SCOTTS MIRACLE-GRO CO
Form DEF 14A
December 14, 2017

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)
Filed by the Registrant þ
Filed by a Party other than the Registrant ¨
Check the appropriate box:
¨ Preliminary Proxy Statement
¨ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material Pursuant to §240.14a-12
The Scotts Miracle-Gro Company

(Name of Registrant as Specified In Its Charter)

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The Scotts Miracle-Gro Company
Proxy Statement for 2018 Annual Meeting of Shareholders

14111 Scottslawn Road
Marysville, Ohio 43041

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held on Friday, January 26, 2018

NOTICE IS HEREBY GIVEN by The Scotts Miracle-Gro Company (the "Company") that the 2018 Annual Meeting of Shareholders (the "Annual Meeting") will be held on Friday, January 26, 2018, at 9:00 A.M. Eastern Time. The Annual Meeting is a virtual meeting of shareholders which means that you are able to participate in the Annual Meeting, vote and submit your questions during the Annual Meeting via live webcast by visiting www.virtualshareholdermeeting.com/SMG2018. Because the Annual Meeting is virtual and being conducted electronically, shareholders may not attend the Annual Meeting in person.

The Annual Meeting is being held for the following purposes:

1. To elect three directors, each to serve for a three-year term expiring at the 2021 Annual Meeting of Shareholders.

2. To conduct an advisory vote on the compensation of the Company's named executive officers.

3. To ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending September 30, 2018.

4. To approve the amendment and restatement of The Scotts Miracle-Gro Company Discounted Stock Purchase Plan to, among other things, increase the number of common shares available for issuance thereunder.

5. To conduct an advisory vote on the frequency of advisory votes on the compensation of the Company's named executive officers.

6. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

The Proxy Statement accompanying this Notice of Annual Meeting describes each of these items in detail. The Company has not received notice of any other matters that may be properly presented at the Annual Meeting.

Only shareholders of record at the close of business on Friday, December 1, 2017, the date established by the Company's Board of Directors as the record date, are entitled to receive notice of, and to vote at, the Annual Meeting.

On or about December 14, 2017, the Company is first mailing to shareholders either: (1) a copy of the accompanying Proxy Statement, a form of proxy and the Company's 2017 Annual Report or (2) a Notice of Internet Availability of Proxy Materials, which indicates how to access the Company's proxy materials on the Internet.

Your vote is very important. Please vote as soon as possible.

By Order of the Board of Directors,
JAMES HAGEDORN
Chief Executive Officer
and Chairman of the Board

Proxy Statement for
Annual Meeting of Shareholders of
THE SCOTTS MIRACLE-GRO COMPANY
To Be Held on Friday, January 26, 2018
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14111 Scottslawn Road
Marysville, Ohio 43041

PROXY STATEMENT
for
Annual Meeting of Shareholders
To Be Held on Friday, January 26, 2018

GENERAL INFORMATION ABOUT VOTING

This Proxy Statement and the accompanying form of proxy are being furnished in connection with the solicitation of proxies on behalf of the Board of Directors (the “Board”) of The Scotts Miracle-Gro Company (the “Company”) for use at the Company’s 2018 Annual Meeting of Shareholders (the “Annual Meeting”) to be held on Friday, January 26, 2018, at 9:00 A.M. Eastern Time, and at any adjournment or postponement thereof. This Proxy Statement and the accompanying form of proxy are first being sent on or about December 14, 2017. The Annual Meeting is a virtual meeting of shareholders, which means that the Annual Meeting will be live via the Internet and that you will be able to participate in the Annual Meeting, and vote and submit your questions during the Annual Meeting, by visiting www.virtualshareholdermeeting.com/SMG2018. If you do not have your 16-digit control number that is printed on your Notice of Internet Availability of Proxy Materials or your proxy card (if you received a printed copy of the proxy materials), you will only be able to listen to the Annual Meeting. Because the Annual Meeting is virtual and being conducted electronically, shareholders may not attend the Annual Meeting in person.

Only holders of record of the Company’s common shares (the “Common Shares”) at the close of business on Friday, December 1, 2017 (the “Record Date”) are entitled to receive notice of and to vote at the Annual Meeting. As of the Record Date, there were 57,449,217 Common Shares outstanding. Holders of Common Shares as of the Record Date are entitled to one vote for each Common Share held. There are no cumulative voting rights.

