with respect to these businesses.

Back to Contents

Board Leadership

While McCormick has historically combined the roles of chairman and chief executive officer, we combine or separate the roles based on the needs of the Company and its shareholders at any particular time. Mr. Kurzius currently serves as the President and Chief Executive Officer, and Mr. Wilson currently serves as the Executive Chairman of the Board. We believe this structure supports the seamless transition in corporate leadership undertaken in early 2016. This structure provides a bridge between management and the Board, thus helping to ensure that both act with commonality of purpose with efficient communication between them. The Board believes that the Executive Chairman and CEO are best able to bring key business issues and stockholder interests to the Board's attention, given their in-depth understanding of the Company. As well, this structure helps ensure accountability for the actions and strategic direction of the Company, and ensures that the Company presents its message and strategy to stockholders, employees and customers with a unified voice.

The Board also has the position of Lead Director who provides additional independent oversight of senior management and board matters in our current structure where the Executive Chairman is not an independent director. The selection of a lead director is meant to facilitate, and not to inhibit, communication among the directors or between any of them and the Executive Chairman and/or CEO. Accordingly, directors are encouraged to continue to communicate among themselves and directly with the Executive Chairman and/ or CEO. The independent directors, meeting in executive session in November 2009, selected Michael D. Mangan to serve as the Lead Director, and he continues to act in that role. The duties of the Lead Director are to (i) preside at executive sessions of the Board, and brief the Executive Chairman and/or CEO, as needed, following such sessions; (ii) preside at meetings of the Board where the Chairman is not present; (iii) call meetings of the independent directors; (iv) provide input on Board agendas and meeting schedules; (v) provide feedback to the Executive Chairman and/or CEO on the quality of information received from management; and (vi) participate with the Executive Chairman, CEO, and the Nominating/Corporate Governance Committee in interviewing Board candidates. The Lead Director position has a two-year term. In November 2015, the Board determined that Mr. Mangan (subject to his re-election to the Board of Directors by the stockholders) would continue as Lead Director for an additional two year term, beginning in November 2015.

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

Board Committees

The Board of Directors has appointed the following Board Committees:

Audit Committee

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

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

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

The Nominating/Corporate Governance Committee and the Board of Directors have determined that all members of the Audit Committee satisfy the independence requirements of the NYSE's Listing Standards, the rules of the SEC, and McCormick's Corporate Governance Guidelines. No member of the Audit Committee serves on the audit committees of more than three public companies. The Board of Directors has also determined that at least one member qualifies as an "audit committee financial expert" under SEC rules.

Back to Contents

Compensation Committee

The Compensation Committee has the following principal duties and responsibilities:

- review McCormick's executive compensation programs to ensure that they (i) effectively motivate the CEO and other executive officers to achieve our financial goals and strategic objectives; (ii) properly align the interests of these employees with the long-term interests of our stockholders; and (iii) are sufficiently competitive to attract and retain the executive resources necessary for the successful management of our businesses;

- review trends in executive compensation, oversee the development of new compensation plans (including performance-based, equity-based, and other incentive programs, as well as salary, bonus and deferred compensation arrangements) and, when appropriate, make recommendations to the Board regarding revisions to existing plans and/or approve revisions to such plans;

- annually review and approve corporate goals and objectives relevant to McCormick's CEO and other executive officers, evaluate the performance of such individuals against those goals and objectives, and approve the compensation for such individuals;

- annually evaluate the relationship between the Company's overall compensation policies and practices and risk;

- annually evaluate the compensation of the members of the Board of Directors; and

- review McCormick's management succession plan for the CEO and other executive officers.

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

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

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

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee assists the Board by:

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

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

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

Committee Membership and Meetings

The table below shows the current members of each of the Committees and the number of meetings held by each Committee in fiscal 2015.

Name	Audit	Compensation	Nominating/ Corporate Governance
Michael A. Conway	•		
J. Michael Fitzpatrick	•		
Freeman A. Hrabowski, III			Chair
Patricia Little	Chair		
Michael D. Mangan[(1)]		Chair	•
Maritza G. Montiel		•	
Margaret M.V. Preston			•
Jacques Tapiero		•	
Number of Committee Meetings Held in Fiscal 2015	9	8	6

(1)Lead Director.

Back to Contents

Director Attendance at Meetings

During fiscal 2015, there were six regular meetings, and four special meetings, of the Board. Each incumbent director attended at least 75% of the total number of meetings of the Board and each of the Board Committees on which he or she served. John Bilbrey, who resigned from the Board effective May 27, 2015, and Bill Stevens, who retired from the Board effective March 25, 2015, each attended at least 75% of the Board and Compensation Committee meetings prior to their respective departures from the Board. Mr. Conway and Ms. Montiel, who were elected to the Board effective May 27, 2015, and Mr. Kurzius, who was elected to the Board effective November 24, 2015, each attended at least 75% of the Board and Audit and Compensation Committee meetings, respectively, following their election to the Board.

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

Risk Oversight

The Board oversees the Company's risk management and risk mitigation processes at both the full Board and Board Committee levels. Senior management of the Company is responsible for the day-to-day management of the risks facing the Company.

Board of Directors

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

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

Audit Committee

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

Compensation Committee

The Compensation Committee considers the relationship between the Company's compensation policies and practices for all employees and risk, including whether such policies and practices encourage imprudent risk taking, and/or would be reasonably likely to have a material adverse effect on the Company. In performing its responsibilities, the Committee receives regular reports on compensation matters and trends from the Committee's independent compensation consultant. In 2015, the Compensation Committee evaluated the current risk profile of our executive and broad-based compensation programs, as discussed below in "Performance-Based Compensation and Risk." Additionally, the Compensation Committee reviewed the Company's incentive plans (executive and broad-based) to determine if any practices might encourage excessive risk taking on the part of senior executives. The Committee noted features of the Company's incentive plans (executive and broad-based) that mitigate risk, including the use of multiple measures in our annual and long-term incentive plans, Compensation Committee discretion in payment of incentives in the executive plans, use of various types of long-term incentives, payment caps, significant stock ownership guidelines, and our clawback policy. In light of these analyses, the Compensation Committee believes that the Company's compensation programs (executive and broad-based) provide multiple and effective safeguards to protect against undue risk.

Back to Contents

Nominating/Corporate Governance Committee

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

Other Directorships

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

Name	Current	2015	2014	2013	2012	2011
Michael A. Conway	—	—	—	—	—	—
J. Michael Fitzpatrick	—	—	—	—	—	—
Freeman A. Hrabowski, III	T. Rowe Price Group, Inc.	T. Rowe Price Group, Inc.	T. Rowe Price Group, Inc.	T. Rowe Price Group, Inc.	Constellation Energy Group, Inc.	Constellation Energy Group, Inc.
Lawrence E. Kurzius	—	—	—	—	—	—
Patricia Little	—	—	—	—	—	—
Michael D. Mangan	Nutrisystem, Inc.	Nutrisystem, Inc.	—	—	—	—
Maritza G. Montiel	• AptarGroup, Inc. • Royal Caribbean Cruises Ltd.	• AptarGroup, Inc. • Royal Caribbean Cruises Ltd.	—	—	—	—
Margaret M.V. Preston	—	—	—	—	—	—
Gordon M. Stetz, Jr.	—	—	—	—	—	—
Jacques Tapiero	—	—	—	—	—	—
Alan D. Wilson	• WestRock Company • T. Rowe Price Group, Inc.	• WestRock Company • T. Rowe Price Group, Inc.	MeadWestvaco Corporation	MeadWestvaco Corporation	MeadWestvaco Corporation	MeadWestvaco Corporation

Stock Ownership and Service on Other Boards

It is expected that each non-management director will acquire, within five years after his or her election to the Board, a number of shares having a value at least equal to four times the annual retainer paid to such member for service on the Board. The annual retainer was $90,000 during 2015 as of April 1, 2015 and the meeting fees of $1,500 for each Board Committee meeting attended were eliminated (previously the retainer was $75,000 plus Board Committee meeting fees). The annual retainer is paid in quarterly installments with the first quarterly installment upon election to the Board being paid in Common Stock to assist in meeting the Company's stock ownership expectations (subsequent quarterly payments are paid in cash). Such ownership must thereafter be maintained while serving on the Board.

No director of the Company may serve on the boards of more than four other publicly traded companies while also serving on McCormick's Board.

All nominees are currently in compliance with these Board membership requirements, with the exception of Ms. Montiel and Mr. Conway who joined the Board in 2015 and have until 2020 to meet the requirements.

Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee is, or during fiscal 2015 was, an officer or an employee of McCormick or any of its subsidiaries, and no Committee member has any interlocking relationship with McCormick which is required to be reported under applicable rules and regulations of the SEC. For a discussion of insider participation in certain transactions, see "Procedure Regarding Transactions with a Related Person" above.

Back to Contents

Compensation of Directors*

The following table sets forth the compensation earned by the non-management directors for services rendered during the fiscal year ended November 30, 2015:

Name	Fees Earned or Paid in Cash ($)[1]	Stock Awards ($)[2][3]	Option Awards ($)[2]	Total ($)
John P. Bilbrey[4]	43,000	0	0	43,000
Michael A. Conway	37,500	115,057	64,650	217,207
J. Michael Fitzpatrick	89,500	100,061	62,550	252,111
Freeman A. Hrabowski, III	104,500	100,061	62,550	267,111
Patricia Little	106,000	100,061	62,550	268,611
Michael D. Mangan	117,500	100,061	62,550	280,111
Maritza G. Montiel	37,500	115,057	64,650	217,207
Margaret M.V. Preston	89,500	100,061	62,550	252,111
William E. Stevens[4]	33,000	0	0	33,000
Jacques Tapiero	91,000	100,061	62,550	253,611

* *Alan D. Wilson, Executive Chairman of the Board, Lawrence E. Kurzius, President & Chief Executive Officer, and Gordon M. Stetz, Jr., Executive Vice President & Chief Financial Officer, are members of the Board of Directors and are also executive officers of the Company. Messrs. Wilson, Kurzius and Stetz's compensation is set forth below under "Compensation of Executive Officers."*

(1) *Amounts shown include fees deferred at the election of the director as follows: Dr. Hrabowski – $104,500; Mr. Bilbrey – $43,000; and Mr. Tapiero – $91,000.*

(2) *Amounts shown represent the aggregate grant date fair values computed in accordance with FASB ASC Topic 718 for each director. Awards include grants of RSUs (Stock Awards) and options (Option Awards) under the 2013 Omnibus Incentive Plan. For a discussion of the assumptions used in determining these values, see Note 11 to our 2015 financial statements.*

(3) *Amounts shown include RSUs granted in 2015 and deferred at the election of the following directors: Dr. Hrabowski and Mr. Tapiero. The amounts shown for Mr. Conway and Ms. Montiel include the value of the Common Stock shares which was paid to them as their first quarterly, pro rated, Board retainer payment (see "Narrative to the Director Compensation Tables" below).*

(4) *As previously disclosed, Mr. Bilbrey and Mr. Stevens served as directors until their departures from the Board effective May 27, 2015 and March 25, 2015, respectively.*

Options and RSUs

The following chart sets forth the number of exercisable and unexercisable options (exercisable for Common Stock and Common Stock Non-Voting, as indicated) and unvested RSUs held by each non-management director that served during fiscal 2015, as of November 30, 2015:

	Exercisable Options		Unexercisable Options		**Unvested RSUs**	
Name	Common Stock	Common Stock Non-Voting	Common Stock	Common Stock Non-Voting	Common Stock	Common Stock Non-Voting
John P. Bilbrey	36,250	8,750	0	0	0	0
Michael A. Conway	0	0	5,000	0	1,289	0
J. Michael Fitzpatrick	31,250	3,750	5,000	0	1,344	0
Freeman A. Hrabowski, III	36,250	8,750	5,000	0	1,344	0
Patricia Little	23,750	1,250	5,000	0	1,344	0
Michael D. Mangan	33,750	6,250	5,000	0	1,344	0
Maritza G. Montiel	0	0	5,000	0	1,289	0
Margaret M.V. Preston	36,250	8,750	5,000	0	1,344	0
William E. Stevens	27,500	2,500	0	0	0	0
Jacques Tapiero	12,500	0	5,000	0	1,344	0

Narrative to the Director Compensation Tables

Directors who are employees of McCormick (Messrs. Wilson, Kurzius and Stetz) do not receive any fees for their service as a director.

The cash components of non-management director compensation are: (i) an annual retainer of $90,000, paid in equal quarterly installments (the first quarterly installment upon election to the Board is paid in Common Stock; subsequent quarterly payments are paid in cash), and (ii) for a director who serves as the Lead Director or as a Board Committee chair, an additional annual retainer of $15,000 in cash (paid in equal quarterly installments).

In addition, non-management directors receive an annual option grant of 5,000 shares of common stock under the 2013 Omnibus Incentive Plan. The shares subject to these options vest in full on March 15 of

Back to Contents

the year following the year in which the grant date occurs, provided that the director continues to serve on the Board until such date. Non-management directors also receive an annual RSU grant equal in value to $100,000. The RSUs vest in full on March 15 of the year following the year in which the grant date occurs, provided that the director continues to serve on the Board until such date. All outstanding stock options become fully exercisable and all outstanding RSUs vest in the event of disability or death of the participant, or a change in control of McCormick, while the director is serving on the Board.

