



GIVE BACK TO GROW[®]

A REPORT TO THE COMMUNITY



The Scotts Company

A close-up photograph of green grass blades with numerous dew drops. The grass is vibrant green, and the dew drops are bright white, creating a bokeh effect in the background. The lighting is soft, highlighting the texture of the grass and the roundness of the water droplets.

GIVING BACK TAKES MANY FORMS.
AT SCOTTS, WE WILL CONTINUE TO
DO OUR BEST IN ORDER TO IMPROVE
THE ENVIRONMENT AND THE COMMUNITIES
IN WHICH WE LIVE AND WORK.

THE PROMISE OF SCOTTS

MAKING A DIFFERENCE



When my father, Horace, founded Miracle-Gro, even he couldn't have envisioned how the lawn and garden industry would grow. That's probably even more true for O.M. Scott, who founded The Scotts Company back in 1868.

Neither could have imagined the future success of Scotts. Today, we are the world's leading lawn and garden company with the No. 1 brand in every category in which we compete. With that success comes a big responsibility, and it's one that we embrace.

It's a responsibility to give back to our communities and to the environment. Or, as we like to say at Scotts, it's a responsibility to "Give Back to Grow," which we believe translates into "Make a Difference."

Make a difference in the community.

Make a difference in improving our environment.

Make a difference for the future.

At Scotts, "Give Back to Grow" takes many forms. It means supporting horticultural treasures such as the National Garden in Washington, DC... providing educational opportunities to elementary school children

in Ohio and New York... encouraging vegetable gardeners across America to share their crops with local food banks... teaching urban kids teamwork and leadership skills at Spring Brook Farm in rural Vermont.

It also means implementing an environmental stewardship program that helps create a more beautiful world. This too, comes in many forms, including our efforts to recycle more than 2 million tons of waste annually... to make the manufacturing process more environmentally friendly... to continually refine product formulations and to educate consumers about the proper use of our pest and weed control products.

We hope this "Report to the Community" not only will bring our efforts to your attention, but encourage you to join in. Whether you're a Scotts associate, a consumer of our products, a retail customer or someone who simply loves gardening and the environment, we encourage you to join us and "Give Back to Grow" as well.

A handwritten signature in dark ink that reads "Jim HAGEDORN". The signature is stylized with a large, looped 'J' and a trailing flourish.

JAMES HAGEDORN
PRESIDENT AND CHIEF EXECUTIVE OFFICER
THE SCOTTS COMPANY

SUPPORTING THE NATIONAL GARDEN

WE'RE PROUD TO BE ONE OF THE FOUNDING SPONSORS OF THE NATIONAL GARDEN, WHICH CELEBRATES AMERICA'S PASSION FOR GARDENING AND THE OUTDOORS. THIS IS A LIVING LABORATORY FOR ENVIRONMENTAL, BOTANICAL AND HORTICULTURAL EDUCATION ON THREE ACRES ADJACENT TO THE U.S. BOTANICAL GARDEN CONSERVATORY IN WASHINGTON, D.C. INFORMAL, NATURAL HABITATS, AS WELL AS FORMAL, THEMED GARDENS WILL HELP VISITORS BETTER UNDERSTAND THEIR ROLES AND RESPONSIBILITIES TO PRESERVE AND PROTECT NATURE.

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—HORACE HAGEDORN,
FOUNDER OF MIRACLE-GRO





"YOU CAN'T KEEP **TAKING AWAY** –
 YOU MUST **GIVE SOMETHING BACK**"
 — HORACE HAGEDORN,
 FOUNDER OF MIRACLE-GRO

**COM
MUNITY**

Scotts

In our communities, Scotts' efforts to "Give Back to Grow" are evident on a variety of fronts—some very public and others nearly invisible.

Our focus is to put our people and resources to work in a way that does everything from helping children learn to supporting the arts to converting vacant urban lots into beautiful gardens. We've worked with dozens of civic and charitable organizations throughout the U.S., Canada and Europe in an effort to improve the communities in which we live and work. And we're also proud to recognize consumers who share our passion for gardening and use it to have a positive impact in their communities.

The Scotts Give Back to Grow Awards were launched in 2000 to recognize consumers throughout the U.S. who use gardening to beautify their communities, help feed the hungry and protect the environment.

Educating consumers about the positive impact gardening can have on a community has always been a major goal of The Scotts Company. That's why we're a founding sponsor of the National Garden in Washington, D.C. It's also why we support the valuable educational work conducted by the National Gardening Association, as well as the efforts of the Garden Writers Association of America in its "Plant a Row for the Hungry" program.

SCOTTS GIVE BACK TO GROW AWARDS

THE SCOTTS GIVE BACK TO GROW AWARDS CELEBRATE EFFORTS TO GROW COMMUNITY PRIDE, ADD BEAUTY AND HELP MAINTAIN A HEALTHY ENVIRONMENT THROUGH GARDENING.

WINNERS ARE CHOSEN IN FOUR CATEGORIES:

- CLASSROOM GARDENER
- GOOD NEIGHBOR GARDENER
- COMMUNITY BEAUTIFICATION GARDENER
- URBAN GREENUP GARDENER



PHOTO: RICH POLLACK

Classroom Gardener award winner Christine Lyons stands in the garden outside Calusa Elementary School in Boca Raton, Fla. Peg Tillery (inset above), representing Good Neighbor Gardener award winners Kitsap County Master Gardeners and Volunteers, at the entrance to the Raab Park Youth Garden in Poulsbo, Wash.



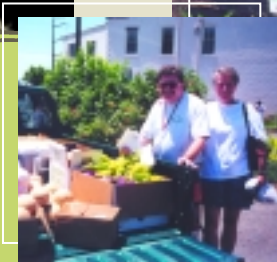
Wherever we're located, we've taken what we know best – helping gardeners create beautiful, healthy landscapes – and incorporated that knowledge right where it makes the biggest difference.

In the U.K., our associates have volunteered hundreds of hours restoring the Sheffield Botanical Garden and other community initiatives. We also supported the Gardens Royal Benevolent Society and helped create a "Centenary Garden" in London, which was opened by the late Her Majesty Queen Elizabeth the Queen Mother.

In both Philadelphia and Columbus, Ohio, we have helped transform urban blight into urban beauty. In Columbus, The Scotts Urban Garden Academy helps train community volunteers to use gardening to beautify neighborhoods in a way that curbs crime and instills a renewed sense of pride in the community.

In our hometown of Marysville, Ohio, we've made major long-term commitments to initiatives ranging from the YMCA to Union County Memorial Hospital.

And through our Miracle-Gro Kids Columbus program, we have adopted a classroom of third graders, providing them with educational, health, family and social support throughout their academic careers. We'll even make sure they have money to go to college.



PLANT A ROW

SCOTTS SUPPORTS "PLANT A ROW FOR THE HUNGRY," A PROGRAM CREATED BY THE GARDEN WRITERS ASSOCIATION OF AMERICA. INDIVIDUAL GARDENERS THROUGHOUT THE COUNTRY ARE ENCOURAGED TO PLANT AN EXTRA ROW OF PRODUCE IN THEIR GARDENS, THEN SHARE THE HARVEST WITH LOCAL SHELTERS AND FOOD PANTRIES. EACH YEAR, MORE THAN A MILLION POUNDS OF FRESH PRODUCE HAS HELPED TO FEED THE HUNGRY AND HOMELESS ACROSS AMERICA.

Plant a Row
for the Hungry



GIVING KIDS A COMPETITIVE ADVANTAGE

PROVIDING EDUCATIONAL SUPPORT TO CHILDREN AND HELPING MOLD TOMORROWS LEADERS ARE CORNERSTONES OF OUR "GIVE BACK TO GROW" EFFORTS. THE SCOTTS MIRACLE-GRO FOUNDATION AND THE HAGEDORN FAMILY FOUNDATION ALIGNED RECENTLY TO CREATE "MIRACLE-GRO KIDS COLUMBUS." THE PROGRAM ENSURES THE COLLEGE TUITION OF THE 2002 THIRD GRADE CLASS AT TREVITT ELEMENTARY SCHOOL IN COLUMBUS, OHIO, AND PROVIDES THEM EDUCATIONAL AND SOCIAL SUPPORT THROUGHOUT THEIR ACADEMIC CAREERS. SEPARATELY, WE SUPPORT "FARMS FOR CITY KIDS," A PROGRAM WHICH ALLOWS STUDENTS TO SPEND A WEEK ON A WORKING FARM IN VERMONT LEARNING VALUABLE LESSONS ABOUT TEAMWORK AND RESPONSIBILITY WHILE PUTTING THEIR CLASSROOM SKILLS TO WORK IN A REAL-LIFE SETTING.



BEING A **GOOD CORPORATE CITIZEN**
STARTS WITH **PLANTING**, THEN
NURTURING, THE SEEDS THAT ALLOW
OUR **COMMUNITY TO GROW.**

FROM URBAN BLIGHT TO URBAN GREEN


THE SCOTTS URBAN GARDEN ACADEMY TEACHES VOLUNTEERS HOW TO ESTABLISH COMMUNITY AND URBAN GARDENING PROGRAMS THAT HELP TO TURN VACANT LOTS AND RUNDOWN PARKS INTO BEAUTIFUL GREEN SPACES. CLASSES ARE OFFERED AT FRANKLIN PARK CONSERVATORY AND BOTANICAL GARDEN IN COLUMBUS, OHIO.





A COMMITMENT TO THE ENVIRONMENT

SCOTTS' CORPORATE ENVIRONMENTAL MANAGEMENT DEPARTMENT HAS ACHIEVED ISO 14001 CERTIFICATION, THE HIGHEST STANDARD BY WHICH COMPANIES ACROSS THE GLOBE ARE JUDGED FOR THEIR COMMITMENT TO ENVIRONMENTAL PRACTICES AND REGULATORY COMPLIANCE. ISSUES SUCH AS TECHNICAL CAPABILITIES, TRAINING, EXPERIENCE OF PERSONNEL, INTERNAL AUDITING PROCEDURES, REGULATORY COMPLIANCE AND THE OPERATIONAL IMPACT ON THE ENVIRONMENT WERE EVALUATED DURING THE PROCESS. IN ADDITION, THE COMPANY RECEIVED THE 2001 AWARD FOR EXCELLENCE IN RESPONSIBLE CARE FROM THE OHIO CHEMISTRY TECHNOLOGY COUNCIL.

A photograph of an older man with glasses and a young girl sitting on a green lawn. The man is wearing a pink polo shirt and khaki pants, and the girl is wearing a blue dress. They are both looking at a book held by the man. In the background, there is a brick wall, some green bushes, and a large potted plant with pink flowers. The scene is set in a garden or backyard.

WE ASK OUR CUSTOMERS AND
OUR FRIENDS TO JOIN IN OUR
COMMITMENT TO THE ENVIRONMENT.

ENVIRONMENT

ONE OF THE NATION'S TOP RECYCLERS

EACH YEAR, SCOTTS' GROWING MEDIA DIVISION RECYCLES MORE THAN 2 MILLION TONS OF WASTE. BY-PRODUCTS, SUCH AS BARK, MANURE AND YARD WASTE, THAT WOULD OTHERWISE END UP IN LANDFILLS, ACCOUNT FOR ABOUT 70% OF THE RAW MATERIAL USED TO PRODUCE POTTING MIX, GARDEN AND LAWN SOILS, AS WELL AS MULCHES AND OTHER GROWING MEDIA PRODUCTS.

Being a steward of the environment is part of the fabric of The Scotts Company. It's more than a pledge... more than a promise to our shareholders and consumers. It's the right thing to do.

Our products play a key role in maintaining a healthy and beautiful environment. Lawn fertilizers help maintain thick, vigorous lawns that absorb rain, control runoff and cool the Earth. Control products help eradicate pests that destroy landscapes and carry disease. And garden fertilizers create fuller blooms and larger, healthier plants.

But our commitment to the environment goes far beyond the benefits provided by our products. It is evident in our actions.

Scotts is recognized as one of the leading recyclers in the United States. In both 2000 and 2001 our growing media business composted more than 2 million tons of natural waste material. Our European operation is also aggressively stepping up its recycling efforts in the next several years.

From the research lab to manufacturing to packaging to sales, Scotts is dedicated to improving the environment. Our Environmental Stewardship Team is made up of executives and managers from throughout the organization to ensure that our environmental commitment reaches every aspect of our business.

For example, to avoid unintended misuse of our products, we're incorporating child-resistant packaging in our line. Our research and development teams are



REFINING THE MANUFACTURING PROCESS

WHILE PRODUCTION HAS INCREASED MORE THAN 300 PERCENT AT OUR MARYSVILLE, OHIO, PRODUCTION FACILITY FROM 1987 TO 2000, AMMONIA EMISSIONS HAVE DECREASED 75%. OTHER PLANT IMPROVEMENTS INCLUDE A NEW CAPTIVE WATER SYSTEM THAT COMPLETELY ELIMINATED ALL PROCESS AND SANITARY WATER DISCHARGE.

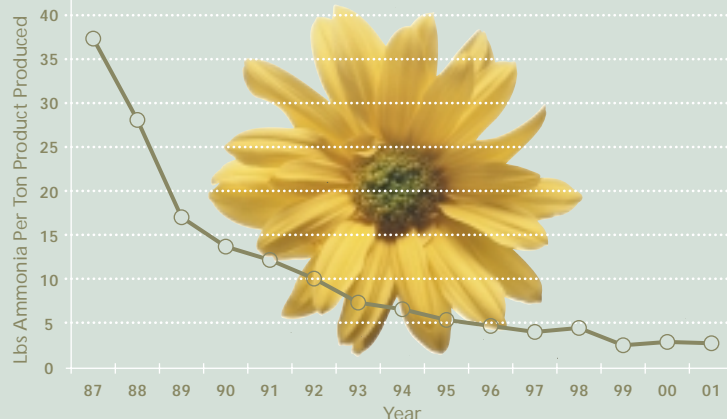
continually exploring new active control ingredients to benefit both the consumer and the environment. We're also making an ongoing effort to improve consumer education to help ensure that our products are used as intended.

Stewardship practices also have played a key role as we've modernized our manufacturing facilities. For example, we've taken steps to dramatically reduce emissions and incorporated a captive process and wastewater system at our manufacturing facilities in Marysville. The result is cleaner air and zero water discharge.



Recognized as an innovator in the lawn and garden industry, Scotts is working on a number of projects aimed at improving the environmental impact of its products. Using biotechnology we are developing grasses that allow weeds to be controlled with less toxic chemicals and others that may require less water and less-frequent mowing.

Ammonia Emissions 1987 Thru 2001



Scotts also enjoys strong relationships with regulatory agencies in the United States, Canada and Europe. At home in Ohio, we have worked with regulators to ensure the safety of landfills and waste water treatment facilities. In the United Kingdom, Scotts entered into a ground-breaking agreement with the English government and environmental groups to restore three peat bogs operated by the company to maintain a unique wildlife habitat.

Scotts has won praise for its environmental commitment. We are proud that our Corporate Environment Management Program has been certified to ISO 14001 standards, an international certification that evaluates a company's ability to apply sound environmental principles. In addition, the Ohio Chemistry Technology Council has selected The Scotts Company to receive The Ohio Chemistry Technology Council's 2001 Award for Excellence in Responsible Care. This award recognizes our achievements in Pollution Prevention worldwide.

Whatever the issue, Scotts is more dedicated than ever to improving the environment. After all, a more beautiful world is what our business is all about.



PHOTO: TRACEY COOPER
NORTH KITSAP HERALD



**GIVE BACK
TO GROW®**

MOVING FORWARD

ENVIRONMENTAL STEWARDSHIP IS EVERYONE'S BUSINESS. THAT'S WHY IN 2003 SCOTTS WILL EXPAND ITS "GIVE BACK TO GROW AWARDS" TO RECOGNIZE CONSUMERS WHO TAKE EXTRAORDINARY STEPS TO USE GARDENING TO IMPROVE THE ENVIRONMENT.

**GIVING BACK
TO THE FUTURE**

MOVING FORWARD

As we move forward, we will continue to support programs that help to make a difference. We recognize a strong correlation between our commitment to both the community and the environment.

We'll continue to promote sound lawn and gardening principles, especially when they help young people learn more about becoming the next generation of environmental stewards. And we'll continue our commitment to protect the environment.

We trust that you will do the same... promise to make a difference. Promise to "give back to grow."



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