The Company is furnishing proxy materials over the Internet as permitted under the rules of the Securities and Exchange Commission (the “SEC”). Under these rules, many of the Company’s shareholders will receive a Notice of Internet Availability of Proxy Materials instead of a paper copy of the Notice of Annual Meeting of Shareholders, this Proxy Statement and the Company’s 2017 Annual Report. The Notice of Internet Availability of Proxy Materials contains instructions on how to access the proxy materials over the Internet and how shareholders can receive a paper copy of such materials. Shareholders who do not receive a Notice of Internet Availability of Proxy Materials will receive a paper copy of the proxy materials by mail. The Company believes this process conserves natural resources and reduces the costs of printing and distributing proxy materials. Shareholders who receive a Notice of Internet Availability of Proxy Materials are reminded that the Notice itself is not a proxy card.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders To Be Held on January 26, 2018: The Notice of Annual Meeting of Shareholders, this Proxy Statement and the Company’s 2017 Annual Report are available at www.proxyvote.com. At www.proxyvote.com, shareholders can view the proxy materials, cast their vote and request to receive proxy materials in printed form by mail or electronically by e-mail on a going-forward basis.

If you received a copy of the proxy materials by mail, a form of proxy for use at the Annual Meeting was included. You may ensure your representation at the Annual Meeting by completing, signing, dating and promptly returning the form of proxy. A return envelope, which requires no postage if mailed in the United States, has been provided for your use. Alternatively, you may transmit your voting instructions electronically at www.proxyvote.com or by using the

toll-free telephone number stated on the form of proxy or the Notice of Internet Availability of Proxy Materials. The deadline for transmitting voting instructions electronically or telephonically before the Annual Meeting is 11:59 P.M. Eastern Time on January 25, 2018. You may also vote during the Annual Meeting via the Internet by going to www.virtualshareholdermeeting.com/SMG2018 and following the instructions printed on your proxy card or Notice of Internet Availability of Proxy Materials. The Internet and telephone voting procedures are designed to authenticate shareholders' identities, allow shareholders to give voting instructions and confirm that such voting instructions have been properly recorded.

If you are a registered shareholder, you may revoke your proxy at any time before it is voted at the Annual Meeting by (i) giving written notice of revocation to the Corporate Secretary of the Company, (ii) revoking via the Internet site, (iii) using the toll-free telephone number stated on the form of proxy or the Notice of Internet Availability of Proxy Materials and electing "revocation" as instructed or (iv) participating in the Annual Meeting live via the Internet and voting again. If you are a registered shareholder, you may change your vote at or prior to the Annual Meeting by: (1) executing and returning to the Company a later-dated form of proxy; (2) submitting a later-dated electronic vote through the Internet site; (3) voting by telephone at a later date; or (4) participating in the Annual Meeting live via the Internet and voting again.

If you hold your Common Shares in "street name" with a broker/dealer, financial institution or other nominee or holder of record, you are urged to carefully review the information provided to you by the broker/dealer, financial institution or other nominee or holder of record. This information will describe the procedures you must follow to instruct the holder of record how to vote your Common Shares held in "street name" and how to revoke any previously-given voting instructions. If you do not provide voting instructions to your broker/dealer, financial institution or other nominee or holder of record within the required time frame before the Annual Meeting, your Common Shares will not be voted by the broker/dealer, financial institution or other nominee or holder of record on any matters considered non-routine, including the election of directors, the advisory vote on the compensation of the Company's named executive officers, the approval of the amendment and restatement of The Scotts Miracle-Gro Company Discounted Stock Purchase Plan (the "Discounted Stock Purchase Plan") and the advisory vote on the frequency of advisory votes on the compensation of the Company's named executive officers. Your broker/dealer, financial institution or other nominee or holder of record will have discretion to vote your Common Shares on routine matters, including the ratification of the selection of the Company's independent registered public accounting firm.

The Company will bear the costs of soliciting proxies on behalf of the Board and tabulating your votes. The Company has retained Broadridge Financial Solutions, Inc. to assist in distributing the proxy materials. Directors, officers and certain employees of the Company may solicit your votes personally, by telephone, by e-mail or otherwise, in each case without additional compensation. If you provide voting instructions or participate in the Annual Meeting through the Internet, you may incur costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, which the Company will not reimburse. The Company will reimburse its transfer agent, Wells Fargo Shareowner Services, as well as broker/dealers, financial institutions and other custodians, nominees and fiduciaries for forwarding proxy materials to shareholders, according to certain regulatory fee schedules.

If you participate in The Scotts Company LLC Retirement Savings Plan (the "Retirement Savings Plan" or "RSP") and Common Shares have been allocated to your account in the RSP, you are entitled to instruct the trustee of the RSP how to vote such Common Shares. You may receive your form of proxy with respect to your RSP Common Shares separately. If you do not give the trustee of the RSP voting instructions, the trustee will not vote such Common Shares at the Annual Meeting.