Directors are eligible to participate in the McCormick Deferred Compensation Plan. Pursuant to this plan, directors may elect to defer anywhere from 10% to 100% of their cash Board fees. McCormick makes no contributions to the Deferred Compensation Plan. For all plan participants, including directors, the deferred amounts are recorded in a notional deferred compensation account and change in value based upon the gains and losses of benchmark fund alternatives (one of which tracks the performance of McCormick stock) selected by the participant. Plan participants may generally elect to change their fund choices at any time (there are certain restrictions applicable to participants subject to Section 16 of the Exchange Act). Director participants may elect the deferred amounts plus earnings to be distributed either six months following retirement from the Board or on an interim distribution date. Distributions upon a director's retirement from the Board are paid in either a lump-sum or in 5 year, 10 year, 15 year or 20 year installments, based on the director's distribution election. Interim distributions are paid on a lump-sum basis and the distribution date must be at least four years from the date of the deferral election. If a director leaves the Board prior to the interim distribution date, then his or her plan balance will be paid as either a lump sum distribution or as indicated in the retirement distribution election. Participants may make a change to their distribution election subject to the requirements of the plan and Section 409A of the Internal Revenue Code of 1986, as amended. Amounts deferred under the Deferred Compensation Plan are held in a "rabbi" trust and remain subject to the claims of McCormick's creditors until they are paid.

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

Back to Contents

PROPOSAL 1 ELECTION OF DIRECTORS

Director Nominees

The persons listed in the following table have been nominated by the Board for election as directors to serve until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified. All nominees currently serve as directors. Management has no reason to believe that any of the nominees will be unavailable for election. In the event a nominee is unable to serve on the Board, or will not serve for good cause, the proxy holders will have discretionary authority for the election of any person to the office of such nominee. Alternatively, the Board may elect to reduce the size of the Board. Michael A. Conway and Maritza G. Montiel joined the Board in 2015 and are standing for election for the first time. Mr. Conway and Ms. Montiel were identified as potential directors by a third party search firm.

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

Required Vote of Stockholders

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

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

Director Nominees

		Amount and Nature of Beneficial Ownership[1]	
Name	**Principal Occupation & Business Experience**	**Common**	**Common Non-Voting**
Michael A. Conway	President, Global Channel Development, Starbucks Coffee Company (2013 to present); President, McNeil Nutritional, a division of Johnson & Johnson	191 *0*[2]	0 *0*[2]

Age 49 Year First Elected 2015	(2010 to 2013)		
J. Michael Fitzpatrick Age 69 Year First Elected 2001	Retired Executive (2012 to present); Chairman (2007 to 2012), Chief Executive Officer (2007 to 2010), Citadel Plastics Holdings, Inc.	65,363 *32,750*(2)	14,097 *4,250*(2)
Freeman A. Hrabowski, III Age 65 Year First Elected 1997	President, University of Maryland, Baltimore County (1992 to present)	83,698 *48,961*(2)	23,614 *10,867*(2)
Lawrence E. Kurzius Age 57 Year First Elected 2015	President & Chief Executive Officer (2016 to present); Chief Operating Officer & President (2015 to 2016); President – Global Consumer (2013 to 2016); President – Global Consumer & Chief Administrative Officer (2013 to 2015); President – McCormick International (2008 to 2013); McCormick & Company, Incorporated	196,351 *140,550*(2) (1.7%)	0 *0*(2)
Patricia Little Age 55 Year First Elected 2010	Senior Vice President and Chief Financial Officer, The Hershey Company (2015 to present); Executive Vice President and Chief Financial Officer, Kelly Services, Inc. (2008 to 2015)	31,883 *23,750*(2)	1,745 *1,250*(2)
Michael D. Mangan Age 59 Year First Elected 2007	Retired Executive (2010 to present); President, Worldwide Power Tools and Accessories, The Black & Decker Corporation (2008 to 2010); Senior Vice President, Chief Financial Officer, The Black & Decker Corporation (2000 to 2008)	46,461 *33,750*(2)	8,367 *6,250*(2)
Maritza G. Montiel Age 64 Year First Elected 2015	Retired Executive (2014 to present); Deputy Chief Executive Officer & Vice Chairman (2011 to 2014) Managing Partner (2009 to 2011), Deloitte LLP	191 *0*(2)	0 *0*(2)
Margaret M.V. Preston Age 58 Year First Elected 2003	Managing Director, Private Wealth Management, TD Bank (2014 to present); Managing Director US Trust, Bank of America Private Wealth Management (2008 to 2014)	62,568 *38,484*(2)	13,740 *9,495*(2)

Back to Contents

Name	Principal Occupation & Business Experience	Amount and Nature of Beneficial Ownership[1] Common	Common Non-Voting
Gordon M. Stetz, Jr. Age 55 Year First Elected 2011	Executive Vice President & Chief Financial Officer, McCormick & Company, Incorporated (2007 to present)	171,733 *114,350*[2] (1.4%)	2,138 *0*[2]
Jacques Tapiero Age 57 Year First Elected 2012	Retired Executive (2014 to present); Senior Advisor, McKinsey & Company LLC (2014 to present); Senior Vice President and President, Emerging Markets (2009 to 2014); President, Intercontinental Region (2004 to 2009); Eli Lilly and Company	16,292 *15,303*[2]	1,310 *0*[2]
Alan D. Wilson Age 58 Year First Elected 2007	Executive Chairman of the Board (2016 to present); Chairman (2009 to 2016); Chief Executive Officer (2008 to 2016); President (2007 to 2015); McCormick & Company, Incorporated	962,577[3] *743,550*[2] (7.7%)	165,849[3] *133,875*[2]
Directors and Executive Officers as a Group (17 persons)		1,791,835 *1,324,103*[2] (13.7%)	242,568 *173,050*[2]

(1) *Includes (i) shares of Common Stock and Common Stock Non-Voting beneficially owned by directors and executive officers alone or jointly with spouses, minor children, and relatives (if any) who have the same home as the director or executive officer; (ii) shares of Common Stock that are beneficially owned by virtue of participation in the McCormick 401(k) Retirement Plan: Mr. Wilson – 10,323, Mr. Stetz – 1,161, Mr. Kurzius – 5,778, executive officers as a group – 17,262; and (iii) shares of Common Stock which are beneficially owned by virtue of participation in the Deferred Compensation Plan: Dr. Fitzpatrick – 8,300; Dr. Hrabowski – 11,280; Ms. Preston – 8,615 and Mr. Wilson – 1,075.*

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

(3) *Includes 22,970 shares of Common Stock and 13,673 of Common Stock Non-Voting, respectively, held in a charitable trust for the Wilson Family Foundation, and 30,000 shares of Common Stock held in two separate grantor retained annuity trusts. Mr. Wilson serves as a trustee of each trust. Also includes 16,000 shares of Common Stock held in the Wilson Family Trust, as well as 2,600 shares of Common Stock and 10,400 shares of Common Stock Non-Voting, respectively, held in two separate trusts for the benefit of Mr. Wilson's children, all shares of which Mr. Wilson may acquire voting or investment power within 60 days.*

EXECUTIVE OFFICERS

Named Executive Officers

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

		Amount and Nature of Beneficial Ownership[1]	
Name	**Principal Position**	**Common**	**Common Non-Voting**
Alan D. Wilson Age 58	Executive Chairman of the Board	962,577 *743,550*[2] (7.7%)	165,849 *133,875*[2]
Gordon M. Stetz, Jr. Age 55	Executive Vice President & Chief Financial Officer	171,733 *114,350*[2] (1.4%)	2,138 *0*[2]
Brendan F. Foley Age 50	President, Global Consumer and North America (2016 to present); President, North America (2015 to 2016); President, U.S. Consumer Foods Division (2014 to 2015); McCormick & Company; President North American Zone (2013 to 2014); President U.S. Consumer Products (2012 to 2013); President, U.S. Food Service (2008 to 2012); H.J. Heinz Co.	8,693 *8,100*[2]	0 *0*[2]
Lawrence E. Kurzius Age 57	President & Chief Executive Officer	196,351 *140,550*[2] (1.7%)	0 *0*[2]
Malcolm Swift Age 55	President, Global Industrial and McCormick International (2016 to present); President, Global Industrial (2015 to 2016); President – EMEA and Asia Pacific (2014 to present); President – EMEA (2008 to 2014)	72,453 *68,805*[2]	1,722 *1,462*[2]

(1) *Includes: (i) shares of Common Stock and Common Stock Non-Voting beneficially owned by the executive officers alone or jointly with spouses, minor children and relatives (if any) who have the same home as the executive officer; (ii) shares of Common Stock which are beneficially owned by virtue of participation in the McCormick 401(k) Retirement Plan: Mr. Wilson – 10,323, Mr. Stetz – 1,161, and Mr. Kurzius – 5,778; and (iii) shares of Common Stock which are beneficially owned by virtue of participation in the Deferred Compensation Plan: Mr. Wilson – 1,075.*

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

Back to Contents

COMPENSATION OF EXECUTIVE OFFICERS

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

The purpose of this Compensation Discussion and Analysis (CD&A) is to provide stockholders with a description of the material elements of McCormick's compensation program for its executive officers, including the Named Executive Officers, for fiscal 2015 and the policies and objectives which support the program. The compensation details are reflected in the compensation tables and accompanying narratives which follow.

The CD&A is divided into the following sections:

•Our Executive Compensation Philosophy and Practices

•Principles of McCormick's Executive Compensation Policy

•Overview of Our Executive Compensation Program for Fiscal 2015

•How We Determined Executive Compensation for Fiscal 2015

•Elements of Executive Compensation

•Performance-Based Compensation and Risk

Our Executive Compensation Philosophy and Practices

The core principles of McCormick's executive compensation program continue to be pay for performance while retaining key talent. McCormick's compensation program is designed to align McCormick's executive compensation with long-term stockholder interests. The framework of our executive compensation programs includes the governance features and other specific elements discussed below:

Compensation Practice	**Pursued at McCormick?**	**Best Practice**

Independent Compensation Committee and Consultant	**YES.** McCormick's Compensation Committee is comprised solely of independent directors. As well, the Committee's compensation consultant, Exequity L.L.P., is (i) retained directly by the Committee; (ii) performs no consulting or other services for McCormick; and (iii) is independent and there are no conflicts of interest with regard to the work of Exequity L.L.P.
Compensation Risk Assessments	**YES.** The Compensation Committee's annual review and approval of McCormick's compensation strategy includes a review of compensation-related risk management. In this regard, the Compensation Committee annually considers the relationship between the Company's overall compensation policies and practices for employees, including non- executive officers, and risk, including whether such policies and practices (1) encourage imprudent risk taking, and/or (2) would be reasonably likely to have a material adverse effect on the Company. The Committee believes that the Company's compensation programs (executive and broad-based) provide multiple and effective safeguards to protect against undue risk.
Favorable Risk Assessment for Fiscal 2015	**YES.** Exequity L.L.P., the Compensation Committee's independent consultant, assessed the Company's compensation policies and practices in fiscal 2015 and concluded that they do not motivate imprudent risk taking.
Limited Perquisites and No Tax Gross-Ups	**YES.** The NEO's receive a limited number of personal benefits and the Company does not provide tax gross-ups for personal benefits, such that these benefits are fully taxable to the recipient.
Employment Agreements	**NO.** McCormick's executive officers do not have employment agreements, except where legally required, and do not have guaranteed levels of compensation.
Pledging, Hedging or Speculative Trading	**NO.** Executive officers are prohibited from pledging or hedging their Company stock (see discussion above under "Corporate Governance Guidelines") and are prohibited from engaging in short sales or equivalent transactions in McCormick stock.
Share Ownership	**YES.** To further align the long-term interests of our executives and our stockholders, our Board has established stock ownership guidelines applicable to our CEO and executive officers. As well, a portion of an executive's incentive award under the Long-Term Performance Plan (if earned) is now paid in the form of stock.

Back to Contents

Compensation Practice	Pursued at McCormick?	Best Practice
Clawback Policy	**YES.** McCormick's 2013 Omnibus Incentive Plan (and the prior 2007 Omnibus Incentive Plan) outlines circumstances under which share-based and cash-based awards made under that plan may be forfeited, annulled, and/or reimbursed to McCormick, as described below.	
Focus on Performance-Based Compensation	**YES.** The Compensation Committee endeavors to structure the executive compensation program so that each executive's compensation will generally be fully deductible under Section 162(m) of the Internal Revenue Code, as described below.	
Pay Well Aligned with Performance	**YES.** As part of Exequity L.L.P.'s annual analysis of pay for performance, it compares both a one-year and five-year review of McCormick's CEO pay for performance to McCormick's peer companies. The performance measures include total stockholder return (TSR), change in stockholder value (SV) and earnings before interest and taxes (EBIT). For fiscal 2015, the independent compensation consultant concluded that pay realized by McCormick's CEO is well aligned with performance when measured in terms of TSR, SV, and EBIT.	
Cap on Performance-Based Compensation	**YES.** There is a cap for executive officer incentive payments made under the annual performance-based compensation and long-term incentive programs, and no payment is guaranteed under any incentive plans.	

