

C0. Introduction

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C0.1

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

With approximately \$4.9 billion in sales, The Scotts Miracle-Gro Company is one of the world's largest marketers of branded consumer products for lawn and garden care. The Company's brands are among the most recognized in the industry. The Company's Scotts®, Miracle-Gro® and Ortho® brands are market-leading in their categories. We divide our business into the following reportable segments: U.S. Consumer, Hawthorne, and Other. U.S. Consumer consists of our consumer lawn and garden business located in the United States. The Company's wholly-owned subsidiary, The Hawthorne Gardening Company, is a leading provider of nutrients, lighting and other materials used in the indoor and hydroponic growing segment. Other consists of our consumer lawn and garden business in geographies other than the United States and our product sales to commercial nurseries, greenhouses and other professional customers.

Energy, emissions, and climate change are material issues across our business, and we work to reduce the energy impact of our operations in order to reduce our greenhouse gas emissions (GHG). Our main energy use comes from electricity and natural gas use in our operations and fleet fuel. Emissions from our products are not a significant source of emissions for our business; rather, many of our products are used to grow plants, which are effective at removing carbon from the atmosphere. Our consumers expect us to help them reduce their emissions. We are looking at ways to reduce the impact of our energy use through initiatives such as efficiency projects and renewable energy.

For additional information, visit us at [www.scottsmiraclegro.com](http://www.scottsmiraclegro.com).

Information regarding activities, events and developments that we expect or anticipate will or may occur in the future, including, but not limited to, information relating to our future growth and profitability targets and strategies designed to increase total shareholder value, are forward-looking statements based on management's estimates, assumptions and projections. Actual results could differ materially from the forward-looking information in this 2022 CDP Response due to a variety of factors. We disclaim any obligation to update developments of these risk factors or to announce publicly any revisions to any of the forward-looking statements that we make, or to make corrections to reflect future events or developments, except as required by the federal securities laws.

C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	October 1 2020	September 30 2021	No	<Not Applicable>

C0.3

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

- Canada
- China
- Netherlands
- United States of America

C0.4

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

USD

C0.5

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

Operational control

C0.8

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

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	NYSE: SMG

C1. Governance

C1.1

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

Yes

C1.1a

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

Position of individual(s)	Please explain
Board-level committee	Our Board works with senior leadership to provide oversight of economic, environmental, social and governance (ESG) topics including climate change. In our 2022 Corporate Social Responsibility (CSR) report, we list climate change as one of our material topics and prioritize climate change as an area of ongoing management. Our business and our products are directly related to climate. We design products to work in different climates, and under various conditions, to meet the needs and preferences of our customers. Therefore, oversight of our business and sustainability programs includes responsibility for our response to climate change. The Nominating and Governance Committee is responsible for oversight of the Company's CSR programs and goals and the company's progress toward achieving these goals. In meeting this responsibility, the Committee shall: (i) oversee the Company's policies, practices and performance with respect to corporate social responsibility matters; (ii) oversee the Company's reporting standards in relation to corporate social responsibility matters; and (iii) take other actions related to CSR as it deems appropriate. The chair of the Nominating and Governance Committee serves as the liaison between management and the Board of Directors on ESG issues. Board briefings may include updates on sustainability strategy development, setting and managing climate-related targets and measuring and managing the company's greenhouse gas (GHG) inventory. The Innovation and Technology Committee, in consultation with the Nominating and Governance Committee, is responsible for providing guidance to the Board and management with regard to the Company's sustainability policies and practices as they relate to the Company's existing and new product technologies and its marketing and branding programs.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies Monitoring implementation and performance of objectives	<Not Applicable>	Our Board works with senior leadership to provide oversight of economic, environmental, social and governance (ESG) topics including climate change. The Audit Committee of our Board governs the process by which risk management (including ESG risk) is handled, and meets at least four times per year. The chair of the Nominating & Governance Committee, serves as the liaison between management and the Board of Directors on ESG issues. The Nominating and Governance Committee, which meets at least three times per year, is responsible for oversight of the Company's CSR programs and goals and the company's progress toward achieving these goals. The Innovation and Technology Committee, in consultation with the Nominating and Governance Committee, is responsible for providing guidance to the Board and management with regard to the Company's sustainability policies and practices as they relate to the Company's existing and new product technologies and its marketing and branding programs. Topics included in Board briefings may include updates on sustainability strategy development, setting and managing climate-related targets and measuring and managing the company's GHG inventory. This also includes discussion of how the possible effects of climate change could impact our business.

C1.1d

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

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	One of our directors, who has been with the Company since 2010, worked for the U.S Environmental Protection Agency (EPA) for 30 years, where he became the first career employee and scientist to serve as Administrator, a position he held from January 2005 through January 2009. As President and Chief Executive Officer of Johnson and Associates and the former Administrator of the U.S. Environmental Protection Agency, as well as a lifelong scientist, Mr. Johnson brings considerable leadership and innovation and technology experience to the Board and fulfils the Board's need for regulatory and environmental expertise as identified by the Governance Committee.	<Not Applicable>	<Not Applicable>

**C1.2**

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

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (EVP, Chief Communications Officer)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Chief Operating Officer (COO)	<Not Applicable>	Managing climate-related risks and opportunities	<Not Applicable>	As important matters arise

**C1.2a**

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

At ScottsMiracle-Gro, everything we do is related to the climate. We design products to work in different climates, and under various conditions, to meet the needs and preferences of our customers. Therefore, oversight of our business and sustainability programs includes responsibility for our response to climate change. In FY2021, the EVP/Chief Communications Officer was responsible for leading the company's investor relations, government relations, public affairs, corporate responsibility, and community relations activities. Following FY2021, our Chief Marketing Officer, who reports to our COO, assumed responsibility for leading the company's sustainability programs. As part of this responsibility, this role also serves as the primary liaison between the staff and Board on ESG topics, including climate change. As a member of the executive team, this role also briefs leadership on ongoing projects and disclosures. In addition, the President & Chief Operating Officer of the Company oversees a cross-functional sustainability team that meets monthly to further our ESG strategy, including climate-related issues. This team's mandate includes establishing benchmarks, setting goals on ESG topics and creating implementation and monitoring plans. Representing Supply Chain, R&D, Human Resources, Marketing and Corporate Affairs, this team is accountable to senior leadership, specifically our President. The team briefs senior leadership and Board committees on its priorities and plans regularly and communicates its work through our company structure from leaders to associates.