If you participate in the Discounted Stock Purchase Plan, you are entitled to vote the number of Common Shares credited to your custodial account. If you do not vote, the custodian under the Discounted Stock Purchase Plan will vote the Common Shares credited to your custodial account in accordance with any stock exchange or other rules governing the custodian in the voting of Common Shares held for customer accounts.

Under the Company's Code of Regulations, the presence, in person or by proxy, of the holders of a majority of the outstanding Common Shares entitled to vote is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Common Shares represented by properly executed forms of proxy, including proxies reflecting abstentions, which are returned to the Company prior to the Annual Meeting or represented by properly authenticated

voting instructions timely recorded through the Internet or by telephone will be counted toward the establishment of a quorum. Broker non-votes, where broker/dealers, financial institutions or other nominees or holders of record who hold their customers' Common Shares in "street name" sign and submit proxies for such Common Shares but fail to vote on non-routine matters because they were not given instructions from their customers, are also counted for the purpose of establishing a quorum.

The results of shareholder voting at the Annual Meeting will be tabulated by or under the direction of the inspector of election appointed by the Board for the Annual Meeting.

Common Shares represented by properly executed forms of proxy returned to the Company prior to the Annual Meeting or represented by properly authenticated voting instructions timely recorded through the Internet or by telephone will be voted as specified by the shareholder. Common Shares represented by valid proxies timely received prior to the Annual Meeting that do not specify how the Common Shares should be voted will, to the extent permitted by applicable law, be voted FOR the election as directors of the Company of each of the three nominees of the Board listed below under the caption "PROPOSAL NUMBER 1 — ELECTION OF DIRECTORS"; FOR the approval, on an advisory basis, of the compensation of the Company's named executive officers as described below under the caption "PROPOSAL NUMBER 2 — ADVISORY VOTE

ON THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS ("SAY-ON-PAY")"; FOR the ratification of the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending September 30, 2018 as described below under the caption "PROPOSAL NUMBER 3 — RATIFICATION OF THE SELECTION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM"; FOR the approval of the amendment and restatement of the Discounted Stock Purchase Plan to, among other things, increase the number of Common Shares available for issuance under the plan as described below under the caption "PROPOSAL NUMBER 4 — APPROVAL OF AMENDMENT AND RESTATEMENT OF THE SCOTTS MIRACLE-GRO COMPANY DISCOUNTED STOCK PURCHASE PLAN"; and for the option of every ONE YEAR as the preferred frequency with which future advisory votes on executive compensation will occur as described below under the caption "PROPOSAL NUMBER 5 — ADVISORY VOTE ON THE FREQUENCY OF ADVISORY VOTES ON THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS." No appraisal rights exist for any action proposed to be taken at the Annual Meeting.

THE BOARD OF DIRECTORS

Current Composition

There are currently eleven individuals serving on the Board, which is divided into three staggered classes, with each class serving three-year terms. The Class II directors hold office for terms expiring at the Annual Meeting, the Class III directors hold office for terms expiring in 2019, and the Class I directors hold office for terms expiring in 2020.

Experiences, Skills and Qualifications

The Nominating Committee is responsible for identifying candidates to become directors and recommending director nominees to the Board. In reviewing Board candidates, the Nominating Committee evaluates a candidate's overall credentials and background and does not have any specific eligibility requirements or minimum qualifications. In general, directors are expected to have the education, business and other experience and current insight necessary to contribute to the Board's performance of its functions, the interest and time to be actively engaged with the Company's management team over a period of years, and the functional skills, leadership, diversity, experience and other attributes that the Board believes will contribute to the development and expansion of the Board's knowledge and capabilities.

The strength of the Board is its combined experiences and its collaborative and engaged spirit. The Board includes professionals with a broad range of experiences, including former bankers, regulators, advertisers, strategists and educators.

Set forth below is a general description of the types of experiences the Board and the Nominating Committee believe to be particularly relevant to the Company:

- Leadership Experience — Directors who have significant leadership experience in major organizations over an extended period of time, such as corporate chief executive officers, provide the Company with valuable insights gained through years of managing complex organizations. These individuals understand both the day-to-day operational responsibilities facing senior management and the role directors play in overseeing the affairs of large organizations. More than half of the current eleven members of the Board are current or former chief executive officers, and nearly every current director has significant experience leading complex organizations.

- Marketing/Consumer Industry Experience — Directors with experience identifying, developing and marketing consumer products bring valuable skills that can positively impact the Company's performance. Directors with such experience understand consumer needs and wants, recognize products and marketing/advertising campaigns that are likely to resonate with consumers, and are able to identify potential changes in consumer trends and buying habits as well as methods to reach consumers through new media channels.