Principles of McCormick's Executive Compensation Policy

McCormick's compensation policy is based on the following principles:

- We must pay competitively – both as to the amount and type of compensation we offer – as compared to the "Market Group" companies listed below in order to attract and retain our executive talent.
- A substantial portion of each executive's total compensation should be performance-based and dependent on the achievement of financial performance goals over both the short and longer term.
- The financial performance goals should be drivers of stockholder value over the short and longer term, such as sales growth, earnings per share (EPS) and total stockholder return (TSR).

Overview of Our Executive Compensation Program for Fiscal 2015

During fiscal 2015, the primary elements of compensation earned by each of our Named Executive Officers consisted of base salary, an annual incentive cash payment, a long-term performance plan (in the form of cash-based and equity-based incentive awards), a long-term equity incentive program, a limited number of personal benefits, and retirement benefits earned under our qualified retirement plans and supplemental executive retirement plan (except Mr. Swift and Mr. Foley who are not eligible for the Company's supplemental executive retirement plan).

The Compensation Committee reviews and approves each element of compensation separately. If necessary, the Compensation Committee makes adjustments to individual elements of compensation to achieve the total targeted compensation that it believes is competitive with our Market Group and consistent with performance goals, all as explained below. In its deliberations, the Committee reviews “tally sheet” information for each executive officer, including the Named Executive Officers. The tally sheets are updated annually and include the elements of compensation noted above, the total estimated payments upon retirement, and the total estimated payments upon involuntary termination from McCormick.

The elements of the Executive Compensation Program described in the table below apply as stated to our US-based executive officers and it is our intent to follow our compensation principles and to provide similar benefits, where available and appropriate, to those executive officers located outside of the US. In 2015, Malcolm Swift was based in the UK and therefore subject to country-specific differences in benefits.

Back to Contents

OVERVIEW OF EXECUTIVE COMPENSATION PROGRAM FOR FISCAL 2015

	Element	Objective	Key Features
Annual Cash Compensation	Base Salary	Provide a competitive annual fixed level of cash compensation.	• Targeted at the 50th percentile of our Market Group. • Represents about 30% of compensation mix for all Executive Officers as a group. • Adjustments are based on individual performance, internal equity, and pay relative to the Market Group.
	Annual Performance-Based Incentive Compensation	Motivate and reward executive contributions in producing annual financial results.	• Total cash compensation is targeted at the 50th percentile of the Market Group. • Annual incentive cash payments are based on a formula that includes EPS growth and operating income growth, adjusted for working capital charges.
Long-Term Incentive Plan	Long-Term Performance Plan	Retain executives and align their compensation with the Company's key financial goals to drive stockholder value over time.	• Awards based on the achievement of cumulative growth in net sales, and relative TSR as compared to our Peer Group over the three-year performance period. • Annual grants of three-year overlapping cycles. • Earned awards to be delivered in cash and/or stock. • Total long-term incentive compensation is targeted at the 50th percentile of the Market Group's total long-term incentive compensation.
	Long-Term Equity Incentive Program	Retain executive officers and align their interests with the stockholders.	• Equity compensation is in the form of stock options, which provide value to the executive only to the extent that the stock price appreciates. • Stock options are non-qualified options that vest one third per year over the first three years of the term, which is no longer than 10 years.
Retirement Benefits	Pension Plan, 401(k) Retirement Plan, and	Provide retirement income for employees.	• Tax qualified defined benefit pension plan (now closed) in which most of our

	Defined Contribution Restoration Plan		US employees, including some Named Executive Officers, are eligible to participate. Plan formula is based on age, years of service, and cash compensation. • The Company provides a match in the 401(k) plan of up to 4% of eligible compensation. • For certain employees, including eligible Named Executive Officers, the Company provides a contribution in the Defined Contribution Restoration Plan of 3% of eligible compensation in excess of the IRS limits.
	Supplemental Executive Retirement Plan (Defined Benefit)	Provide retirement income for eligible executives to replace a reasonable percentage of their annual pre-retirement income, and to facilitate an orderly transition within the ranks of senior management.	• For eligible executives who are age 50 and over, includes annual compensation over IRS limit and incentive bonus in the benefit calculation. • For certain executive officers, including eligible Named Executive Officers, includes one additional month of service credit for each month of service in the Plan between ages 55 and 60 up to a five year maximum.
	Deferred Compensation Plan	Provide retirement savings to executives in a tax-efficient manner.	• Participant can elect to defer up to 80% of salary and annual bonus in a non-qualified plan.
	McCormick (UK) Limited Pension & Life Assurance Plan	Provide retirement income for employees based in the U.K.	• Defined benefit, contributory pension plan. • Plan formula is based on final pensionable salary and length of service in the plan. • Plan closed to new employees in 2003.
Personal Benefits	Automobile & Executive Benefit Allowances	Support executive with transportation, financial planning and wellness benefits.	• Combination of fixed monthly cash amounts and financial counseling services, all of which are fully taxable to the executive.
	Company Airplane	Available primarily for business use by executive officers to provide for security, confidentiality, and efficiency of travel time.	• The value of any personal use of the Company airplane (such as spouse travel) is imputed as income to the executive. • The executive is fully responsible for all taxes on such imputed amount.

Back to Contents

How We Determined Executive Compensation for Fiscal 2015

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

The Compensation Committee considered the following information in its evaluation of the compensation program for fiscal 2015:

- A total compensation review of a large number of other manufacturers of consumer goods listed below **("Market Group")** provided by Exequity L.L.P.;
- A review of current and historic financial information, such as EPS, sales growth and TSR, of certain manufacturers of consumer food products listed below **("Peer Group")**; and
- Recommendations by Mr. Wilson with respect to the compensation of each Named Executive Officer, other than himself, as discussed more fully below.

The Compensation Committee also considered the results of the advisory votes by stockholders on the "say-on-pay" proposal presented to stockholders at the March 26, 2014 Annual Meeting. As reported in the Company's Form 8-K, filed with the SEC on March 31, 2014, stockholders expressed significant support for the compensation program offered to the Company's Named Executive Officers. Accordingly, the Committee made no direct changes to the Company's executive compensation program as a result of the say-on-pay vote. For fiscal 2015, the Company's executive compensation program continued to focus on pay for performance, alignment of executive interests with those of McCormick's stockholders, and achieving balance between offering annual and long-term incentives without creating improper risks. The Committee will continue to consider the results of stockholders' advisory votes on executive compensation when making decisions about our executive compensation program.

Each year, in the process of considering compensation adjustments, the Compensation Committee compares the target total compensation being offered to McCormick's executive officers, including its Named Executive Officers, to the compensation being paid to individuals in similar positions at the below listed consumer products companies (our Market Group companies). In fiscal 2015, the Committee, with assistance from the independent compensation consultant, modified the Market Group. The modification occurred to address the reduction of companies due to merger/acquisition activity and/or a change in business relevance. The Committee expanded the Market Group to include enough new companies from similar or adjacent industries so as to accommodate normal attrition and also to refine the range of revenue and market capitalization to be closer to that of McCormick.

For fiscal 2015, the Market Group comprised the following companies for U.S. based executive officers:

Avery Dennison Corporation	Energizer Holding, Inc.	Mead Johnson Nutrition Company
Beam Suntory Inc.	Flowers Foods, Inc.	Miller Coors LLC
Brown-Forman Corporation	Fresh Del Monte Produce Inc.	Mohawk Industries
Brunswick Corporation	Hanesbrands Inc.	Newell Rubbermaid Inc.
Campbell Soup Company	The Hershey Company	Packaging Corporation of America
Church & Dwight Co., Inc.	Hormel Foods Corporation	PVH Corp.
The Clorox Company	Ingredion Incorporated	Sonoco Products Company
Coach, Inc.	The J. M. Smucker Company	Tupperware Brands Corporation
Constellation Brands Inc.	Mattel, Inc.	WhiteWave Foods Company
Dr. Pepper Snapple Group, Inc.		

We believe these companies provide an appropriate comparison against which to measure the adequacy and suitability of our target compensation for executive officers because they are a likely source of executive talent for us, their executive positions are similar in scope, authority and impact to the positions occupied by our executives, and they generally operate within the same industry group as does McCormick. Being that these companies range in sales and profits from lower to higher than McCormick, the Compensation Committee's independent consultant employs regression analysis to predict the levels of compensation these Market Group companies would pay if they were McCormick's size. These size-adjusted data become the benchmarks against which the Compensation Committee measures the sufficiency and suitability of the pay being extended to McCormick's executives.

Annual cash compensation consists of an annual base salary and annual performance-based incentive program. McCormick targets annual cash compensation expenditures at the 50th percentile of the annual cash compensation values in the Market Group companies. Long-term compensation expenditures (consisting of cash-based and equity-based incentive awards) also are targeted at the 50th percentile of the long-term incentive compensation values conveyed to executive officers at the Market Group companies.

During fiscal 2015, the aggregate value of the target total compensation opportunities granted for the year (the sum of annual cash compensation and long-term incentive compensation) that McCormick extended to its team of executive officers was 17.1% below the 50th percentile of total target compensation levels offered to similarly positioned executives at the Market Group companies. This positioning as compared to the market median was due in large part to the fact that four of the Company's executive officers were newly promoted or hired into their roles in fiscal 2015. The intent is to address this gap in overall positioning within the next several years.

Back to Contents

Elements of Executive Compensation

1. Annual Cash Compensation and Long-Term Incentives

(a) **Base Salaries:** Adjustments to base salaries are considered annually, but there is no guarantee that base salary will increase in any given year. For fiscal 2015, base salaries for the Named Executive Officers were increased to reflect (i) assessments of individual performance; (ii) base pay alignment with market medians; and (iii) promotions or increases in responsibility. In aggregate, following such increases, base salaries for all executive officers as a group were 6.3% below the 50th percentile level of the Market Group.

(b) **Annual Performance-Based Incentive Compensation:** Performance goals for our annual incentive program were approved by the Compensation Committee based on its analysis of the performance of the companies listed below, which are members of the S&P 500 Food Products Group. McCormick considers these companies to be our Peer Group for purposes of our performance-based incentive plans because they are the companies against which we assess our financial results and with whom we compete for equity investors.

For fiscal 2015, our Peer Group comprised the following companies:

Campbell Soup Company	The Hershey Company	Mead Johnson Nutrition Company
ConAgra Foods, Inc.	Hormel Foods Corporation	Mondelez International, Inc.
Dean Foods Company	The J. M. Smucker Company	Post Holdings, Inc.
Flowers Foods, Inc.	Kellogg Company	Tootsie Roll Industries, Inc.
General Mills, Inc.	Kraft Foods Inc.	Tyson Foods, Inc.
Keurig Green Mountain, Inc.	Lancaster Colony Corporation	The WhiteWave Foods Company
Hain Celestial Group, Inc.		

In accordance with McCormick's 2013 Omnibus Incentive Plan, the annual incentive program, in which our Named Executive Officers participate, consists of an annual incentive pool that shall not exceed 2.5% of McCormick's net income for the year. At the beginning of the year, the Compensation Committee establishes the maximum percentage of the pool that each will be eligible to earn, and the sum of these percentages cannot exceed 100% of the pool. At the end of the year, each Named Executive Officer's actual incentive award generally is adjusted downward from the allocated portion of the pool based on McCormick's EPS growth and McCormick Profit goals (McCormick Profit is operating profit adjusted by a charge for working capital). Brendan Foley's award, while not administered within the pool as defined by the Plan for fiscal 2015, was awarded based upon the same principles as all other Named Executive Officers. In exercising its discretion to adjust the amount of a Named Executive Officer's annual incentive bonus from the amount that results from the pool, the Compensation Committee generally uses the following approach: (1) Named

Executive Officers who are not directly responsible for a particular business unit have 70% of their annual incentive based on EPS growth and 30% of their annual incentive based on Global McCormick Profit, or (2) Named Executive Officers who are directly responsible for a particular business unit or group of business units have one-half of the annual incentive based on McCormick's EPS growth and one-half on the achievement of McCormick Profit for that business unit or group of business units. A further adjustment to the awards resulted from the Company's performance against a diversity and inclusion metric approved by the Committee at the beginning of the fiscal year.

In general, when setting annual incentive goals, the Compensation Committee considers historic levels of EPS generated by the top performing Peer Group companies, upcoming year EPS estimates for these companies, and McCormick's own record of EPS growth. The Committee also evaluates, with Mr. Wilson's input, non-operational and/or other significant factors which may have affected the EPS results at McCormick and the Peer Group companies during the performance periods considered.

Back to Contents

The Compensation Committee agreed with McCormick's definition of "Adjusted EPS" for fiscal 2015 and 2014 that is EPS for the respective year, adjusted to exclude the impact of special charges. The Compensation Committee determined that if McCormick were to achieve Adjusted EPS growth in the range of prior year's Adjusted EPS to 10.98% growth, an annual incentive would be paid in an amount between 30% and 200% of target. The Committee concluded it was appropriate to reward Adjusted EPS performance in this range with a payment exceeding target in recognition of the difficulty of achieving an Adjusted EPS goal which places McCormick among the highest performers in its Peer Group.