**C1.3**

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	Our ESG strategy, including climate-related commitments, is being integrated into our business plans and led by a cross-functional ESG team. Annual performance incentives are tied to achievement of business goals. Accordingly, progress toward ESG goals will be taken into account in annual evaluations and incentive awards going forward as they are integrated into the businesses operating plans. However, we do not specifically link ESG performance to executive compensation.

**C2. Risks and opportunities**

**C2.1**

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

Yes

**C2.1a**

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

	From (years)	To (years)	Comment
Short-term	0	0	We define short-term risk as any risk that occurs without warning.
Medium-term	0	1	We define medium-term risk as any risk that is likely to occur over a timescale of months.
Long-term	1	10	We define long-term risk as any risk that is likely to occur in a year's time or more.

**C2.1b**

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

ScottsMiracle-Gro defines a substantive impact as something that would reduce our ability to deliver on our business strategy. ScottsMiracle-Gro has a low risk appetite for events and exposures that may result in a negative EBITDA (earnings before interest, taxes, depreciation, and amortization) impact above \$30M with a likelihood of occurring more than once in 5 years. For example, this could include certain acute physical risks, which could alter customer demand for our products or interrupt our operations and impact our capacity to deliver products and service our customers in a timely manner. This is especially true for those products that we manufacture at a limited number of facilities, such as our fertilizer and liquid products.

ScottsMiracle-Gro also assesses risk by assigning risks a score out of 5, with higher scores indicating a more critical risk, and lower scores indicating minor risks. Our scoring process considers impact, likelihood, vulnerability (current business capability), and risk velocity. In addition, ScottsMiracle-Gro has a low risk appetite for events and exposures that compromise the Company's ability to:

- Help consumers through innovative solutions;
- Be responsible stewards to our planet;
- Provide a dynamic workplace for our employees to grow and succeed; and
- Improve market presence and profitable growth to enhance shareholder value.

**C2.2**

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

**Value chain stage(s) covered**

Direct operations

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

**Description of process**

For our direct operations, we incorporate ESG risks, including the risk of climate change, into our Enterprise Risk Management (ERM) program. The program seeks to collaboratively identify, evaluate and prioritize key risks for the organization on an annual basis. These key risks are used by the Company's leadership to align strategies, set organizational goals and allocate resources. The ERM life cycle consists of (1) the identification, review and update of the risk universe, (2) the evaluation and scoring of identified risks within that population, (3) the calibration with executive leadership on the most significant risks, (4) the memorialization of risk management plans for the key risks by the respective risk owners, and (5) the report out of these risk management plans by the risk owners to the Company's Board of Directors. ScottsMiracle-Gro assesses risks by assigning risks a score from 1 to 5, with 5 indicating the most critical risk, and 1 indicating minor risks. Our scoring process considers impact, likelihood, vulnerability (current business capability), and risk velocity. Once all identified risks are scored, we calibrate and align the most significant risks with our executive management team. The owners of these top risks then memorialize and present their risk management plans to the various subcommittees of the Board of Directors. These risk owners proactively manage these risks throughout the fiscal year as a fluid outcome of this annual program. We constantly monitor climate and weather patterns on a regional basis and adapt our operations accordingly. ScottsMiracle-Gro evaluates short- and medium-term climate risk to our business regularly, using software that looks at climate and weather impacts across regions and product categories. The software uses data on weather patterns, forecasts, and previous sales data to help us plan our production, marketing, supply chain and sales more accurately. The model is updated periodically to account for shifting patterns and trends that may impact its forecasting ability. Our senior leadership actively engages with environmental and social risks and opportunities. In addition, our Board works with senior leadership to provide oversight of economic, environmental, social and governance (ESG) topics including climate change. The chair of the Nominating & Governance Committee serves as the liaison between management and the Board of Directors on ESG issues.

**Value chain stage(s) covered**

Upstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term  
Medium-term

Long-term

**Description of process**

We incorporate ESG risks, including the risk of climate change, into our Enterprise Risk Management (ERM) program. Our annual ERM process examines risks to our direct operations, as well as to our supply chain and customers. The program seeks to annually collaboratively identify, evaluate and prioritize key risks for the organization. These key risks are used by the Company's leadership to align strategies, set organizational goals and allocate resources. The ERM life cycle consists of (1) the identification, review and update of the risk universe, (2) the evaluation and scoring of identified risks within that population, (3) the calibration with executive leadership on the most significant risks, (4) the memorialization of risk management plans for the key risks by the respective risk owners, and (5) the report out of these risk management plans by the risk owners to the Company's Board of Directors. ScottsMiracle-Gro assesses risks by assigning risks a score out of 5, with higher scores indicating a more critical risk, and lower scores indicating minor risks. Our scoring process considers impact, likelihood, vulnerability (current business capability), and risk velocity. Once all identified risks are scored, we calibrate and align the most significant risks with our executive management team. The owners of these top risks then memorialize and present their risk management plans to the various subcommittees of the Board of Directors. These risk owners proactively manage these risks throughout the fiscal year as a fluid outcome of this annual program. ScottsMiracle-Gro evaluates short- and medium-term climate risk to our business regularly, including our upstream activities, using software that looks at climate and weather impacts across regions and product categories. The software uses data on weather patterns, forecasts, and previous sales data to help us plan our production, marketing, supply chain and sales more accurately. The model is updated periodically to account for shifting patterns and trends that may impact its forecasting ability. Our senior leadership actively engages with environmental and social policies, risks and opportunities. In addition, our Board works with senior leadership to provide oversight of economic, environmental, social and governance (ESG) topics including climate change and human rights. The chair of the Nominating & Governance Committee serves as the liaison between management and the Board of Directors on ESG issues.

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**Value chain stage(s) covered**

Downstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term

Medium-term

Long-term

**Description of process**

We incorporate ESG risks, including the risk of climate change, into our Enterprise Risk Management (ERM) program. Our annual ERM process examines risks to our direct operations, as well as to our supply chain and customers. The program seeks to annually collaboratively identify, evaluate and prioritize key risks for the organization. These key risks are used by the Company's leadership to align strategies, set organizational goals and allocate resources. The ERM life cycle consists of (1) the identification, review and update of the risk universe, (2) the evaluation and scoring of identified risks within that population, (3) the calibration with executive leadership on the most significant risks, (4) the memorialization of risk management plans for the key risks by the respective risk owners, and (5) the report out of these risk management plans by the risk owners to the Company's Board of Directors. ScottsMiracle-Gro assesses risks by assigning risks a score out of 5, with higher scores indicating a more critical risk, and lower scores indicating minor risks. Our scoring process considers impact, likelihood, vulnerability (current business capability), and risk velocity. Once all identified risks are scored, we calibrate and align the most significant risks with our executive management team. The owners of these top risks then memorialize and present their risk management plans to the various subcommittees of the Board of Directors. These risk owners proactively manage these risks throughout the fiscal year as a fluid outcome of this annual program. ScottsMiracle-Gro evaluates short- and medium-term climate risk to our business regularly, including our downstream activities, using software that looks at climate and weather impacts across regions and product categories. The software uses data on weather patterns, forecasts, and previous sales data to help us plan our production, marketing, supply chain and sales more accurately. The model is updated periodically to account for shifting patterns and trends that may impact its forecasting ability. Our senior leadership actively engages with environmental and social policies, risks and opportunities. In addition, our Board works with senior leadership to provide oversight of economic, environmental, social and governance (ESG) topics including climate change and human rights. The chair of the Nominating & Governance Committee serves as the liaison between management and the Board of Directors on ESG issues. (Sustainability Report, pg. 8)

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C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulations are included in our risk assessment process. Local, state, federal and foreign laws and regulations relating to environmental matters affect us in several ways. Such agencies regulate the disposal, transport, handling, and storage of waste, remediation of contaminated sites, and air and water discharges from our facilities. Our products and operations may be subject to increased regulatory and environmental scrutiny in jurisdictions in which we do business. For example, we are subject to regulations relating to our harvesting of peat for our growing media business which has come under increasing regulatory and environmental scrutiny. Such regulations frequently require us to limit our harvesting and to restore the property to an agreed-upon condition. In some locations, we have been required to create water retention ponds to control the sediment content of discharged water.
Emerging regulation	Relevant, always included	Because of the global scope of our supply chains, any number of disruptions could adversely impact our business. These disruptions may, in the future, include climate change focused regulations, which would require us to adapt our raw material procurement strategies. For example, we source many of our commodities and other raw materials on a global basis. The general availability and price of those raw materials can be affected by numerous forces beyond our control, including government regulations and weather.
Technology	Relevant, always included	Technology is a factor included in our risk assessment process. We invest in new technology and R&D within our business to help our customers address climate mitigation and adaptation. Our proprietary technologies can limit our ability to locate or utilize alternative inputs for certain products. For certain inputs, new sources of supply may have to be qualified under regulatory standards, which can require additional investment and delay bringing a product to market.
Legal	Relevant, always included	ScottsMiracle-Gro is subject to legal requirements and regulations (including those potentially related to climate change and our products) that could adversely affect our business and contribute to the risk we will be subjected to legal action. We are subject to the risk of new and different legal and regulatory requirements in different jurisdictions. As such, our legal team monitors pending legal and regulatory requirements continuously. Under certain environmental laws, we may be liable for the costs of investigation and remediation of the presence of certain regulated materials, as well as related costs of investigation and remediation of damage to natural resources, at various properties, including our current and former properties as well as off-site waste handling or disposal sites that we have used.
Market	Relevant, always included	Consumer attitudes and preferences towards gardening may be modified by climate change's effects and the ever-increasing worldwide attention the issue is receiving. Fluctuating climatic conditions may result in unpredictable modifications in the manner in which consumers garden or their attitudes towards gardening, making it more difficult for us to provide appropriate products to appropriate markets in time to meet consumer demand. Further, increased commodity and raw materials prices, as a result of climate change impacts, could also adversely affect our business. We make production decisions based on what weather and climate risks we see in the market. Chronic physical impacts of climate change such as changes in rainfall patterns, water shortages, changing storm patterns and intensities, and changing temperatures could adversely impact our costs, business activities and the supply and demand for our products. Climate change may make these variations more extreme and impede our ability to make these decisions in time to meet consumer demand. For example, climate change may impact the regions that certain species in the U.S inhabit. If these regions change due to climate change, we must review the regions in which we market and sell our products accordingly.
Reputation	Relevant, always included	There is an increasing focus from certain investors, customers, consumers, employees, and other stakeholders concerning corporate citizenship and sustainability matters. From time to time, we communicate certain initiatives, including goals, regarding environmental matters, responsible sourcing and social investments, including our Corporate Responsibility Report. We could fail, or be perceived to fail, in our achievement of such initiatives or goals, or we could fail in fully and accurately reporting our progress on such initiatives and goals. In addition, we could be criticized for the scope of such initiatives or goals or perceived as not acting responsibly in connection with these matters. Our business could be negatively impacted by such matters. Any such matters, or related corporate citizenship and sustainability matters, could have a material adverse effect on our business.
Acute physical	Relevant, always included	Our business may be impacted by climate-influenced weather conditions. For example, an abnormal period of dry conditions could adversely impact the sale of certain products, while increasing demand for other products. Our diversified product line and geography helps to reduce this risk. We also believe that acute physical impacts do not materially affect longer-term growth trends. Operations at our and our suppliers' facilities are also subject to disruption for a variety of reasons, including fire, flooding or other natural disasters. A significant interruption in the operation of our or our suppliers' facilities could significantly impact our capacity to produce products and service our customers in a timely manner, which could have a material adverse effect on our revenues, earnings and financial position. This is especially true for those products that we manufacture at a limited number of facilities, such as our fertilizer and liquid products.
Chronic physical	Relevant, always included	Chronic physical impacts of climate change such as changes in rainfall patterns, water shortages, changing storm patterns and intensities, and changing temperatures could adversely impact our costs, business activities and the supply and demand for our products, such as fertilizer, garden soils and pesticide products. In addition, fluctuating climatic conditions may result in unpredictable modifications in the manner in which consumers garden or their attitudes towards gardening, making it more difficult for us to provide appropriate products to appropriate markets in time to meet consumer demand. For example, a "megadrought", fueled in part by human-caused climate change, is emerging as a risk for our business in the United States. A megadrought, defined as intense droughts that last for decades or longer, could mean that our consumers would be faced with increased pressure to reduce landscape water use, and may look for new/alternative solutions for their lawn and gardens.

**C2.3**

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

Yes

**C2.3a**

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

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)
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**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

One of our most significant risks is that our net sales could be impacted by weather conditions in the markets in which our products are sold and our services are offered. For instance, periods of abnormally wet or dry weather can adversely impact the sale of certain products, while increasing demand for other products, such as fertilizer, garden soils, and pesticide products, or delay the timing of the provision of certain services. We make production decisions based on what weather and climate risks we see in the market. Climate change may make these variations more extreme and impede our ability to make these decisions in time to meet consumer demand. In addition, fluctuating climatic conditions may result in unpredictable modifications in the manner in which consumers garden or their attitudes towards gardening, making it more difficult for us to provide appropriate products to appropriate markets in time to meet consumer demand. For example, a megadrought, which is defined as a drought lasting decades or more, could mean that our customers may be faced with increasing pressure to reduce landscape water use, and may look for new/alternative solutions for their lawns and gardens.

**Time horizon**

Medium-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

0

**Potential financial impact figure – maximum (currency)**

300000000

**Explanation of financial impact figure**

Because of the nature of our business, ScottsMiracle-Gro must deliver the specific products our customers and consumers require to address their lawn and garden needs. This figure represents the potential range of sales revenue that could be impacted negatively in a year if we do not deliver the right mix of products to the right places at the right time. For example, negative impacts could include misjudging when spring will start in a given year in a given region. In some cases, however, weather and climate have the potential to have a neutral or even positive effect on our business, especially because of our diverse product mix.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

We invest in sophisticated software modelling that uses data on weather patterns, forecasts and previous sales data to help us plan our production and sales more accurately across regions and product categories. Analysis from the software enables us to react quickly to changing weather patterns and adjust our sales planning accordingly to meet the needs of our customers and consumers in those regions. This investment is an integral part of our operations budget and we are not able to separate the cost out for this questionnaire. We also utilize a working group that is focused specifically on the risk of a decades-long megadrought and how to best position our company and products to respond.

**Comment**

**C2.4**

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

Yes

**C2.4a**

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

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

With a changing climate, some of our customers may need different products in order to use resources more efficiently in their location. Our ProVista™ turf grass is designed to require less frequent maintenance. While all lawns can reduce runoff and absorb carbon dioxide, our ProVista™ turf grass requires less mowing, fertilizer and weed control treatments than conventional turf, reducing the resources needed by our customers to maintain their lawn. By requiring less mowing, ProVista™ can reduce carbon emissions from traditional gas-powered lawn mowers by half.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

230947000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

In FY21, sales of this opportunity totaled approximately \$230,947,000 as a potential financial impact figure.

**Cost to realize opportunity**

148275000

**Strategy to realize opportunity and explanation of cost calculation**

In FY21, costs of this opportunity totalled approximately \$148,275,000 as a potential financial impact figure. Situation: With a changing climate, some of our customers may need different products in order to use resources more efficiently in their location. Task: Our customers expect us to help them reduce their emissions. Action: Our Scotts ProVista™ turf grass is designed to require less frequent maintenance. While all lawns can reduce runoff and absorb carbon dioxide, our Scotts ProVista™ turf grass requires less mowing and weed control treatments than conventional turf, reducing the resources needed by our customers to maintain their lawn. Result: By requiring less mowing, ProVista can reduce carbon emissions from traditional gas-powered lawn mowers. Through our Hawthorne segment, we also offer highly efficient LED light options, including fixtures that are listed & certified to the DesignLights Consortium, an energy efficiency program that rewards customers for purchasing energy efficient lighting products through rebates & other incentives.

**Comment**

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**C3. Business Strategy**

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**C3.1**

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

Row 1

**Transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

**Publicly available transition plan**

<Not Applicable>

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

<Not Applicable>

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

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

<Not Applicable>

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

We will continue to develop and implement action plans that advance our ESG goals. For example, in 2021, we began working with a third-party to establish a complete and robust greenhouse gas emissions inventory and baseline, including Scope 3 emissions. As a result of this work, our company hopes to establish an ambitious emissions reduction target and achievement strategy, which we plan to announce in the near future.

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

C3.2

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

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Other, please specify (Our proprietary model is specific to our products and the regions in which we operate. The software uses data on weather patterns, forecasts, and previous sales data to help us plan our production, marketing, supply chain and sales more accurately.)	At ScottsMiracle-Gro, everything we do is related to the climate. We design products to work in different climates, and under various conditions, to meet the needs and preferences of our customers. As weather and climate patterns shift and become more extreme, we establish cross-functional working groups to assess changing needs and ensure our messaging and product mixes align. Recent examples include drought working groups and working groups dedicated to addressing water quality issues in areas with episodic heavy rainfall. Inputs, Assumptions, and Analytical Methods Used: Our proprietary model is specific to our products and the regions in which we operate and sell our products. The software uses data on weather patterns, forecasts, and previous sales data to help us plan our production, marketing, supply chain and sales more accurately. The model is updated periodically to account for shifting patterns and trends that may impact its forecasting ability. Analysis from the software enables us to react quickly to changing weather patterns and adjust our sales planning accordingly to meet the needs of our customers and consumers in those regions. Time Horizon: ScottsMiracle-Gro evaluates short- and medium-term (as defined in question C2.1a) climate risk to our business regularly, using software that looks at climate and weather impacts across regions and product categories. We do not evaluate long-term climatic risks, as defined in sub question C2.1a). Short- and medium-term time-horizons are most relevant to our business to consider how weather patterns and forecasts may impact our production, marketing, supply chain, and sales more accurately. We undergo this process on an annual basis. Coverage: The assessment includes our direct operations, as well as our upstream and downstream activities.

C3.3

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

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Risks related to potentially shifting demand due to chronic physical risks and changing climatic conditions (as reported in C2.3a) and opportunities related to developing and/or expanding low-emission goods and services (as reported in C2.4a) have influenced our strategies related to our products and services. The sales of our products and services are susceptible to climatic and weather conditions. For instance, periods of abnormally wet or dry weather can adversely impact the sale of certain products, while increasing demand for other products, such as fertilizer, garden soils, and pesticide products, or delay the timing of the provision of certain services. Fluctuating climate conditions may result in unpredictable modifications in the manner in which consumers garden or their attitudes towards gardening, making it more difficult for us to provide appropriate products to appropriate markets in time to meet consumer demand. With a changing climate, some of our customers may need different products in order to use resources more efficiently in their location. We make production decisions based on what weather and climate risks we see in the market. Climate change may make these variations more extreme and impede our ability to make these decisions in time to meet consumer demand. We consider these to be medium and long-term risks, covering a time horizon of months in the medium-term, and 1-10 years in the long-term. Our diversified business strategy and geographic distribution also helps reduce these risks. We invest in sophisticated software modelling that uses data on weather patterns, forecasts and previous sales data to help us plan our production and sales more accurately across regions and product categories. Analysis from the software enables us to react quickly to changing weather patterns and adjust our sales planning accordingly to meet the needs of our customers and consumers in those regions.
Supply chain and/or value chain	Yes	Risks and opportunities related to our production and distribution processes (as reported in C2.3a and C2.4a) have influenced our strategies related to our supply chain and/or value chain. We source many of our commodities and other raw materials on a global basis, which can be affected by climatic and weather conditions. Any significant disruption in these could adversely impact our cost structure. Our suppliers and distribution centers are subject to disruption as a result of climate-driven events such as fires, flooding and other natural disasters. These interruptions can impact our capacity to produce and deliver products and services for our customers in a timely manner, which could adversely impact our business. We mitigate some of the potential impacts from climate change by diversifying our supply chain and building in lead-time where there is potential for business disruptions. We also prioritize local sourcing in our supply chain, and typically source materials for our growing media business within 120 miles of a plant. By sourcing more locally, we are able to save on transport costs on an annual basis and reduce transport emissions. There is also potential to expand this local sourcing strategy to other product lines. We consider this to be a medium-term opportunity, covering a time horizon of 1-12 months.
Investment in R&D	Yes	Risk and opportunities, specifically related to our products and services (as reported in C2.3a and C2.4a), have influenced our strategies related to our R&D investments. We invest nearly \$40 million in research, product development, and innovation each year, both in the laboratory and at the consumer level, to improve our products, manufacturing processes, packaging and delivery systems. Throughout our R&D process, we take into account risks that may occur years in the future and create products to address those future needs. We consider how future conditions, like climate change, may impact how our consumers use our products in the future. For example, a future with more droughts means that our products must be created to help our customers address these conditions. With a changing climate, some of our customers may also need different products in order to use resources more efficiently in their location. Our Scotts ProVista™ turf grass is designed to require less frequent maintenance, and can help reduce carbon emissions from traditional gas-powered lawn mowers in half by requiring less mowing. We consider the development of our Scotts ProVista™ turf grass product to be a short-term opportunity.
Operations	Yes	Risks and opportunities related to chronic physical risks and resource efficiency (as reported in C2.3a and C2.4a) have influenced our operational strategies. Our core business operations are driven by climate. We continuously monitor weather trends across the regions we operate and make business decisions based on what our models forecast for the season. This influences our investments and timing in production, sales, marketing and advertising. Chronic physical impacts of climate change such as changes in rainfall patterns, water shortages, changing storm patterns and intensities, and changing temperatures could adversely impact our costs, business activities and the supply and demand for our products. Consumer attitudes and preferences towards gardening may be modified by climate change's effects and the ever-increasing worldwide attention the issue is receiving. These changes may increase the difficulty of providing appropriate products to appropriate markets in time to meet consumer demand. Further, increased commodity and raw materials prices, as a result of climate change impacts, could also adversely affect our business. We consider these to be medium to long-term risks, covering time horizons of months to 1-10 years. We also see an opportunity for resource efficiency through design optimization of our liquid weed and insect control portfolio, which could help reduce the amount of plastic packaging entering the waste stream and reduce the overall carbon footprint of our packaging. We consider this to be a medium-term opportunity, covering a time horizon of months.

**C3.4**

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

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Capital allocation	Revenues. The sales of our products and services are susceptible to climatic and weather conditions. Our most significant risk is chronic physical risk, defined as changes in precipitation patterns and extreme variability in weather patterns. Decreased revenues due to reduced demand for products and services are the primary potential financial impact from this risk. We make production decisions based on what weather and climate risks we see in the market. We invest in sophisticated software modelling that uses data on weather patterns, forecasts and previous sales data to help us plan our production and sales more accurately across regions and product categories. Climatic factors influence our business decisions every day and we rely on our models to accurately predict customer and consumer behaviour and the need for appropriate products at appropriate times. Analysis from the software enables us to react quickly to changing weather patterns and adjust our sales planning accordingly to meet the needs of our customers and consumers in those regions. For example, in a region where we anticipate an upcoming drought, we plan to meet consumer demand for water efficient and drought-resistant products. This investment is an integral part of our operations budget. Capital allocation. For capital projects, risk factors related to climate are considered for investments, in addition to investments that yield a positive return. Most climate-related risk factors focus on increasing instances of extreme weather, including fire, flood, and extreme heat/cold. Capital projects that we have undertaken in the recent past include winterization investments in Canada and heat mitigation investments in the Southwest to protect our operations and our workers' health and safety, while also increasing efficiency and reducing energy consumption where possible. In addition, our investment in R&D relies on foreseeing future climate trends and creating new products to address future consumer needs for our lawn and gardening products in the future. We customize our product portfolio to a changing climate in North America, and target R&D investments that will adapt to these changes.

**C4. Targets and performance**

**C4.1**

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

No target

**C4.1c**

**(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.**

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	There are a number of factors that will impact the trajectory of our emissions over the next 5 years. For example, through 2019 and the beginning of 2020, we saw the rise of Direct-to-Consumer (DTC) shipping. We expect that this trend will continue, as a result of COVID-19 for at least the near term. The switch to DTC may increase our emissions. On the other hand, as we improve our understanding of our emissions, we will begin introducing measures to reduce emissions across the board. However, we may not be able to anticipate all factors that may lead to emissions increases. For example, in 2020 we saw an increased demand for many of our products due to the effects of the COVID-19 pandemic in the U.S. This drove an increase in sales and profits that were not previously projected for this fiscal year. Increased production may lead to increased emissions on a year-by-year basis	Explanation: In our 2019 sustainability report, we published a qualitative goal to enhance our measuring capabilities to baseline and track our carbon footprint across operations and establish reduction targets in consideration of the risks associated with climate change. In our 2021 CSR report, we established a goal to utilize established data collection processes for emissions and waste at 100% of our locations by 2022. In 2021, we set out to streamline all of our data to establish baseline data across our operations. We do not want to set a target before we fully understand our emissions inventory. Plans to Implement Target: In 2021, we began working with a third-party to establish a complete and robust greenhouse gas emissions inventory and baseline, including Scope 3 emissions. As a result of this work, our company hopes to establish an ambitious emissions reduction target and achievement strategy, which we plan to announce in the near future. As we continue to improve our data collection procedures, we are also in the process of formulating a long-term net zero emissions goal and interim targets for emissions reductions. Our formulation process includes (1) Defining a scope and boundary, (2) Measuring our baseline carbon footprint, (3) Defining our strategy and pathway to 1.5 degrees C, (4) Setting an ambitious goal with clear interim targets, and (5) Developing a program that is integrated into our business planning. Description of Timeline: We expect the target-setting and strategy development process to take several months, if not a year or more, to complete. In 2021, we began working with a third-party to establish a complete and robust greenhouse gas emissions inventory and baseline, including Scope 3 emissions. As a result of this work, our company hopes to establish an ambitious emissions reduction target and achievement strategy, which we plan to announce in the near future. We may be able to provide updated information by the time of the 2023 CDP report.

**C4.2**

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

No other climate-related targets

**C4.3**

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

Yes

**C4.3a**

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	1	40
Implemented*	0	0
Not to be implemented	0	0

**C4.3b**

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

**Initiative category & Initiative type**

Transportation	Company fleet vehicle replacement
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**Estimated annual CO2e savings (metric tonnes CO2e)**

40

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

Scope 1

**Voluntary/Mandatory**

Voluntary

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

17889

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

10800

**Payback period**

<1 year

**Estimated lifetime of the initiative**

3-5 years

**Comment**

## C4.3c

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

Method	Comment
Financial optimization calculations	In order to drive emissions reduction investment, we calculate the return on investment of our initiatives. In order to invest in energy efficiency projects, the projects must meet a 15% threshold.

## C4.5

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

Yes

## C4.5a

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

#### Level of aggregation

Group of products or services

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

Other, please specify (Internal Methodology: We use our own methodology.)

#### Type of product(s) or service(s)

Other	Other, please specify (Other, please specify: ProVista™ Turf Grass and HGC LED Lights)
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#### Description of product(s) or service(s)

OurScotts ProVista™ turf grass is designed to require less frequent maintenance. While all lawns can reduce runoff and absorb carbon dioxide, our Scotts ProVista™ turf grass requires less mowing and weed control treatments than conventional turf, reducing the resources needed by our customers to maintain their lawn. Our Scotts ProVista™ turf grass was proven in studies to grow half as fast as comparable other grass. By requiring less mowing, ProVista™ can help reduce carbon emissions from traditional gas-powered lawn mowers. Additionally, LED lights - coupled with smart controllers and sensors – reduce energy costs and bolster performance. Our Gavita CT1930e generates 5 percent more light output than our high-pressure sodium lights while using 20 percent less energy

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

No

#### Methodology used to calculate avoided emissions

<Not Applicable>

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

<Not Applicable>

#### Functional unit used

<Not Applicable>

#### Reference product/service or baseline scenario used

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

#### Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

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

4.69

## C5. Emissions methodology

## C5.1

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

No

C5.1a

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

Row 1

Has there been a structural change?

No

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

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

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

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in boundary	We have increased the number of sites we are collecting data from

C5.1c

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

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	We have updated our base year to 2021

C5.2

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

Scope 1

Base year start

October 1 2020

Base year end

September 30 2021

Base year emissions (metric tons CO2e)

57481

Comment

Scope 2 (location-based)

Base year start

October 1 2020

Base year end

September 30 2021

Base year emissions (metric tons CO2e)

55018

Comment

Scope 2 (market-based)

Base year start

October 1 2020

Base year end

September 30 2021

Base year emissions (metric tons CO2e)

55018

Comment

**Scope 3 category 1: Purchased goods and services**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 2: Capital goods**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

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

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 4: Upstream transportation and distribution**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 5: Waste generated in operations**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 6: Business travel**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 7: Employee commuting**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 8: Upstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 9: Downstream transportation and distribution**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 10: Processing of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 11: Use of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

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

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 13: Downstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 14: Franchises**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3 category 15: Investments**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

We are in the process of estimating our Scope 3 emissions

**Scope 3: Other (upstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (downstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

## C5.3

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

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

The Greenhouse Gas Protocol: Scope 2 Guidance

## C6. Emissions data

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### C6.1

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**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

57481

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

### C6.2

---

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

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

### C6.3

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

**Scope 2, location-based**

55018

**Scope 2, market-based (if applicable)**

55018

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

### C6.4

---

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

No

### C6.5

---

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



## **Purchased goods and services**

### **Evaluation status**

Relevant, not yet calculated

### **Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

### **Please explain**

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from purchased goods and services may be relevant.

## **Capital goods**

### **Evaluation status**

Relevant, not yet calculated

### **Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

### **Please explain**

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from capital goods may be relevant.

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

### **Evaluation status**

Relevant, not yet calculated

### **Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

### **Please explain**

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from fuel and energy related activities may be relevant.

## **Upstream transportation and distribution**

### **Evaluation status**

Relevant, not yet calculated

### **Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

### **Please explain**

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from upstream transportation and distribution may be relevant.

## **Waste generated in operations**

### **Evaluation status**

Relevant, not yet calculated

### **Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

### **Please explain**

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from waste generated in operations may be relevant.

## Business travel

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from business travel may be relevant.

## Employee commuting

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from employee commuting may be relevant.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

Emissions from our leased assets are included in our Scope 1 and 2 emissions calculations, therefore emissions from upstream leased assets are not relevant.

## Downstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

All transportation and distribution emissions will be evaluated in category 4, and therefore these emissions are considered not relevant.

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We do not sell any products that require further processing or transformation; therefore these emissions are considered not relevant.

## Use of sold products

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from use of sold products may be relevant.

## End of life treatment of sold products

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from end-of-life treatment may be relevant.

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We do not have any downstream leased assets; therefore these emissions are considered not relevant.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We do not operate any franchises; therefore these emissions are considered not relevant.

## Investments

### Evaluation status

Relevant, not yet calculated

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

### Please explain

We are in the process of estimating scope 3 emissions for our business based on the WRI/WBCSD Corporate Value Chain Guidance to estimate emissions. Therefore, we expect that emissions from purchased goods and services may be relevant.

**Other (upstream)**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

**Please explain**

**Other (downstream)**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

**Please explain**

C6.7

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**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

C6.10

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

**Intensity figure**

0.00002

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

112499

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

4925000000

**Scope 2 figure used**

Location-based

**% change from previous year**

23.86

**Direction of change**

Decreased

**Reason for change**

Our scope 1 emissions in FY2021 decreased from FY2020, while our revenue in FY2021 increased from FY2020.