- Innovation and Technology Experience — Directors with innovation and technology experience add great value to the Board, especially in light of the Company's continued focus on driving innovation.

- International Experience — Directors with experience in markets outside the United States bring valuable knowledge to the Company as it operates in foreign markets and in an economy that is increasingly global.

- Retail Experience — Directors with significant retail experience bring valuable insights that can assist the Company in managing its relationships with its largest retail customers and in developing relationships in new channels.

- Financial Experience — Directors with an understanding of accounting, finance and financial reporting processes, particularly as they relate to a large, complex business, are critical to the Company. Accurate financial reporting is a cornerstone of the Company's success, and directors with financial expertise help provide effective oversight of the Company's financial measures and processes.

A description of the most relevant experiences, skills, attributes and qualifications that qualify each director to serve as a member of the Board is included in the director biographies provided below.

Diversity

The Board believes that diversity is one of many important considerations in board composition. When considering candidates for the Board, the Nominating and Governance Committee (the "Nominating Committee") evaluates the entirety of each candidate's credentials, including factors such as experience, skill, age, diversity of background, race and gender, as well as each candidate's judgment, strength of character and specialized knowledge. Although the Board does not have a specific diversity policy, the Nominating Committee evaluates the current composition of the Board to ensure that the directors reflect a diverse mix of skills, experiences, backgrounds and opinions. Depending on the current composition of the Board, the Nominating Committee may weigh certain factors, including those relating to diversity, more or less heavily when evaluating a potential candidate.

The Nominating Committee believes that the Company's current directors, as a group, reflect the diverse mix of skills, experiences, backgrounds and opinions necessary to foster an effective decision-making environment and promote the Company's culture. Board member experiences cover a wide range of industries, including consumer products, manufacturing, technology, financial services, media, regulatory and consulting. Three of the eleven current directors are women, each of whom chairs one of the Board's five standing committees: the Audit Committee (Nancy G. Mistretta); the Compensation and Organization Committee (Michelle A. Johnson); and the Finance Committee (Katherine Hagedorn Littlefield).

Leadership Structure

The Company's governance documents provide the Board with flexibility to select the leadership structure that is most appropriate for the Company and its shareholders. The Board regularly evaluates the Company's leadership structure and has concluded that the Company and its shareholders are best served by not having a formal policy regarding whether the same individual should serve as both Chairman of the Board and Chief Executive Officer ("CEO"). This approach allows the Board to elect the most qualified director as Chairman of the Board, while maintaining the ability to separate the Chairman of the Board and CEO roles when deemed appropriate.

Currently, the Company is led by James Hagedorn, who has served as CEO since May 2001 and as Chairman of the Board since January 2003. The Board believes that combining the roles of Chairman of the Board and CEO is in the best interests of the Company and its shareholders at this time as it takes advantage of the talent and experience of Mr. Hagedorn. The Board's decision to appoint Mr. Hagedorn to lead the Company is supported by the Company's record of success and achievement during his tenure as Chairman of the Board and CEO.

In addition to Mr. Hagedorn, the Board is currently comprised of ten non-employee directors, eight of whom also qualify as independent. In accordance with the Company's Corporate Governance Guidelines and applicable sections of the New York Stock Exchange ("NYSE") Listed Company Manual (the "NYSE Rules"), the non-employee directors of the Company regularly meet in executive session. These meetings allow non-employee directors to discuss issues of importance to the Company, including the business and affairs of the Company as well as matters concerning management, without any member of management present. In addition, the independent directors of the Company

meet in executive session at least once a year and more frequently as matters appropriate for their consideration arise.

In each year beginning in 2014, the directors have elected Lieutenant General (retired) John R. Vines to serve as the Company's Lead Independent Director. As Lead Independent Director, General Vines:

- has the ability to call meetings of independent and/or non-employee directors;
- presides at meetings of non-employee and/or independent directors;
- consults with the Chairman of the Board and CEO with respect to appropriate agenda items for meetings of the Board;

- serves as a liaison between the Chairman of the Board and the independent directors;
- has the ability, in consultation with the Vice Chair, to approve the retention of outside advisors and consultants who report directly to the Board on critical issues;
- has the ability to approve the retention of outside advisors and consultants who report directly to the independent directors of the Board on critical issues, as needed or deemed appropriate;
- can be contacted directly by shareholders; and
- performs such other duties as the Board may delegate to him from time to time.

In addition, in each year beginning in 2013, the directors have elected Katherine Hagedorn Littlefield to serve as Vice Chair of the Board. As Vice Chair, Ms. Littlefield:

- presides at meetings of the Board in the Chairman's absence;
- presides at meetings of the shareholders in the Chairman's absence;
- has the ability, in consultation with the Lead Independent Director, to approve the retention of outside advisors and consultants who report directly to the Board on critical issues; and
- performs such other duties as the Board may delegate to her from time to time.

The Board has established five standing committees to assist with its oversight responsibilities: (1) the Audit Committee; (2) the Compensation and Organization Committee (the "Compensation Committee"); (3) the Nominating Committee; (4) the Finance Committee; and (5) the Innovation and Technology Committee. Each of the Audit Committee, Compensation Committee, and Nominating Committee is comprised entirely of independent directors.

The Board believes that its current leadership structure — including combined Chairman of the Board and CEO roles, eight out of eleven independent directors, a Lead Independent Director, a Vice Chair of the Board, and key committees comprised solely of independent directors — provides an appropriate balance among strategy development, operational execution and independent oversight, and is in the best interests of the Company and its shareholders.

Board Role in Risk Oversight

It is management's responsibility to develop and implement the Company's strategic plans and to identify, evaluate, manage and mitigate the risks inherent in those plans. It is the Board's responsibility to oversee the Company's strategic plans and to ensure that management is taking appropriate action to identify, manage and mitigate the associated risks. The Board administers its risk oversight responsibilities both through active review and discussion of enterprise-wide risks and by delegating certain risk oversight responsibilities to Board committees for further consideration and evaluation. The decision to administer the Board's oversight responsibilities in this manner significantly impacts the Board's leadership and committee structure.

Because the roles of Chairman of the Board and CEO are combined, the directors annually elect a Lead Independent Director to enhance oversight of management and the potential risks facing the Company. In addition, the Board is comprised of predominantly independent directors and all members of the Board's key committees — the Audit Committee, Compensation Committee, and Nominating Committee — are independent. The checks and balances

provided by our leadership structure help to ensure that key decisions made by the Company's senior management, up to and including the CEO, are reviewed and overseen by independent directors of the Board.

In some cases, risk oversight is addressed by the full Board as part of its engagement with the CEO and other members of senior management. For example, the full Board conducts a comprehensive annual review of the Company's overall strategic plan and the plans for each of the Company's business units, including associated risks. In connection with the Board's risk oversight responsibilities, management periodically provides the Board with reports regarding the significant risks facing the Company and how the Company is seeking to control or mitigate those risks. The Board also has responsibility for ensuring that the Company maintains appropriate succession plans for its senior officers and conducts an annual review of succession planning.

In other cases, the Board has delegated risk management oversight responsibilities to certain committees, each of which reports regularly to the full Board. The Audit Committee oversees the Company's compliance with legal and regulatory requirements and its overall risk management process and has oversight responsibility for financial risks. As part of its oversight role, the Audit Committee regularly reviews risks relating to the Company's key accounting policies and receives reports regarding the Company's most significant internal controls and compliance risks from the Company's Chief Financial Officer as well as its internal auditors. Representatives of the Company's independent registered public accounting firm attend each Audit Committee meeting, regularly make presentations to the Audit Committee, and comment on management presentations. In addition, the Company's Chief Financial Officer and internal auditors, as well as representatives of the Company's independent registered public accounting firm, individually meet in private session with the Audit Committee on a regular basis, affording ample opportunity to raise any concerns with respect to the Company's risk management practices.

The Compensation Committee oversees risks relating to the Company's compensation programs and practices. As discussed in more detail in the section captioned "Our Compensation Practices — Role of Outside Consultants" within the Compensation Discussion and Analysis, the Compensation Committee employs an independent compensation consultant to assist it in reviewing the Company's compensation programs, including the potential risks created by and other impacts of these programs.

Finally, the Nominating Committee oversees issues related to the Company's governance structure and other corporate governance matters and processes, as well as non-financial risks and compliance matters. In addition, the Nominating Committee is charged with overseeing compliance with the Company's Related Person Transaction Policy. The Nominating Committee regularly reviews the Company's key corporate governance documents, including the Corporate Governance Guidelines, the Related Person Transaction Policy and the Insider Trading Policy, to ensure they remain in compliance with the changing legal and regulatory environment and appropriately enable the Board to fulfill its oversight responsibilities.

PROPOSAL NUMBER 1

ELECTION OF DIRECTORS

At the Annual Meeting, three Class II directors will be elected. All three individuals nominated by the Board for election as directors at the Annual Meeting are currently serving as Class II directors — Thomas N. Kelly Jr., Peter E. Shumlin and John R. Vines. The nomination of each individual was recommended to the Board by the Nominating Committee. On December 8, 2017, Michelle A. