# **Scotts Miracle-Gro Company - Climate Change 2019**



			DISCLOSURE INSIGNI AC
C0. Introduc	tion		
C0.1			
(C0.1) Give a	general desc	ription and introduction to your organi	zation.
With approxin and garden ca Ortho® brand Company, is a	are. The Comp s are market-l a leading prov	pany's brands are among the most recogneading in their categories. The Company	vorld's largest marketers of branded consumer products for lawn nized in the industry. The Company's Scotts®, Miracle-Gro® and is wholly-owned subsidiary, The Hawthorne Gardening als used in the hydroponic growing segment. For additional sit us at <a href="https://www.scottsmiraclegro.com">www.scottsmiraclegro.com</a> .
C0.2			
(C0.2) State th	ne start and e	nd date of the year for which you are r	eporting data.
Start date	End date	Indicate if you are providing emissions data for reporting years	or past Select the number of past reporting years you will be providing emissions data for
Row October 1 1 2017	September 30 2018	No	<not applicable=""></not>
C0.3			
(C0.3) Select t United States		regions for which you will be supplyir	g data.
C0.4			
(C0.4) Select t	the currency	used for all financial information discl	osed throughout your response.
C1. Governa	ance		
C1.1			
(C1.1) Is there	board-level	oversight of climate-related issues wit	hin your organization?

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)		Frequency of reporting to the board on climate-related issues
President	Both assessing and managing climate-related risks and opportunities	As important matters arise

~	1 2
ι.	15

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

## C2. Risks and opportunities

## C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

## 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

Physical risk

## Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

## Type of financial impact

Change in revenue mix and sources resulting in decreased revenues

## Company- specific description

## **Time horizon**

Medium-term

Likelihood

More likely than not

#### Magnitude of impact

Medium

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

No, we do not have this figure

## Potential financial impact figure (currency)

<Not Applicable>

#### Potential financial impact figure - minimum (currency)

<Not Applicable>

## Potential financial impact figure - maximum (currency)

<Not Applicable>

#### **Explanation of financial impact figure**

## **Management method**

Robust business continuity planning.

## **Cost of management**

Comment

#### Identifier

Risk 2

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

Customer

#### Risk type

Transition risk

## Primary climate-related risk driver

Market: Changing customer behavior

## Type of financial impact

Reduced demand for goods and/or services due to shift in consumer preferences

## Company- specific description

The issue of climate change is receiving ever increasing attention worldwide. The possible effects, as described in various public accounts, could include changes in rainfall patterns, water shortages, changing storm patterns and intensities, and changing temperature levels that could adversely impact our costs and business operations and the supply and demand for our 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. Because of the uncertainty of weather volatility related to climate change and any resulting unfavorable weather conditions, we cannot predict its potential impact on our financial condition, results of operations and cash flows.

## Time horizon

Long-term

## Likelihood

More likely than not

## Magnitude of impact

Unknown

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

No, we do not have this figure

## Potential financial impact figure (currency)

<Not Applicable>

## Potential financial impact figure - minimum (currency)

<Not Applicable>

## Potential financial impact figure - maximum (currency)

<Not Applicable>

E	xplanation of financial impact figure
IV	lanagement method
С	cost of management
C	comment
_	omment

# 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

CDP Page 4 of 14

(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? Customer
Opportunity type Products and services
Primary climate-related opportunity driver  Development of new products or services through R&D and innovation
Type of financial impact  Better competitive position to reflect shifting consumer preferences, resulting in increased revenues
Company-specific description  We are investing in resource-efficient products, such as smart irrigation controllers; drip irrigation technology; and gardening inputs that allow gardeners to use less water and inputs to achieve the same results. As water and energy resources become scarcer and more expensive and weather patterns continue changing in unpredictable ways, we are committed to adapting by providing consumers with the products that will enable them to grow successfully and minimize negative environmental impacts.
Time horizon Long-term
Likelihood  More likely than not
Magnitude of impact Unknown
Are you able to provide a potential financial impact figure?  No, we do not have this figure
Potential financial impact figure (currency) <not applicable=""></not>
Potential financial impact figure – minimum (currency) <not applicable=""></not>
Potential financial impact figure – maximum (currency) <not applicable=""></not>
Explanation of financial impact figure
Strategy to realize opportunity
Cost to realize opportunity
Comment
C3. Business Strategy
C3.1
(C3.1) Are climate-related issues integrated into your business strategy?

C4. Targets and performance

Yes

## C4.1

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

Absolute target

# C4.1a

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

**Target reference number** 

Abs 1

Scope

Scope 1

% emissions in Scope

100

Targeted % reduction from base year

20

Base year

2010

Start year

2010

Base year emissions covered by target (metric tons CO2e)

304841

**Target year** 

2018

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

% of target achieved

100

**Target status** 

Achieved

Please explain

## C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

## 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.

No

## C4.3d

## (C4.3d) Why did you not have any emissions reduction initiatives active during the reporting year?

Upon completion of the previous goal period, we began preparing for a new ESG planning process, including full materiality assessment, which is now underway.

## C5. Emissions methodology

## C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

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

## C6. Emissions data

## C6.1

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

#### Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

260749

## Start date

October 1 2017

## **End date**

September 30 2018

#### Comment

When normalized to sales, this represents a 22% decrease in emissions over the goal period.

## C6.2

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

## Row 1

## Scope 2, location-based

We are not reporting a Scope 2, location-based figure

## Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

## Comment

## C6.3

Reporting year Scope 2, location-based <Not Applicable> Scope 2, market-based (if applicable) <Not Applicable> Start date **End date** Comment C6.5 (C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions. Purchased goods and services **Evaluation status** Not evaluated **Metric tonnes CO2e** <Not Applicable> **Emissions calculation methodology** <Not Applicable> Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable> **Explanation Capital goods Evaluation status** Not evaluated **Metric tonnes CO2e** <Not Applicable> **Emissions calculation methodology** <Not Applicable> Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable> **Explanation** Fuel-and-energy-related activities (not included in Scope 1 or 2) **Evaluation status** Not evaluated **Metric tonnes CO2e** <Not Applicable> **Emissions calculation methodology** <Not Applicable> Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable> **Explanation** 

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

## Upstream transportation and distribution

## **Evaluation status**

Not evaluated

#### **Metric tonnes CO2e**

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## Waste generated in operations

## **Evaluation status**

Relevant, not yet calculated

#### **Metric tonnes CO2e**

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

#### **Explanation**

#### **Business travel**

#### **Evaluation status**

Not evaluated

## **Metric tonnes CO2e**

<Not Applicable>

#### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## **Employee commuting**

## **Evaluation status**

Not evaluated

## **Metric tonnes CO2e**

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## **Upstream leased assets**

#### **Evaluation status**

Not evaluated

#### **Metric tonnes CO2e**

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## Downstream transportation and distribution

## **Evaluation status**

Not evaluated

#### **Metric tonnes CO2e**

<Not Applicable>

# **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

#### **Explanation**

## Processing of sold products

#### **Evaluation status**

Not evaluated

### **Metric tonnes CO2e**

<Not Applicable>

#### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## Use of sold products

## **Evaluation status**

Not evaluated

## **Metric tonnes CO2e**

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## End of life treatment of sold products

#### **Evaluation status**

Not evaluated

#### **Metric tonnes CO2e**

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## **Downstream leased assets**

## **Evaluation status**

Not evaluated

#### **Metric tonnes CO2e**

<Not Applicable>

# **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

#### **Explanation**

#### **Franchises**

#### **Evaluation status**

Not evaluated

## **Metric tonnes CO2e**

<Not Applicable>

#### **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

## **Investments**

## **Evaluation status**

Not evaluated

## **Metric tonnes CO2e**

<Not Applicable>

## **Emissions calculation methodology**

<Not Applicable>

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

<Not Applicable>

## **Explanation**

Other (upstream)
Evaluation status  Not evaluated
Metric tonnes CO2e <not applicable=""></not>
Emissions calculation methodology <not applicable=""></not>
Percentage of emissions calculated using data obtained from suppliers or value chain partners <not applicable=""></not>
Explanation
Other (downstream)
Evaluation status Not evaluated
Metric tonnes CO2e <not applicable=""></not>
Emissions calculation methodology <not applicable=""></not>
Percentage of emissions calculated using data obtained from suppliers or value chain partners <not applicable=""></not>
Explanation
C6.10
(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.
C7. Emissions breakdowns
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?  Remained the same overall
C8. Energy
C8. Energy

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

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	No
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
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 MWh
Consumption of fuel (excluding feedstock)	<not Applicable&gt;</not 	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired electricity	<not Applicable&gt;</not 	0	111676	111676
Consumption of purchased or acquired heat	<not Applicable&gt;</not 	0	55051	55051
Consumption of purchased or acquired steam	<not Applicable&gt;</not 	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired cooling	<not Applicable&gt;</not 	0	55051	55051
Consumption of self-generated non-fuel renewable energy	<not Applicable&gt;</not 	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Total energy consumption	<not Applicable&gt;</not 	0	221778	221778

# C12. Engagement

# C12.1

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

Yes, our suppliers

# C14. 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.

## C14.1

# (C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	EVP, Chief Communications Officer	Other C-Suite Officer

# Submit your response

In which language are you submitting your response? English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Non-public	Investors
		Customers

## Please confirm below

I have read and accept the applicable Terms

CDP Page 14 of 14