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C7. Emissions breakdowns

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C7.1

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

Yes

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	56709	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	46	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	95	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	632	IPCC Fourth Assessment Report (AR4 - 100 year)

## C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	56564
Canada	911
Netherlands	4
China	2

## C7.3

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

By activity

## C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Sales	2647
Distribution	8589
Operations	46245

## C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	53390	53390
Canada	1144	1144
Netherlands	313	313
China	170	170

## C7.6

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

By activity

## C7.6c

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Sales	0	0
Distribution	0	0
Operations	55018	55018

C7.9

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

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable >		
Other emissions reduction activities		<Not Applicable >		
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology		<Not Applicable >		
Change in boundary	1827	Increased	2	In 2021, we increased our reporting to estimate emissions sources from refrigerants and from offices and warehouses. Emissions change is calculated as follows: change in emissions/total scope 1 and 2 emissions in FY20.
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

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

C8. Energy

C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**  
 More than 0% but less than or equal to 5%

C8.2

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

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

**C8.2a**

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	261585	261585
Consumption of purchased or acquired electricity	<Not Applicable>	0	145421	145421
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	0	407006	407006

**C8.2b**

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

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

**C8.2c**

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

**Sustainable biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

We do not consume sustainable biomass within our operations

**Other biomass**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

We do not consume other biomass within our operations

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

We do not consume other renewable fuels (e.g. renewable hydrogen) within our operations

**Coal**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

We do not consume coal within our operations



**Oil**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

132325

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Gas**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

129260

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

We consume some natural gas for the generation of steam in our operations; however, at this point we are unable to determine the amount used for steam vs. other applications.

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

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

We do not consume other non-renewable fuels (e.g. non-renewable hydrogen) within our operations

**Total fuel**

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

261585

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**C8.2e**

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

**Sourcing method**

None (no active purchases of low-carbon electricity, heat, steam or cooling)

**Energy carrier**

<Not Applicable>

**Low-carbon technology type**

<Not Applicable>

**Country/area of low-carbon energy consumption**

<Not Applicable>

**Tracking instrument used**

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

**Comment**

---

**C8.2g**

---

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

**Country/area**

Canada

**Consumption of electricity (MWh)**

9992

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

0

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

9992

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

United States of America

**Consumption of electricity (MWh)**

134141

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

0

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

134141

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

Netherlands

**Consumption of electricity (MWh)**

1018

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

0

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

1018

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

---

**Country/area**

China

**Consumption of electricity (MWh)**

271

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

0

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

271

**Is this consumption excluded from your RE100 commitment?**

<Not Applicable>

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**C9. Additional metrics**

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**C9.1**

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

**Description**

Waste

**Metric value**

153758.44

**Metric numerator**

Short tons

**Metric denominator (intensity metric only)**

**% change from previous year**

244.33

**Direction of change**

Increased

**Please explain**

Our FY2021 waste data includes additional site data that was previously unavailable in FY2020 reporting.

**Description**

Other, please specify (Water Withdrawals)

**Metric value**

3197.95

**Metric numerator**

Megaliters

**Metric denominator (intensity metric only)**

**% change from previous year**

198.37

**Direction of change**

Increased

**Please explain**

Our FY2021 water data includes additional site data that was previously unavailable in FY2020 reporting.

**C10. Verification**

**C10.1**

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

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

**C10.2**

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

No, we do not verify any other climate-related information reported in our CDP disclosure

**C11. Carbon pricing**

**C11.1**

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

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

**C11.2**

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

No

### C11.3

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**(C11.3) Does your organization use an internal price on carbon?**  
No, and we do not currently anticipate doing so in the next two years

## C12. Engagement

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### C12.1

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**(C12.1) Do you engage with your value chain on climate-related issues?**  
Yes, our suppliers  
Yes, our customers/clients  
Yes, other partners in the value chain

### C12.1a

---

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

**Type of engagement**  
Innovation & collaboration (changing markets)

**Details of engagement**  
Other, please specify (We engage in collaborative dialogue with our suppliers to seek innovative ways to reduce plastic material used in packaging, increase recycled content in packaging and increase consumer brand packaging that can be recycled or reused. )

**% of suppliers by number**  
5.3

**% total procurement spend (direct and indirect)**  
4.46

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

**Rationale for the coverage of your engagement**  
These percentages represent key packaging suppliers to help us achieve our goals related to reduction of plastic material used in packaging, increased recycled content in packaging and increased consumer brand packaging that can be recycled or reused.

**Impact of engagement, including measures of success**  
Through supplier engagement related to packaging innovation, we are able to measure success by measuring progress towards the following goals by 2025: 15% reduction in plastic material used in packaging 50% increase in consumer brand packaging that can be recycled or reused 15% recycled content in packaging

**Comment**

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### C12.1b

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

**Type of engagement & Details of engagement**

Education/information sharing	Run an engagement campaign to education customers about your climate change performance and strategy
-------------------------------	--

**% of customers by number**

100

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

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

We share information with 100% of our major retail customers and engage with them through our sustainability report and through direct engagement initiatives. We meet with our retail partners regularly to discuss and align our corporate responsibility programs with their ambitions and collaborate on sustainable product innovations that reduce waste and carbon footprints and help consumers conserve natural resources. We also engage with them through surveys or annual updates. We make information about who we are, our products, and our corporate social responsibility publicly available and accessible for consumers. We maintain open channels of communication with the people who use our products to discuss our company, products and responsibility efforts. For example, the GroMoreGood public outreach campaign we launched in 2020 continues to reach hundreds of thousands of people with messages about environmental stewardship. In May 2021, our Organic Product Innovation video garnered 741,000 online impressions, while our Water Product Innovation video generated 89% engagement with viewers online. To see these videos, follow these links: <https://www.youtube.com/watch?v=WlpcbT65PTM> <https://www.youtube.com/watch?v=vsd-CSZP89g>

**Impact of engagement, including measures of success**

We share our climate performance with our customers through our sustainability reporting initiatives. We also participate in supplier initiatives with our customers. As we solidify our next emissions reduction commitment, we will align that with our customer goals and share that with them. We also offer products that may meet different customer needs to use resources more efficiently in their area. For example, our Scotts ProVista™ turf grass is designed to require less frequent maintenance. While all lawns can reduce runoff and absorb carbon dioxide, our Scotts ProVista™ turf grass requires less mowing and weed control treatments than conventional turf, reducing the resources needed by our customers to maintain their lawn. By requiring 50% less mowing, Scotts ProVista™ can reduce related carbon emissions from traditional gas-powered lawn mowers.

**C12.1d**

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

In response to this question, "other partners in the value chain" constitutes our retailers, including Walmart, Lowe's and Home Depot. We engage with our retailers to discuss our carbon footprint, potential emissions reductions initiatives and other climate change-related initiatives and goals. We also respond to the CDP Climate Change questionnaire to support Walmart's Project Gigaton and Lowe's sustainability initiatives.

**C12.2**

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

No, and we do not plan to introduce climate-related requirements within the next two years

**C12.3**

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

**Row 1**

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

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

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

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

**Attach commitment or position statement(s)**

<Not Applicable>

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

We disclose our positions on various related issues on our website and within our Corporate Responsibility Report. To ensure that all our activities that influence policy are consistent with our climate change strategy, we participate in trade association meetings to discuss our mutual ESG goals and strategies. We engage directly with a number of trade associations on a variety of ESG issues. We also publicly disclose our Environmental Protection Policy and our Environmental, Health & Safety Policy on our website. Our ESG strategy, including climate-related commitments, is being integrated into our business plans and led by a cross-functional ESG team.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**C12.3a**

**(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?**

**Focus of policy, law, or regulation that may impact the climate**

Adaptation and/or resilience to climate change

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

As experts in consumer lawn and gardening we work to ensure policies that impact consumer practices constructively address water stewardship, including water quality and quantity. In addition, we also support policy to improve resource efficiency for sustainable indoor plant cultivation related to cannabis.

**Policy, law, or regulation geographic coverage**

National

**Country/region the policy, law, or regulation applies to**

United States of America

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

As a lawn and garden company, we look to support policy and engage with policymakers on issues related to adaptation and resilience, particularly with regards to water. With the increasing frequency and severity of droughts as a result of climate change, this engagement is important to us and the continued sustainability of our products.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

<Not Applicable>

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

No, we have not evaluated

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### C12.3b

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

**Trade association**

Other, please specify ( CropLife America )

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

Consistent

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

We are not attempting to influence their position

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

We participate in industry, trade and other professional associations that help represent our interests across diverse aspects of our business. CropLife America helps ensure growers and consumers have the technologies they need to protect crops, communities, and ecosystems from the threat of pests, weeds, and diseases in an environmentally sustainable way. <https://www.croplifeamerica.org/about>

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

**Describe the aim of your organization's funding**

<Not Applicable>

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

No, we have not evaluated

---

### C12.3c

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**(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.**

**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Resource Innovation Institute

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

25000

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Resource Innovation Institute: RII is a non-profit organization. Contributions help bring together stakeholders to assess resource use in cultivation operations, set industry standards, convene best practices events and advocate for effective policies and incentives that drive conservation.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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### C12.4

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

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

1  
ScottsMiracle-Gro-2022-CSR-report.pdf

**Page/Section reference**

Governance (pg. 9); Energy and Emissions (pg.45-46)

**Content elements**

Governance  
Emissions figures

**Comment**

**C15. Biodiversity**

**C15.1**

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

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next 2 years	<Not Applicable>	<Not Applicable>

**C15.2**

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

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

**C15.3**

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

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

**C15.4**

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

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	No, and we do not plan to undertake any biodiversity-related actions	<Not Applicable>

**C15.5**

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

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

**C15.6**



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

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications	<Not Applicable>	<Not Applicable>

## C16. Signoff

### C-FI

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

### C16.1

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

	Job title	Corresponding job category
Row 1	Mike Lukemire, President and Chief Operating Officer	Chief Operating Officer (COO)

## SC. Supply chain module

### SC0.0

**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

### SC0.1

**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	4925000000

### SC1.1

**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

**Requesting member**

Walmart, Inc.

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO<sub>2</sub>e**

3641

**Uncertainty (±%)**

10

**Major sources of emissions**

Our Scope 1 emissions arise from our use of natural gas, propane, distillate fuel oil and mobile fleet.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

ScottsMiracle-Gro has allocated emissions to customers using the fraction of our global sales to the customer applied to our total GHG emissions.

---

**Requesting member**

Walmart, Inc.

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

3485

**Uncertainty (±%)**

10

**Major sources of emissions**

Our Scope 2 emissions arise from our use of purchased electricity.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

ScottsMiracle-Gro has allocated emissions to customers using the fraction of our global sales to the customer applied to our total GHG emissions.

---

**Requesting member**

Lowe's Companies, Inc.

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

10061

**Uncertainty (±%)**

10

**Major sources of emissions**

Our Scope 1 emissions arise from our use of natural gas, propane, distillate oil and mobile fleet.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

ScottsMiracle-Gro has allocated emissions to customers using the fraction of our global sales to the customer applied to our total GHG emissions.

---

**Requesting member**

Lowe's Companies, Inc.

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

9629

---

**Uncertainty (±%)**

10

**Major sources of emissions**

Our Scope 2 emissions arise from our use of purchased electricity.

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

ScottsMiracle-Gro has allocated emissions to customers using the fraction of our global sales to the customer applied to our total GHG emissions.

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SC1.2

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**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

[ScottsMiracle-Gro-2022-CSR-report.pdf \(scottsmiraclegro.com\)](#)

SC1.3

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**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	We continue to improve the quality and breadth of our environmental data collection, including the systems and processes for recording and analyzing this data. As we improve our data, we can begin to gain a better understanding of what our product emissions are.

SC1.4

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**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

No

SC1.4b

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**(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.**

We are beginning to track our carbon emissions performance within our company. We do not anticipate having the capability to allocate emissions to customers.

SC2.1

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(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

**Requesting member**

Walmart, Inc.

**Group type of project**

Change to provision of goods and services

**Type of project**

Other, please specify (Reduced packaging)

**Emissions targeted**

Actions that would reduce both our own and our customers' emissions

**Estimated timeframe for carbon reductions to be realized**

1-3 years

**Estimated lifetime CO2e savings**

2.96

**Estimated payback**

3-5 years

**Details of proposal**

ScottsMiracle-Gro sees an opportunity to redesign a major packaging platform to reduce plastic use.

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SC2.2

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(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

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(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

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**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

**Please confirm below**

I have read and accept the applicable Terms