For fiscal 2015, the Compensation Committee established the following annual incentive payment levels for Adjusted EPS growth, ranging from equal to the 2014 level to growth of 10.98% or more. It was determined that achieving a level of Adjusted EPS equal to 2014 level would generate a 30% payout, which is consistent with the Company's Peer Group companies and balances the needs of shareholders with the performance of management.

	Adjusted EPS Metric	**Payout**
Threshold	Prior Year Level	30%
Target	5.93% Growth	100%
Maximum	10.98%+ Growth	200%

One of the performance metrics used in determining the fiscal 2015 annual incentive for all Named Executive Officers is business unit McCormick Profit. For fiscal 2015, the ability to meet or exceed the McCormick Profit goals was considered at least as difficult as the overall Company achievement of its Adjusted EPS performance metric. Business unit and Global McCormick Profit targets, while quantifiable, are confidential commercial or financial information, the disclosure of which would cause competitive harm to the Company. The Compensation Committee evaluates the difficulty of achieving the business unit McCormick Profit targets established by the CEO. In this evaluation, the Committee considers both the historic performance of the business units for which Messrs. Foley and Swift were responsible and the overall McCormick Profit targets established by the CEO for the upcoming fiscal year.

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

Beginning in 2015, McCormick's senior executive employees, including the Named Executive Officers, were also measured, and their annual incentive bonus was adjusted, based on strategic corporate social responsibility (CSR) goals that directly support McCormick's diversity and inclusion initiatives. Strategic goals were developed to reinforce focus and commitment in the highly supported efforts of diversity and inclusion. For fiscal 2015, the strategic goal included a measure of diverse placements and/or promotions within senior leadership roles globally to elevate the efforts around an already existing process that is committed to ensuring internal talent management as well as external talent acquisition processes focus on increasing diversity within the respective candidate pools. With the strategic goal, the Compensation Committee had discretion to approve an award within the parameters of +/- 15% of target annual incentive bonus based upon actual diversity placement performance. In 2015, the results exceeded performance

expectations. Accordingly, the Compensation Committee awarded each Named Executive Officer with an adjustment to their annual incentive bonuses of 15% of their target annual incentive bonus. As with the profit targets discussed above, the diversity and inclusion goals are confidential information. The Compensation Committee evaluates the difficulty of achieving the diversity and inclusion strategic goals. For fiscal 2015, the goals were set at a level of difficulty to be commensurate with the Company's goal of making significant progress within its diversity and inclusion efforts.

The Compensation Committee determined the actual fiscal 2015 annual incentive for each Named Executive Officer using the factors set forth in the following table: (i) the performance metric and respective weight allocated to each metric, as applicable; and (ii) the target annual incentive potential, as a percentage of base salary.

Name	**Performance Metric**	**Target Annual Incentive as a % of Base Salary** A	**Payout Factor %** B	**Actual Annual Incentive as a % of Base Salary*** C
Alan D. Wilson	70% - Adjusted EPS Growth 30% - Global McCormick Profit	130%	75.2%	117%
Gordon M. Stetz, Jr.	70% - Adjusted EPS Growth 30% - Global McCormick Profit	75%	75.2%	68%
Brendan F. Foley	33.3% - Adjusted EPS Growth 53.4% - Americas McCormick Profit 13.3% - Global Consumer McCormick Profit	70%	75.5%	63%
Lawrence E. Kurzius	70% - Adjusted EPS Growth 30% - Global McCormick Profit	85%	75.2%	77%
Malcolm Swift	50% - Adjusted EPS Growth 20% - EMEA McCormick Profit 5% - Asia Pacific McCormick Profit 25% - Global Industrial McCormick Profit	70%	110.8%	88%

* *The fiscal 2015 annual incentive as a percentage of base salary for each Named Executive Officer is determined by multiplying column "A" times column "B" and then adding the amount earned from exceeding target range of the Diversity and Inclusion metric to produce the result in column "C." The resulting annual incentive amount is included in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table below. For fiscal 2014, the actual annual incentive as a percentage of base salary (Column C) for each Named Executive Officer was 137% (Mr. Wilson), 79% (Mr. Stetz), 64% (Mr. Kurzius), and 85% (Mr. Swift).*

Back to Contents

(c) **Long-Term Incentive Plan:** The intent of the Long-Term Incentive Plan (LTIP) is to align the interests of our executives with those of our stockholders and to drive increasing stockholder value over time. The two components to the LTIP are the Long-Term Performance Plan and the Long-Term Equity Incentive Program (currently granted in stock options):

i. Long-Term Performance Plan - A limited number of executives, including the Named Executive Officers, who are in positions to significantly impact the achievement of key corporate objectives and who provide the long-term strategic leadership necessary to accomplish those objectives, participate in the Company's three-year long-term performance plan. The program provides for the payments contingent on the achievement of three-year performance goals relating to (1) cumulative sales growth, and (2) McCormick's Total Stockholder Return (TSR) relative to the TSR generated by our Peer Group companies. As it had in recent years, the Committee determined that the portion of the award measuring cumulative sales growth would be paid in the form of stock, but only if the established performance criteria are met. The Committee believes that these metrics align the interests of McCormick's executives with the interests of stockholders. The other portion, measuring relative TSR, is paid in cash, again only to the extent the established performance criteria are met. Cumulative TSR growth relative to the growth generated by the members of our Peer Group was considered an appropriate metric for these cycles because it is a clear and objective measurement of return for our stockholders, and its inclusion as a performance indicator ensures that the interests of plan participants remain aligned with those of our investors. Separate performance goals for cumulative sales growth and TSR were established for each cycle.

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

Throughout fiscal 2015, there were three active award cycles in this program, one of which ended on November 30, 2015. They are:

- December 1, 2012 – November 30, 2015 (fiscal 2013-2015) – just completed
- December 1, 2013 – November 30, 2016 (fiscal 2014-2016) – active cycle
- December 1, 2014 – November 30, 2017 (fiscal 2015-2017) – active cycle

The cash payment made to Named Executive Officers for the performance cycle ending November 30, 2015, is included in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table below. The Compensation Committee approved the cash payment to participants at 44% of target because of compounded three-year TSR percentile growth of 35th percentile and share payment to participants at 48% of target because of a compounded three-year sales growth of 10.5%. If earned, the cash and stock awards under the remaining active cycles will be paid no later than February 2017 and February 2018, respectively. As required by SEC rules, the portion of the fiscal 2014-2016 cycle and the fiscal 2015-2017 cycles that may be paid in shares, if earned, is reflected in the Stock Awards column of the Summary Compensation Table below for years 2014 and 2015, respectively, even though it would not be paid until the end of the cycle.

For the three-year performance cycles completed in fiscal 2015 or currently active, the cumulative three-year sales growth and TSR thresholds and maximums are as follows:

	FY2013–2015 and FY2014–2016 Performance Period	
	Sales Growth	TSR
Threshold	9.0%	30th Percentile
Maximum	21.0%	80th Percentile and above
Actual Performance (FY2013–2015)	10.5%	35th Percentile

	FY2015–2017 Performance Periods	
	Sales Growth	TSR
Threshold	6.0%	30th Percentile
Maximum	18.0%	80th Percentile and above

The measure of the historical difficulty of achieving the performance goals under this plan is illustrated by the fact that there has not been uniform achievement of the goals from year-to-year and, as shown in the following table, the achievement percentages on the two metrics also vary when compared to each other:

	Earned Achievement Percent	
Performance Cycle	Shares Component	Cash Component
FY11-13	200%	70%
FY12-14	124%	150%
FY13-15	48%	44%

Back to Contents

ii. Long-Term Equity Incentive Program - Long-term awards are granted at the meeting of the Board of Directors that is held on the same day as our Annual Stockholders' Meeting. In fiscal 2015, the Compensation Committee determined that the long-term awards for executive officers, including the Named Executive Officers, should be 100% stock options, the same award format as had been granted in the previous year. The Compensation Committee decided to issue stock options because it believes that stock options provide the most direct and effective method for aligning the interests of our executive officers with those of our stockholders over the long-term. The exercise price of stock options is equal to the closing price of McCormick common stock on the date of grant.

In fiscal 2015, we determined the number of option shares to grant by dividing the award cash value by the option grant date fair value as measured on the grant date and the resulting number of shares was rounded up to the nearest whole number. This methodology is evaluated annually.

The target value of long-term incentive awards is determined by reference to benchmark data. Each executive officer is assigned an LTIP award value which, when combined with their salary and annual incentive, is intended to position the officers, in aggregate, at or near the 50th percentile of the total compensation of comparably positioned officers of our Market Group companies. The mix of cash and equity-based awards is determined each year by the Compensation Committee by reference to the typical blend of such awards in the Market Group.

Role of the Independent Compensation Consultant & Recommendations by the CEO

Independent Consultant: Pursuant to its Charter, the Committee has the sole authority to retain and terminate the services of any outside compensation advisers to the Committee. For fiscal 2015, the Compensation Committee retained Exequity L.L.P. to provide advice to the Committee on general program design and best practices, as well as to assist the Committee in determining the relationship between the programs and the levels of compensation paid to our executive officers and directors to the Peer Group companies identified above. Exequity L.L.P. reported directly to the Committee and neither Exequity L.L.P. nor any of its affiliates provide any other services to the Company, its management or executive officers. The Compensation Committee has assessed the work performed by Exequity L.L.P. and has determined both that Exequity L.L.P. is independent, and that its work did not raise any conflict of interest. While Exequity L.L.P. performed the general competitive review, as requested by the Committee, Exequity L.L.P. did not determine the amount or form of compensation with respect to McCormick's executive officers.

CEO Recommendations: The compensation of every McCormick employee, including each Named Executive Officer, is influenced in large part by the responsibilities of the position and the need to ensure that employees having similar job responsibilities are paid equitably, with consideration for individual performance. For fiscal 2015, Mr. Wilson provided recommendations to the Compensation Committee with respect to the base salary amounts, performance targets for the annual and long-term incentive programs, and any adjustments to the value of long-term awards for each Named Executive Officer (other than himself). These recommendations were based on the Market Group data reviewed by the Committee and Mr. Wilson's assessment of the executive's relative experience, overall performance, and impact on the accomplishment of McCormick's financial goals and strategic objectives during the prior year. While the Compensation Committee took Mr. Wilson's recommendations under advisement, it independently evaluated the pay recommendations for each executive officer and made all final compensation decisions in accordance with its formal responsibilities as defined in its Charter.

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

No other executive officer of McCormick determined or recommended the amount or form of executive or director compensation to the Committee during fiscal 2015.

Share Ownership Guidelines for Executive Officers

We believe our executive officers should be invested in the success of the organization they lead, and thus the Compensation Committee adopted share ownership guidelines in 2004. In June 2015, the Committee reviewed our share ownership guidelines as compared to those of the Market Group companies. A majority of the Market Group companies set share ownership guidelines based on a multiple of base salary similar to ours. Based upon its review, the Committee concluded that no changes were necessary to the previously established guidelines, which are as follows:

	Multiple of Base Pay
Chief Executive Officer	5.0x
Executive Vice President and executive officers serving as Presidents of major business units	3.0x
Senior Vice President	2.0x
Vice President	1.6x

Back to Contents

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

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

2. Retirement and Other Benefits

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

Malcolm Swift is eligible to participate in the McCormick (UK) Limited Pension & Life Assurance Plan ("UK Pension Plan"), which is a defined benefit, contributory plan. The UK Pension Plan was closed in 2003. Mr. Swift's inclusion in the plan as an Executive of McCormick UK was requested by the Company and approved by the Trustees of the plan. The plan provides benefits based on the participant's years of service and the final pensionable salary. As defined in the plan, "years of service" means all of the executive's years of service to McCormick after becoming eligible to enter the UK Pension Plan.

We also provide a supplemental executive retirement plan ("SERP") for a limited number of senior management employees who are age 50 and older, including certain of the U.S.-based Named Executive Officers. Providing a supplemental retirement benefit is consistent with comparable organizations and provides a significant retention benefit. The senior executive program contained in McCormick's SERP provides the participating Named Executive Officers with a credit of one additional month of service for each month of service in the SERP between ages 55 and 60. For the Named Executive Officers hired before December 1, 2000, the SERP also includes a significant portion of the executives' incentive payments in the calculation of the SERP pension benefit in recognition of the fact that a substantial portion of the total compensation for these executives is performance-based compensation, consistent with our compensation policy, and the incentive bonuses for these executives are not included in calculating their benefit under the tax-qualified pension plan. For Named Executive Officers hired on or after December 1, 2000, the SERP is calculated by multiplying the benefit by a factor based upon the Named Executive Officer's wage grade at the date of retirement. The long-term cash and equity based incentive awards described above are not included in the calculation of the SERP benefit.

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

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

(d) **Severance Benefits:** On March 25, 2015, McCormick's Board of Directors adopted and approved the McCormick Severance Plan for Executives (the "Severance Plan"), in which the Company's executive officers participate. The Severance Plan provides for severance and other benefits to eligible employees if they experience an involuntary termination without "cause" or a voluntary termination for "good reason," each as defined in the Severance Plan. An eligible employee who experiences such a termination and executes (and does not revoke) a general release of claims against the Company will receive the payments and benefits described below under "Potential Payments Upon Termination or Change in Control." The Change in Control features of the Severance Plan are needed to allay the uncertainty that executives can experience while the possibility of a Change in Control exists, thereby allowing them to both operate in the best interests of the Company and stockholders, as well as to remain at the Company through the desired retention period. The Board believes that the Severance Plan allows the Company's executives to continue effectively executing their management responsibilities without being influenced by the uncertainty of their personal situations. In the event of an involuntary termination outside of a Change in Control situation, we consider these benefits important to attract executive talent to the Company. In addition, they help create a stable work environment in which the executives are

Back to Contents

provided certain economic benefits in the event their employment is terminated. A general release from claims is required to obtain these benefits, making this a mutually beneficial arrangement.

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

Performance-Based Compensation and Risk

The Compensation Committee considers risk as well as motivation when establishing performance criteria. During fiscal 2015, the Compensation Committee engaged in a process of reviewing all of the Company's incentive compensation plans to determine whether the Company's compensation policies and practices foster risk taking above the level of risk associated with the Company's business model. In the course of its examination, the Committee evaluated:

•The balance of performance and the quality and sustainability of performance;

•The mix between annual and long-term incentives;

•The relationship between performance criteria for annual and long-term incentive awards;

•Competitive practices;

•Share retention requirements; and

•Clawback provisions.

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

Clawback Provisions

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

than minor traffic offenses); or (iii) material breach of any term of those agreements between the participant and McCormick or an affiliate, as specified in the 2013 Plan).

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

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

Performance-Based Compensation – Section 162(m)

The Compensation Committee annually reviews and considers the deductibility of the compensation paid to our executive officers, which includes each of the Named Executive Officers in the U.S., under Section 162(m) of the Internal Revenue Code. Pursuant to Section 162(m), compensation paid to certain executive officers in excess of $1,000,000 is not deductible unless it qualifies as "performance-based compensation." The Committee endeavors to structure the executive compensation program so that each executive's compensation will generally be fully deductible. However, the Committee retains the right to approve compensation that is not fully deductible under Section 162(m). The compensation paid pursuant to our cash-based annual and long-term incentive programs is intended to qualify as "performance-based compensation" for purposes of Section 162(m). Base salaries do not qualify as "performance-based compensation" pursuant to the requirements of Section 162(m).

For fiscal 2015, compensation for Mr. Wilson exceeded the Section 162(m) limitation due primarily to base salary.

Back to Contents

Compensation Committee Report

The Compensation Committee of the Board of Directors has reviewed the foregoing Compensation Discussion and Analysis with management and, based on these reviews and discussions, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in McCormick's Annual Report on Form 10-K for the fiscal year ended November 30, 2015, and in this proxy statement.

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

Back to Contents

Executive Compensation Tables

Summary Compensation Table

The following table sets forth the compensation earned during the applicable fiscal year by our CEO and CFO during fiscal 2015, and each of the other three most highly compensated executive officers of McCormick who were executive officers as of the end of fiscal 2015.

Name and Principal Position	Year	Salary ($)[1]	Stock Awards ($)[2]	Option Awards ($)[3]	Non-Equity Incentive Plan Compensation ($)[1][4]	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)[5]	All Other Compensation ($)[6]	Total ($)
Alan D. Wilson	2015	1,033,716	1,000,000	2,250,011	1,561,230	2,421,439	63,751	8,330,147
Executive Chairman of	2014	1,000,000	1,000,000	1,866,612	2,492,600	3,837,390	63,200	10,259,802
the Board	2013	1,000,000	750,000	1,719,752	1,167,500	774,816	57,885	5,469,953
Gordon M. Stetz, Jr.	2015	566,858	250,000	500,012	482,488	1,067,484	63,751	2,930,593
Executive Vice President and	2014	533,654	250,000	466,416	696,450	894,143	63,200	2,903,863
Chief Financial Officer	2013	493,462	212,500	429,938	315,250	(186,806)	57,885	1,322,229
Brendan F. Foley President, Global Consumer and North America	2015	477,687	125,000	250,012	316,750	10,578	148,193 [7]	1,328,220
Lawrence E. Kurzius	2015	660,421	375,000	750,012	607,189	342,690	63,751	2,799,063
President & Chief	2014	556,923	250,000	466,416	684,690	744,317	63,200	2,765,546
Executive Officer	2013	518,558	212,500	479,182	294,235	291,272	57,885	1,853,632
Malcolm Swift[8]	2015	471,347	125,000	250,012	467,900	81,088	48,890	1,444,237

President, Global Industrial and McCormick International	2014	456,447	1,649,250[9]	233,208	537,768	185,067	48,022	3,109,762

(1) The Salary and Non-Equity Incentive Plan Compensation columns include amounts deferred at the election of the Named Executive Officer. For more information on the amount of cash compensation deferred for each Named Executive Officer during fiscal 2015, see the "Non-Qualified Deferred Compensation Table" below.

(2) We are required to report the equity portion of awards made under the Long-Term Performance Plan (LTPP) at the beginning of the three-year LTPP cycle, even though it will not be paid (if at all) until the end of the cycle. The amounts shown assume performance at target. The cash portion of the award is not reported until the end of the cycle. Both the cash and equity portions of the award are paid only if performance conditions are met, and the final payment amount will range from 25% to 200% of the stated target. Refer to the "Grants of Plan-Based Awards" table below for the threshold, target, and maximum amounts that can be earned. Amounts shown represent the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 related to the equity component of the FY2013-FY2015, FY2014-FY2016 and FY2015-FY2017 LTPP cycles. For a discussion of the assumptions used in determining these values, see Note 11 to our 2015 financial statements.

(3) Amounts shown represent the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 with respect to each fiscal year for each Named Executive Officer related to grants of stock options pursuant to our 2007 and 2013 Omnibus Incentive Plans. For a discussion of the assumptions used in determining these values, see Note 11 to our 2015 financial statements.

(4) Amounts shown represent the cash awards earned by the Named Executive Officer under our annual performance-based incentive compensation program for each performance period. For further information, see the "Grants of Plan-Based Awards" table and accompanying footnotes below. Amounts shown for each fiscal year also include cash awards paid to participants for three three-year LTPP cycles, the first beginning on December 1, 2010 and ending on November 30, 2013, the second beginning on December 1, 2011 and ending on November 30, 2014 and the third beginning on December 1, 2012 and ending on November 30, 2015.

(5) Amounts represent the actuarial change in the present value of the Named Executive Officer's benefit under our defined benefit pension plan and SERP, except for Mr. Swift's which is based on the UK Pension Plan. While these amounts appear as a lump sum, the normal form of payment is an annuity and the plan does not currently allow a lump sum payment for these benefits. The pension number reported is an accounting value and was not realized by the Named Executive Officer during 2015. For Mr. Foley, this amount reflects a profit sharing contribution of $10,578 earned in fiscal 2015 that was contributed to Mr. Foley's Defined Contribution Restoration Plan account in December 2015.

(6) Each Named Executive Officer who is also a Management Committee member and based in the U.S. receives a $22,000 executive auto allowance annually. Each also receives a $17,000 executive benefit allowance annually. Each may also elect to enroll in an Executive Financial Counseling program valued at $14,351 annually (Mr. Swift is not eligible to participate in this program). Each also received $10,400 in employer matching funds under the McCormick 401(k) plan in fiscal 2015 (except for Mr. Swift who is not eligible to participate in this plan). Mr. Swift, who is based in the U.K., receives a £14,500 executive auto allowance annually and a £18,000 executive benefit allowance annually (converted to U.S. dollars of $21,812 annually and $27,078 annually, respectively; see footnote (8) below).

(7) Mr. Foley received an annual auto allowance of $13,140 prior to his appointment as an Executive Officer and Management Committee Member effective June 1, 2015, at which time this amount was increased to $22,000 annually, for a total of $17,570 in fiscal 2015. He also began receiving the executive benefit allowance on this date and has received a total of $8,500 in fiscal 2015. Mr. Foley elected to enroll in the Executive Financial Counseling program valued at $16,435 annually, which was paid for by his previous employer through May 1, 2015, at which time McCormick assumed responsibility for this benefit, for a total of $9,482 in fiscal 2015. He also received $9,669 in employer matching funds under the McCormick 401(k) plan in fiscal 2015, and $102,972 in relocation reimbursements.

(8) *Mr. Swift is located in the U.K., and, while the amounts shown in the table and accompanying footnotes are expressed in U.S. dollars, certain components of his compensation are paid in British pounds. These components were converted to U.S. dollars using the exchange rate 1.5043 as of November 30, 2015, the last business day of the Company's fiscal year.*

(9) *Amount shown for Mr. Swift includes his equity portion, assuming performance at target, of the FY2014-FY2016 LTPP cycle, which is $125,000; and the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 of a grant of 35,000 restricted stock units he received on May 28, 2014. These units vest 5,000 shares per year on May 28, 2016, 2017 and 2018; and 10,000 shares per year on May 28, 2019 and 2020.*

Back to Contents

Narrative to the Summary Compensation Table

McCormick does not maintain any employment agreements with the Named Executive Officers or other executive officers, except where required by law. In addition, dividends are not accrued or paid on unexercised unvested equity awards. The Company does not provide tax gross-ups for personal benefits or for the use of the Company airplane by Named Executive Officers.

As required under U.K. law, Mr. Swift has an employment agreement with the Company. The terms of Mr. Swift's employment agreement include base salary, notice of eligibility to participate in a bonus scheme operated by McCormick, eligibility to participate in the UK Pension Plan (which has been closed to new entrants), Group Income Protection and Private Medical Insurance and receive the automobile and executive allowances. The agreement also includes "notice to terminate employment" requirements for McCormick and Mr. Swift as well as "post termination obligations" of non-competition and non-solicitation.

Grants of Plan-Based Awards

The following table sets forth the grants of plan-based awards by McCormick during fiscal 2015.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards:	All Other Option Awards:	Equity	G
Name	Grant Date	Threshold ($)[3]	Target ($)	Maximum ($)	Threshold (#)[3][4]	Target (#)[4]	Maximum (#)[4]	Number of Shares of Stock or Units (#)	Number of Securities Underlying Options (#)[5]	or Base Price of Option Awards ($/Sh)[6]	Fa of ar A ($
Alan D. Wilson	—	409,500[1]	1,365,000[1]	2,730,000[1]	—	—	—	—	—	—	—
	12/1/2014	250,000[2]	1,000,000[2]	2,000,000[2]	3,378	13,510	27,020	—	—	—	1,
	3/25/2015	—	—	—	—	—	—	—	179,857	76.29	2,
Gordon M. Stetz, Jr.	—	129,375[1]	431,250[1]	862,500[1]	—	—	—	—	—	—	—
	12/1/2014	62,500[2]	250,000[2]	500,000[2]	844	3,377	6,754	—	—	—	25
	3/25/2015	—	—	—	—	—	—	—	39,969	76.29	50
Brendan F. Foley	—	105,000[1]	350,000[1]	700,000[1]	—	—	—	—	—	—	—
	12/1/2014	31,250[2]	125,000[2]	250,000[2]	422	1,688	3,376	—	—	—	12
	3/25/2015	—	—	—	—	—	—	—	19,985	76.29	25
	—	170,850[1]	569,500[1]	1,139,000[1]	—	—	—	—	—	—	—

Lawrence E. Kurzius	12/1/2014	93,750[2]	375,000[2]	750,000[2]	1,267	5,066	10,132	—	—	—	37
	3/25/2015	—	—	—	—	—	—	—	59,953	76.29	75
Malcolm Swift	—	101,089[1]	336,963[1]	673,926[1]	—	—	—	—	—	—	—
	12/1/2014	31,250[2]	125,000[2]	250,000[2]	422	1,688	3,376	—	—	—	12
	3/25/2015	—	—	—	—	—	—	—	19,985	76.29	25

(1) Amounts shown represent the threshold, target and maximum amounts that could have been earned for fiscal 2015 by each Named Executive Officer under our annual performance-based incentive compensation plan. The actual amounts earned by each Named Executive Officer are included in the fiscal 2015 "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table above.

(2) Amounts shown represent the threshold, target and maximum amount that could be earned under the cash component of the FY2015-FY2017 LTPP cycle.

(3) Amounts shown represent the minimum amounts payable or shares earned if the threshold performance goals are achieved. No payments will be made or shares issued for performance below the threshold level.

(4) Amounts represent the threshold, target and maximum amount (in shares) that could be earned under the stock component of the FY2015-FY2017 LTPP cycle.

(5) Amounts shown include awards of stock options under the 2013 Omnibus Incentive Plan. Stock options granted in 2015 will vest ratably over three years (subject to certain acceleration provisions, as discussed under "Potential Payments upon Termination or Change in Control" below).

(6) The exercise price of the stock options is equal to the closing price of the common stock on the grant date.

(7) Amounts shown represent the grant date fair value of each equity award granted during fiscal 2015 for each Named Executive Officer. For a discussion of the assumptions used in determining these values, see Note 11 to our 2015 financial statements.

(8) Amounts shown represent the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 related to the equity component of the FY2015-FY2017 LTPP cycle based on the target amount payable if the performance conditions are met. For a discussion of the assumptions used in determining these values, see Note 11 to our 2015 financial statements.

Back to Contents

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth the outstanding equity awards held by each Named Executive Officer as of November 30, 2015.

	Option Awards					Stock Awards	
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable		Option Exercise Price ($)	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[7]**
Alan D. Wilson	0	179,857	(1)	76.29	3/24/2025		
	65,633	131,267	(2)	71.10	3/25/2024		
	90,800	90,800	(3)	71.60	4/2/2023		
	138,300	46,100	(4)	54.24	3/27/2022		
	211,000	0		47.40	3/29/2021		
	234,400	0		38.39	3/30/2020		
	131,731	0		29.89	3/24/2019		
						3,378[5]	290,238
						3,621[6]	311,116
Gordon M. Stetz, Jr.	0	39,969	(1)	76.29	3/24/2025		
	16,400	32,800	(2)	71.10	3/25/2024		
	22,700	22,700	(3)	71.60	4/2/2023		
	29,175	9,725	(4)	54.24	3/27/2022		
	44,500	0		47.40	3/29/2021		
						844[5]	72,516
						905[6]	77,758
Brendan F. Foley	0	19,985	(1)	76.29	3/24/2025		
	8,100	16,200	(2)	72.00	3/25/2024		
						422[5]	36,258
						1,854[8]	159,296
Lawrence E. Kurzius	0	59,953	(1)	76.29	3/24/2025		
	16,400	32,800	(2)	71.10	3/25/2024		
	25,300	25,300	(3)	71.60	4/2/2023		
	38,475	12,825	(4)	54.24	3/27/2022		
	58,800	0		47.40	3/29/2021		
						1,267[5]	108,861
						905[6]	77,758
Malcolm Swift	0	19,985	(1)	76.29	3/24/2025		

8,200	16,400	(2)	71.10	3/25/2024		
13,600	13,600	(3)	71.60	4/2/2023		
20,775	6,925	(4)	54.24	3/27/2022		
21,100	0		47.40	3/29/2021		
5,850	0		38.39	3/30/2020		
					422(5)	36,258
					453(6)	38,922
					35,000(9)	3,007,200

(1) The remaining unvested stock options will vest in equal increments on March 25 of 2016, 2017, and 2018.

(2) The remaining unvested stock options will vest in equal increments on March 26 of 2016, and 2017.

(3) The remaining unvested stock options will vest in equal increments on April 3 of 2016 and 2017.

(4) The remaining unvested stock options will vest on March 28 of 2016.

(5) In accordance with SEC rules, the amounts shown represent the threshold amounts of the equity component of the FY2015-FY2017 LTPP cycle because our fiscal 2015 performance does not exceed the threshold performance measure established for this LTPP cycle.

(6) In accordance with SEC rules, the amounts shown represent the threshold amounts of the equity component of the FY2014-FY2016 LTPP cycle because our cumulative performance for fiscal years 2015 and 2014 does not exceed the threshold performance measure established for this LTPP cycle.

(7) In accordance with SEC rules, the amounts shown in the table are based on the closing market price of our Common Stock Non-Voting on November 30, 2015 (the last business day of our fiscal year) of $85.92.

(8) Mr. Foley was granted 2,780 restricted stock units on June 2, 2014, 926 shares of which vested on March 15, 2015 with the remaining shares to vest in substantially equal increments on March 15 of 2016 and 2017.

(9) Mr. Swift was granted 35,000 restricted stock units on May 28, 2014. These units vest 5,000 shares per year on May 28, 2016, 2017 and 2018; and 10,000 shares per year on May 28, 2019 and 2020.

Back to Contents

Option Exercises and Stock Vested in Last Fiscal Year

The following table sets forth equity awards exercised and/or vested during fiscal 2015.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	**Value Realized on Exercise ($)[1]**	**Number of Shares Acquired on Vesting (#)[2]**	**Value Realized on Vesting ($)[2]**
Alan D. Wilson	-	-	5,561	477,801
Gordon M. Stetz, Jr.	28,218	1,174,151	1,575	135,324
Brendan F. Foley	-	-	926 [3]	66,653 [3]
Lawrence E. Kurzius	-	-	1,575	135,324
Malcolm Swift	-	-	742	63,753

(1) *The amounts shown are calculated based on the difference between the closing market price of our common stock on the date of exercise and the exercise price of the options, multiplied by the number of shares for which the options were exercised. The actual value realized by each Named Executive Officer, after payment of related taxes and fees, was as follows: Mr. Stetz - $586,044.*

(2) *Except for Mr. Foley, the amounts shown for number of shares reflect the shares awarded for the equity portion of awards made under the FY2013-FY2015 LTPP cycle. The amounts shown for the value of these shares are calculated based on the closing market price of our Common Stock Non-Voting on the vesting date of $85.92, which was November 30, 2015 (the last business day of our fiscal year).*

(3) *Mr. Foley was granted 2,780 restricted stock units on June 2, 2014, 926 shares of which vested on March 15, 2015 with the remaining shares to vest in substantially equal increments on March 15 of 2016 and 2017. The amount shown is calculated based on the closing market price of our common stock on the date of vesting, multiplied by the number of vested shares. The actual value realized by Mr. Foley, after payment of related taxes and fees, was $42,948.*

Retirement Benefits

Pension Plan

McCormick's U.S. tax-qualified pension plan for employees in the U.S. is a defined benefit, non-contributory plan. Similar to all other participants in the plan, Messrs. Wilson, Kurzius and Stetz are eligible to participate in the plan upon completing one year of service. Mr. Foley is not eligible for the U.S. plan. Mr. Swift is also not eligible for the U.S. plan, but does participate in the UK Pension Plan described below. The normal retirement age pursuant to the plan is 65, however a participant may retire at 62 without receiving a reduction in benefits due to age, or as early as 55 with their benefits reduced 5/12 of 1% per month for each month that the participant is less than age 62. As of

November 30, 2015, the Named Executive Officers who participate in the U.S. plan were eligible for early retirement with reduced benefits. Effective January 1, 2012, the pension plan was closed to new entrants; however, persons who were employees prior to January 1, 2012 continue to accrue benefits under the pension plan in accordance with its existing terms after January 1, 2012.

The plan provides benefits (which are reduced by an amount equal to 50% of the participant's Social Security benefit for those employees hired before December 1, 2000) based on the participant's years of service and the highest average compensation over a period of five consecutive years. As defined in the plan, "years of service" means all of the executive's years of service to McCormick after becoming eligible to enter the plan (generally after one year of employment with McCormick). However, if a participant experiences a total and permanent disability prior to age 65, the participant's benefit will be based upon the participant's years of service as if he or she had served to the later of age 65 or five years after the total disability and compensation as of the date of the total and permanent disability. Also as defined in the pension plan, "highest average compensation" means base pay only for employees hired prior to December 1, 2000, and base pay and annual incentive bonus for employees hired on or after December 1, 2000. Messrs. Wilson and Stetz were hired prior to December 1, 2000.

McCormick's pension plan for employees based in the U.K. is the UK Pension Plan, which is a defined benefit, contributory plan. It closed in 2003. Mr. Swift's inclusion in the plan as an Executive of McCormick UK was requested by the Company and approved by the Trustees of the plan. The normal retirement age pursuant to the plan is 65; however, a participant may retire as early as age 55 with a reduction in benefit entitlement based on Actuarial tables. The plan provides benefits based on the participant's years of service and the final pensionable salary (i.e., base pay less Basic State Pension offset). As defined in the plan, "years of service" means all of the executive's years of service to McCormick after becoming eligible to enter the plan.

The Named Executive Officers eligible for the U.S. Pension Plan also participate in the senior executive program of the supplemental executive retirement plan ("SERP"), which was adopted in 1979. The SERP provides a limited group of senior executives age 50 and older with an inducement to retire before age 65 by providing participating executives with an additional month of service credit for each month of service in the SERP between ages 55 and 60. For participants hired prior to December 1, 2000, the SERP includes a significant portion of the executives' annual bonuses in the calculation of pension benefits. Specifically, the calculation of average monthly earnings includes 90% of 1/12 of the average of the five highest annual bonuses payable for any five of the ten calendar years immediately

Back to Contents

preceding termination. For participants hired on or after December 1, 2000, the SERP is calculated by multiplying the benefit amount by a factor based upon the Named Executive Officer's wage grade at the date of retirement.

If the participating executive experiences a termination by McCormick without cause prior to age 55, the executive's SERP benefit will vest immediately upon such termination and will be based upon the executive's years of service and compensation as of the date of the termination. Only an annuity form of benefit is permitted under both the qualified plan and the SERP, except in the event of a change in control, and in that event, a lump sum benefit is paid under the SERP but not under the qualified plan. The Compensation Committee has closed the senior executive SERP program to new entrants; however, as is the case with the pension plan, executives who are currently participating in the senior executive SERP program will continue to accrue benefits under the plan in accordance with its existing terms.

The following table sets forth the accumulated benefit payable upon retirement to each of the Named Executive Officers pursuant to our defined benefit plans and the SERP.

Name	Plan Name	**Number of Years Credited Service (#)[1]**	**Present Value of Accumulated Benefit ($)[2]**	Payments During Last Fiscal Year ($)
Alan D. Wilson	Pension Plan	21 yrs. 2 mos.	1,001,808	0
	SERP	24 yrs. 3 mos.	13,360,359	0
Gordon M. Stetz, Jr.	Pension Plan	27 yrs.	1,068,229	0
	SERP	27 yrs. 2 mos.	3,135,905	0
Brendan F. Foley[3]	Pension Plan	-	-	-
	SERP	-	-	-
Lawrence E. Kurzius	Pension Plan	10 yrs. 11 mos.	280,812	0
	SERP	13 yrs. 9 mos.	1,887,785	0
Malcolm Swift	UK Pension Plan	10 yrs. 9 mos.	739,363	0

(1) Represents the number of years of service credited to the Named Executive Officer under the respective plan, computed as of the same pension plan measurement date used pursuant to our fiscal 2015 financial statements (November 30, 2015). Actual years of service are as follows: Mr. Wilson – 22 yrs, 2 mos; Mr. Stetz – 28 yrs; Mr. Foley – 1 yr, 6 mos; Mr. Kurzius – 10 yrs, 11 mos; and Mr. Swift – 10 yrs, 11 mos. The difference in Mr. Wilson's, Mr. Kurzius' and Mr. Stetz's credited service between the two plans is due to the additional credit provided by the SERP for each month of service in the Plan after age 55.

(2) Amounts represent the actuarial present value of the Named Executive Officer's accumulated benefit under each respective plan, computed as of the same pension plan measurement date used pursuant to our fiscal 2015 financial statements. For a discussion of the assumptions used in this valuation, see Note 10 to our fiscal 2015 financial statements. All assumptions are the same for purposes of the above calculation, other than the assumed retirement age is age 62, the earliest age at which the executives may retire with unreduced benefits.

(3) Mr. Foley is not eligible for the Pension Plan or SERP.

Non-Qualified Deferred Compensation

Effective January 1, 2000, McCormick adopted a deferred compensation plan that allows a limited number of management employees in the U.S., including each of the Named Executive Officers, to defer up to 80% of their base salary and up to 80% of their annual incentive each year. These percentages were chosen to provide maximum deferral flexibility while requiring sufficient non-deferral salary out of which federal withholding and certain other payroll-based items could be funded. McCormick makes no contributions to the plan. For all plan participants, including each of the participating Named Executive Officers, the deferred amounts are recorded in a notional deferred compensation account and change in value based upon the gains and losses of benchmark fund alternatives.

These fund alternatives are the same as those available under the McCormick 401(k) Retirement Plan, except there is also one real estate fund (which is generally publicly available) offered under this plan that is not available under the McCormick 401(k) Retirement Plan because it was determined by the Investment Committee to have a risk level that is not appropriate to offer in the more general McCormick 401(k) Retirement Plan. Participants may generally elect to change their fund choices at any time (there are certain restrictions applicable to participants subject to Section 16 of the Exchange Act).

In most cases, deferred amounts plus earnings are paid upon the participant’s retirement or termination of employment. For deferrals made prior to 2005, upon a participant’s termination of employment, the plan balance is paid on a lump-sum basis. Upon retirement, the plan balance is paid in either a lump sum or in 5, 10, 15, or 20-year installments based on the participant’s election made at the time of the deferral. For deferrals made in 2005 and beyond, the plan balance is paid six months following retirement or termination in either a lump sum or in 5, 10, 15, or 20-year installments based on the participant’s election made at the time of the deferral.

Amounts deferred under the plan are held in a “rabbi” trust and, until distributed to the participants, are available to satisfy the claims of McCormick’s creditors.

Effective January 1, 2014, McCormick adopted a defined contribution plan which provides deferred compensation for a select group of management employees (hired on or after January 1, 2012), including eligible Named Executive Officers. The plan restores benefits that would have accrued under the McCormick 401(k) Retirement Plan but are restricted due to the limits on compensation imposed by Sections 415 and 401(a)(17) of the Internal Revenue Code. Employees are not able to contribute to the Defined Contribution Restoration Plan (“DCRP”).

Back to Contents

Annually, the Company makes a profit sharing contribution to the participant's account equal to 3% of eligible compensation in excess of the limits imposed by the Internal Revenue Service. The contributions are recorded in a notional account and change in value based upon the gains and losses of benchmark fund alternatives. These fund alternatives are the same as those available in the McCormick Deferred Compensation Plan. Participants in the DCRP may generally elect to change their fund choices at any time (there are certain restrictions applicable to participants subject to Section 16 of the Exchange Act).

Company contributions vest in increments of 10% per year beginning when the participant reaches age 50 and is fully vested at age 60. Any unvested contributions are forfeited upon separation. If the separation is the result of a change in control, disability, death, constructive discharge or discharge by the Company without cause, the participant's account balance is deemed to be vested.

In most cases, the vested account balance is paid as a lump sum six months after the participant's retirement or termination of employment. If the separation is a result of disability, change in control or death, the lump sum is paid upon separation. Amounts deferred under the plan are held in a "rabbi" trust until distributed and are available to satisfy the claims of McCormick's creditors.

In December 2015, $10,578 was deposited into Mr. Foley's account based on compensation earned in fiscal 2015. This amount is included in the Summary Compensation Table above (as fiscal 2015 compensation).

Messrs. Wilson, Stetz, and Kurzius are not eligible to participate in the DCRP because they are eligible for the Pension Plan and SERP. Mr. Swift is not eligible to participate in the DCRP, and there is no comparable plan in the U.K.

The following table sets forth the Named Executive Officers' contributions, account earnings and aggregate balance under the nonqualified deferred compensation plans as of November 30, 2015.

Name	Executive Contributions in Last FY ($)[1]	Aggregate Earnings in Last FY ($)[2]	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)[3]
Alan D. Wilson	1,025,700	173,342	0	6,354,974
Gordon M. Stetz, Jr.	143,377	2,270	(2,305)	1,192,626
Brendan F. Foley[4]	0	0	0	0
Lawrence E. Kurzius	314,278	(36,170)	0	2,982,085
Malcolm Swift[5]	-	-	-	-

(1) Amounts represent deferrals of base salary and annual non-equity incentive plan compensation by each respective Named Executive Officer during fiscal 2015 as follows: Mr. Wilson - $0 (salary), $1,025,700 (non-equity incentive plan compensation); Mr. Stetz - $56,587 (salary), $86,790 (non-equity incentive plan compensation); Mr. Foley -

$0 (salary), $0 (non-equity incentive plan compensation); and Mr. Kurzius - $131,308 (salary), $182,970 (non-equity incentive plan compensation). The salary amounts are included with the "Salary" column of the "Summary Compensation Table" above. The non-equity incentive plan compensation amounts are fiscal 2014 annual incentive compensation that was paid during fiscal 2015 and thus are not included in the Summary Compensation Table for fiscal 2015. The "Executive Contributions in Last Fiscal Year" column does not include executive contributions made in fiscal 2016 relating to non-equity incentive plan compensation earned in fiscal 2015.

(2) Non-qualified deferred compensation earnings are not above-market or preferential and therefore these amounts are not reported in the "Summary Compensation Table" above.

(3) Of these amounts, the following aggregate amounts are included in the Summary Compensation Table above (either as fiscal 2013, 2014 or 2015 compensation) for each Named Executive Officer: Mr. Wilson - $1,671,230; Mr. Stetz - $349,021; Mr. Foley - $0; and Mr. Kurzius - $791,941.

(4) Mr. Foley is the only Named Executive Officer eligible for the Defined Contribution Restoration Plan (DCRP). As of November 30, 2015, there was a zero balance in his DCRP account. In December 2015, a profit sharing contribution of $10,578 earned in fiscal 2015 was contributed to Mr. Foley's DCRP account.

(5) Mr. Swift is not eligible to participate in either nonqualified deferred compensation plan, and there are no similar plans in the U.K.

Potential Payments Upon Termination or Change in Control

Similar to all McCormick employees, upon termination without cause, each Named Executive Officer, except for Mr. Swift (as explained below), may be entitled to receive the following payments and benefits:

- a lump sum payment equal to his or her accrued but unused vacation time;
- post-employment health benefits for the remainder of the calendar month of departure and optional benefits payable under the Consolidated Omnibus Benefits Reconciliation Act for up to 18 months following termination;
- in the event of a termination of employment due to total and permanent disability, a monthly payment equal to 50% of salary minus 50% of the Social Security payment received, paid in equal monthly installments until the executive attains age 65; and
- in the event of death before termination or retirement, a one-time benefit is paid to his or her beneficiary in an amount equal to the executive's base salary, subject to a limit of $500,000.

In addition, upon termination of employment, including retirement, the applicable Named Executive Officers are entitled to receive their respective balances pursuant to our nonqualified deferred compensation plan, as described above under "Non-Qualified Deferred Compensation."

Mr. Swift is entitled to receive the following payments and benefits:

- a lump sum payment equal to his accrued but unused vacation time;
- in the event of disability which precludes Mr. Swift from carrying out his duties and lasts longer than 26 weeks, insurance is in place to cover 75% of his pre-disability salary for the duration of the disability, age 65, or death, whichever comes first; and

- in the event of death before termination or retirement, a one-time benefit is paid to his beneficiary in an amount equal to his base salary, subject to a limit of four times the UK Pension Plan cap of £154,420 (or $232,294).

Back to Contents

Additionally, as described above, on March 25, 2015, McCormick's Board of Directors adopted and approved the McCormick Severance Plan for Executives (the "Severance Plan"), in which the Company's executive officers, including Mr. Swift, participate.

The Severance Plan provides for severance and other benefits to eligible employees under two situations: (i) if they experience an involuntary termination without "cause" or a voluntary termination for "good reason," each as defined in the Severance Plan; or (ii) in the event of a termination as described above that occurs within six months before a "change in control" or within two years after a "change in control" as defined in the Severance Plan. An eligible employee who experiences such termination and executes (and does not revoke) a general release of claims against the Company will receive the following payments and benefits:

Element	Termination Under Change in Control	Termination Without "Cause" or For "Good Reason"
Cash Severance (Base + Bonus)	CEO=2.5X All Others = 2.0X using full year bonus at target	CEO=1.5X All Others=1.0X using full year bonus at target
Long-Term Performance Plan	Full vesting of all open cycles, pay at target	Pro-rata vesting at actual performance level
Stock Options	Full vesting of all options	Immediate vesting for options that would have vested during the severance period; exercise within 1 year (1.5 years for CEO)
Annual Incentive	Pay pro-rata at target	Pay pro-rata at target

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

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

Equity Plans

On March 25, 2015, the Board of Directors of the Company adopted and approved Amendment No. 1 to McCormick's 2013 Omnibus Incentive Plan (the "2013 Plan"), in which the Company's executive officers are eligible to participate. Before the amendment, the 2013 Plan provided that all outstanding awards (whether or not vested) would become fully exercisable and payable immediately upon a "change in control" as defined in the plan. Amendment No. 1 grants the Compensation Committee the discretion to include in any award agreement a provision providing for different treatment of the award (other than it becoming fully exercisable and payable) in connection with a "change in control." While this benefit is available to all of our equity plan participants equally, pursuant to SEC requirements, we have included this acceleration benefit in the table below.

A ***"change in control"*** is generally defined as:

- the consolidation or merger of McCormick with or into another entity where McCormick is not the continuing or surviving corporation, except for any consolidation or merger in which, generally, the holders of McCormick's Common Stock and Common Stock Non-Voting immediately before the consolidation or merger own in excess of 50% of the voting stock of the surviving corporation;
- any sale, lease, exchange or other transfer of all or substantially all of the assets of McCormick;
- any person becoming the beneficial owner, directly or indirectly, of McCormick securities representing more than 13% (or 35% in the event that the vote limitation provision of McCormick's Charter is deemed unenforceable) of the voting power of all the outstanding securities of McCormick having the right to vote in an election of the Board; or
- directors elected by the Company's stockholders at the most recent annual meeting of stockholders, and any new directors approved by at least a majority of the directors then in office, cease to constitute a majority of the members of the Board.

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

Back to Contents

Estimates of Payments Upon Termination or Change in Control

The table below sets forth estimated payment amounts each Named Executive Officer would have received, unless otherwise noted, upon death, total and permanent disability, retirement, involuntary termination without cause, or change in control, assuming a triggering event on November 30, 2015. For purposes of the estimated amounts below, we have assumed that the price per share of our common stock was $85.92, the closing market price of our Common Stock Non-Voting on November 30, 2015 (the last business day of our fiscal year).

In addition, we have not included each applicable Named Executive Officer's award under the annual performance-based incentive compensation program, or their respective balances pursuant to our Non-Qualified Deferred Compensation Plan, as these amounts are disclosed in the "Non-Equity Incentive Plan Compensation" column of the "Summary Compensation Table," and the "Aggregate Balance at Last FYE" column of the Non-Qualified Deferred Compensation" table, above.

Potential Payments Upon Termination or Change in Control ("CIC")	Alan D. Wilson	Gordon M. Stetz, Jr.	Brendan F. Foley	Lawrence E. Kurzius	Malcolm Swift
Cash Severance Payment:					
Involuntary Termination Without Cause[1]	$4,987,500	$1,437,500	$1,200,000	$1,808,999	$1,155,302
CIC[2]	7,402,500	2,443,750	2,050,000	3,048,499	1,973,642
Long-Term Performance Plan:					
FY2014-2016 Performance Period					
Retirement/Death/Disability/Involuntary Termination Without Cause[3]	1,333,333	333,333	0	333,333	166,667
CIC[4]	2,000,000	500,000	0	500,000	250,000
FY2015-2017 Performance Period					
Retirement/Death/Disability/Involuntary Termination Without Cause[3]	666,667	166,667	83,333	250,000	83,333
CIC[4]	2,000,000	500,000	250,000	750,000	250,000
Equity Awards:					
Accelerated Stock Options					
Retirement/Death/Disability/CIC[5]	6,438,104	1,504,149	417,960	1,832,035	849,640
Involuntary Termination Without Cause[6]	5,860,756	841,968	184,187	1,022,938	502,429
Accelerated RSUs					
Retirement/Death/Disability/CIC[7]	0	0	159,296	0	3,007,200
Involuntary Termination Without Cause[8]	0	0	111,524	0	1,236,389
Pension Plan Payment[9]					
Retirement/Involuntary Termination/CIC	1,038,300	1,085,641	-	290,998	718,002 [16]
Disability	919,788	1,015,788	-	322,681	718,002
Death	520,460	508,988	-	139,687	1,013,748

SERP Payment[10]					
Retirement/Involuntary Termination/CIC	13,506,667[13]	3,197,203[14]	-	1,920,981[15]	-
Disability	10,758,699	2,545,156	-	1,539,279	-
Death	6,715,810	1,489,654	-	916,904	-
Defined Contribution Restoration Plan[11]	-	-	0	-	-
Disability Benefits[12]	376,666	139,166	101,666	186,666	353,510

(1) These amounts represent the cash severance payment that would be received if involuntary termination without cause occurred on November 30, 2015.

(2) These amounts represent the cash severance payment that would be received if a change in control termination occurred on November 30, 2015.

(3) These amounts represent target awards for the FY2014-2016 and FY2015-2017 performance cycles, adjusted pro rata based on service through November 30, 2015. The Long-Term Performance Plan provides that these amounts would be further adjusted (0-200%) based on McCormick's performance.

(4) These amounts represent target awards for the FY2014-2016 and FY2015-2017 performance cycles, paid at target in the event of a Change In Control.

(5) These amounts represent the potential gain on all options that would become exercisable if a triggering event occurred on November 30, 2015. The amounts are calculated by taking the closing price on November 30, 2015, less the exercise price, times the number of unexercisable in-the-money options as of November 30, 2015.

(6) These amounts represent the potential gain on options that would become exercisable during the severance period if a triggering event occurred on November 30, 2015. The severance period is defined as 18 months for the CEO and 12 months for all others. The amounts are calculated by taking the closing price on November 30, 2015, less the exercise price, times the number of unexercisable in-the-money options that would have vested within the severance period as described above.

(7) These amounts represent the potential earnings on all RSUs that would vest if a triggering event occurred on November 30, 2015. The amounts are calculated by taking the closing price on November 30, 2015 times the number of vested RSUs as of November 30, 2015.

(8) These amounts represent the potential earnings on RSUs that would vest during the period from grant date to the qualifying separation date if a triggering event occurred on November 30, 2015, expressed as a proportion of each vesting period.

(9) Present value of benefits payable immediately if triggering event occurred on November 30, 2015. The amounts are calculated based on the 2015 FAS disclosure discount rate of 4.70%, the Generational MILES (Mercer Industry Longevity Experience Study) no collar table for the Consumer Goods and Food & Drink industry Mortality Table for healthy mortality with mortality improvement scale based on the Social Security Administration's expectations of future mortality improvement consistent with the financial disclosures and the PBGC Disability Life Mortality Tables (III and IV) for post-disability mortality. Because the Change in Control benefits payable from the Non-Qualified plan are payable as a lump sum, post-retirement mortality for those benefits was based on 417(e) unisex mortality, which was also used for the portion of the Qualified plan benefit assumed to be paid as a lump sum. See the narrative to the "Pension Benefits" table above for a discussion of the payment formulae upon the various termination events.

Back to Contents

(10) *Present value of benefits payable immediately if triggering event occurred on November 30, 2015. The amounts are calculated based on the 2015 FAS disclosure discount rate of 4.66%, the Generational MILES (Mercer Industry Longevity Experience Study) no collar table for the Consumer Goods and Food & Drink industry Mortality Table for healthy mortality with mortality improvement scale based on the Social Security Administration's expectations of future mortality improvement consistent with the financial disclosures and the PBGC Disability Life Mortality Tables (III and IV) for post-disability mortality. Because the Change in Control benefits payable from the Non-Qualified plan are payable as a lump sum, post-retirement mortality for those benefits was based on 417(e) unisex mortality, which was also used for the portion of the Qualified plan benefit assumed to be paid as a lump sum. See the narrative to the "Pension Benefits" table above for a discussion of the payment formulae upon the various termination events.*

(11) *Mr. Foley is the only Named Executive Officer eligible for the Defined Contribution Restoration Plan (DCRP); he is neither eligible for the U.S. Pension Plan nor the SERP. As of November 30, 2015, there was a zero balance in his DCRP account. In December 2015, a profit sharing contribution of $10,578 earned in fiscal 2015 was contributed to Mr. Foley's DCRP account.*

(12) *The amount shown is an estimated annual benefit paid to the Named Executive Officer in the event that he becomes totally and permanently disabled. The amounts are calculated on the amount in excess of the $265,000 limit. The amounts set forth in the table above assume the executives' current base salary and one-half of the maximum Social Security offset, as applicable.*

(13) *As of November 30, 2015, the present value of benefits associated with involuntary termination for Mr. Wilson would have been $13,506,667 and $13,120,614 for change in control. The amount shown for Mr. Wilson represents the present value of benefits associated with retirement.*

(14) *As of November 30, 2015, the present value of benefits associated with involuntary termination for Mr. Stetz would have been $3,197,203 and $3,136,129 for change in control. The amount shown for Mr. Stetz represents the present value of benefits associated with retirement payable to Mr. Stetz at age 65 as he was not eligible for a SERP retirement benefit as of November 30, 2015 since he was not vested in the SERP.*

(15) *As of November 30, 2015, the present value of benefits associated with involuntary termination for Mr. Kurzius would have been $1,920,981 and $1,873,812 for change in control. The amount shown for Mr. Kurzius represents the present value of benefits associated with retirement.*

(16) *The amount shown for Mr. Swift is the present value of benefits associated with retirement as of November 30, 2015. There would be no additional benefits payable to Mr. Swift through the UK Pension Plan under either a change in control or an involuntary separation. In either case, Mr. Swift would become a deferred member of the plan and his pension would be payable on retirement at age 65.*

Back to Contents

Equity Compensation Plan Information

The following table summarizes information about McCormick's equity compensation plans as of November 30, 2015:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))[2]**
Plan Category	(a)	(b)	(c)
Equity Compensation Plans approved by security holders[1]	Common Stock 4,594,944 Common Stock Non-Voting 297,722	Common Stock $60.83 Common Stock Non-Voting $34.73	Common Stock 4,934,696 Common Stock Non-Voting 2,574,780
Equity Compensation Plans not required to be approved by security holders	Common Stock 0 Common Stock Non-Voting 0	Common Stock $00.00 Common Stock Non-Voting $00.00	Common Stock 0 Common Stock Non-Voting 0
TOTAL	Common Stock 4,594,944 Common Stock Non-Voting 297,722	Common Stock $60.83 Common Stock Non-Voting $34.73	Common Stock 4,934,696 Common Stock Non-Voting 2,574,780

(1) *Includes the 2001 Stock Option Plan, the 2004 Directors Non-Qualified Stock Option Plans, the 2004 Long-term Incentive Plan, the 2007 and 2013 Omnibus Incentive Plans and the target amount that could be earned under the stock component of the FY2014-FY2016 and FY2015-FY2017 LTPP cycles. Also includes options granted to foreign nationals pursuant to plans for certain non-US subsidiaries and in lieu of participation under the 2001 Stock Option Plan and the 2004 Long-Term Incentive Plan. Except for minor variations required by tax laws of various jurisdictions, the terms and conditions of such options are substantially the same as the options granted under the US plans.*

(2) *In addition to plans included in footnote (1), includes the Directors' Share Ownership Plan and 2009 Employee Stock Purchase Plan.*

Report of Audit Committee

The responsibilities of the Audit Committee are defined in a Charter which has been approved by the Board of Directors. The Committee's Charter is available at McCormick's Investor Relations website at ir.mccormick.com under "Corporate Governance," then "Board Committees - Descriptions & Charters." Among other things, the Charter gives the Committee the responsibility for reviewing McCormick's audited financial statements and the financial reporting process. In carrying out that responsibility, the Committee has reviewed and discussed McCormick's audited financial statements with management, and it has discussed with McCormick's independent registered public accounting firm the matters which are required to be discussed under Auditing Standards promulgated by the Public Company Accounting Oversight Board ("PCAOB"), including PCAOB Auditing Standard No. 1301 (Communication with Audit Committees). In addition, the Committee has received and reviewed the written disclosures and letter required by the applicable requirements of the PCAOB regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence and has discussed with such firm its independence. The Audit Committee has reviewed the fees of the independent registered public accounting firm for non-audit services and believes that such fees are compatible with the independence of the independent registered public accounting firm.

Based on these reviews and discussions, the Committee recommended to the Board of Directors that McCormick's audited financial statements be included in McCormick's Annual Report on Form 10-K for the fiscal year ended November 30, 2015. The Committee also decided to appoint the accounting firm of Ernst & Young LLP to serve as the independent registered public accounting firm of McCormick for fiscal year 2016, subject to ratification by the stockholders of McCormick, because of, among other things, the quality and efficiency of the services they provide, their capabilities, technical expertise and knowledge of McCormick's operations and industry, and their ability to remain independent.

All members of the Audit Committee are "independent" pursuant to the requirements of McCormick's Corporate Governance Guidelines, the NYSE's Listing Standards, and applicable SEC rules.

Submitted by: **Audit Committee**
Patricia Little, Chair
Michael A. Conway
J. Michael Fitzpatrick

Back to Contents

Fees of Independent Registered Public Accounting Firm

Audit Fees

The audit fees billed for professional services rendered by Ernst & Young LLP for the audit of McCormick's annual financial statements, including certain required statutory audits, for the most recent fiscal year and the review of the financial statements included in McCormick's Quarterly Reports on Form 10-Q for the most recent fiscal year were $4.6 million. For the 2014 fiscal year, such fees were $4.4 million.

Audit Related Fees

The aggregate fees billed for all audit related services rendered by Ernst & Young LLP for the most recent fiscal year were approximately $500,000, and for the 2014 fiscal year were approximately $100,000. Audit related services principally include due diligence in connection with acquisitions, consent and comfort letter procedures with the offering of securities, accounting consultations, employee benefit plan audits, and agreed upon procedures.

Tax Fees

The aggregate fees billed for all tax services rendered by Ernst & Young LLP for the most recent fiscal year were approximately $300,000, and for the 2014 fiscal year were approximately $200,000. Tax services principally include tax compliance, tax advice and tax planning.

All Other Fees

Other professional services may include advisory services and tax round tables. Ernst & Young LLP did not render other professional services in fiscal 2015 or fiscal 2014.

The Audit Committee has adopted policies and procedures for the pre-approval of the above fees. All requests for services to be provided by Ernst & Young LLP are submitted to the Internal Audit Director, who subsequently requests pre-approval (for service fees of $250,000 or less) from the Audit Committee Chair. Requests for services in excess of $250,000 require approval from the entire Audit Committee. A schedule of pre-approved services is reviewed by the entire Audit Committee at each Audit Committee meeting.

Back to Contents

PROPOSAL 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors has ratified the Audit Committee's appointment of the accounting firm of Ernst & Young LLP to serve as the independent registered public accounting firm of McCormick for fiscal year 2016, subject to ratification by the stockholders of McCormick. Ernst & Young LLP were first appointed to serve as the independent registered public accounting firm of McCormick in 1982 and are considered by the Audit Committee and the management of McCormick to be well qualified. Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Although stockholder ratification is not required, the appointment of Ernst & Young LLP is being submitted for ratification as a matter of good corporate governance practice with a view towards soliciting stockholders' opinions which the Audit Committee will take into consideration in future deliberations. If Ernst & Young LLP's selection is not ratified at the Annual Meeting of Stockholders, the Audit Committee will reconsider whether to retain Ernst & Young LLP. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of McCormick and its stockholders.

Required Vote of Stockholders

The affirmative vote of a majority of the votes cast by holders of the shares of Common Stock present in person or by proxy at a meeting at which a quorum is present is required to ratify the appointment of Ernst & Young LLP as McCormick's independent registered public accounting firm.

The Board of Directors recommends that stockholders vote FOR ratification.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires McCormick's directors and executive officers, and persons who own more than 10% of a registered class of McCormick's equity securities, to file with the SEC initial reports of ownership and reports of changes in beneficial ownership of such equity securities of McCormick. With the exception of reports of two transactions which were filed late due to administrative errors, to McCormick's knowledge, based upon the reports filed and written representations regarding reports required during the fiscal year ended November 30, 2015, no executive officer or any director of McCormick failed to file reports required by Section 16(a) on a timely basis.

Other Matters

Management knows of no other matters that may be presented for consideration at the Annual Meeting. However, if any other matters properly come before the Annual Meeting, it is the intention of the persons named in the proxy to vote such proxy in accordance with their judgment on such matters.

Voting Procedures

The affirmative vote of a majority of all votes cast by holders of Common Stock present in person or by proxy at a meeting at which a quorum is present is required for the election of each director nominee (Proposal One), and the ratification of the appointment of Ernst & Young LLP as McCormick's independent registered public accounting firm (Proposal Two). Abstentions and "broker non-votes" (see below), if any, are not counted in the number of votes cast and will have no effect on the results of the vote. Proxy cards that are executed and returned without any designated voting direction will be voted pursuant to the instructions stated on the proxy card.

Under current NYSE rules, the proposal to ratify the appointment of independent auditors (Proposal Two) is considered a "discretionary" item. This means that brokerage firms may vote in their discretion

Back to Contents

on this matter on behalf of clients who have not furnished voting instructions at least 15 days before the date of the Annual Meeting of Stockholders. In contrast, the proposal to elect directors (Proposal One) is a "non-discretionary" item. This means brokerage firms that have not received voting instructions from their clients on this matter may not vote on Proposal One. This so-called "broker non-vote" will not be considered in determining the number of votes necessary for approval and, therefore, will have no effect on the outcome of the vote for this proposal.

Householding of Annual Disclosure Documents

Pursuant to SEC rules, McCormick intends to send a single annual report and proxy statement to any household where two or more stockholders reside unless it has received contrary instructions from the stockholders. This rule benefits both stockholders and McCormick. It eliminates unnecessary mailings delivered to your home and helps to reduce McCormick's expenses. Each stockholder will continue to receive a separate proxy card. If your household receives a single set of disclosure documents for this year, and you would prefer to receive a duplicate copy, please contact McCormick's delivery agent, Broadridge Financial Solutions, Inc., by calling its toll-free number, 866-540-7095, by sending an electronic mail message to sendmaterial@proxyvote.com, or by writing to Broadridge Financial Solutions, Inc., 51 Mercedes Way, Edgewood, NY, 11717. Broadridge will provide you with a duplicate copy promptly. If you share an address with another McCormick stockholder and you would prefer to receive a separate set of annual disclosure documents in the future, or both of you would prefer to receive only a single set of McCormick's annual disclosure documents, please contact Broadridge Financial Solutions, Inc. at the above telephone number or address.

Stockholder Proposals for 2017 Annual Meeting

Pursuant to SEC rules, proposals or director nominations of stockholders to be presented at the 2017 Annual Meeting must be received by the Secretary of McCormick at the Company's principal executive offices not less than 120 calendar days before February 16, 2017 (i.e., on or before October 14, 2016) to be considered for inclusion in the 2017 proxy statement.

Stockholders wishing to submit proposals or director nominations at the 2017 Annual Meeting that are not to be included in such proxy statement material must deliver notice to the Secretary at the principal executive offices of McCormick no later than the close of business on the 60th day, nor earlier than the close of business on the 90th day, prior to the first anniversary of the preceding year's annual meeting (i.e., between December 30, 2016 and January 27, 2017). Stockholders are also advised to review McCormick's By-Laws, which contain additional requirements with respect to advance notice of stockholder proposals and director nominations.

Back to Contents

Our Corporate Social Responsibility

As a global flavor company, we are sensitive to the issues facing the world at large and the local communities where we live and work. Since our earliest days as a company, we have held a strong commitment to the communities we are a part of and the planet as a whole.

Our CSR vision is “To grow our business globally, while driving positive change to the environment, within our communities, and for our employees.”

Our priority areas are:

•Power of People – Empowering our employees and improving local communities

•Taste You Trust – Investing in sustainable agriculture

•Inspiring Healthy Choices – Providing healthy flavor solutions and encouraging healthy eating

•Delivering High Performance – Improving operational efficiencies

Our second CSR report was published in 2015 and has more details about our activities.

Please visit the following company websites to learn more:

Learn more about McCormick

About Us, CSR Report, Flavor Forward:	mccormickcorporation.com
Investor Relations, Annual Report and Proxy Materials:	ir.mccormick.com
Flavor Forecast:	flavorforecast.com

Back to Contents

Back to Contents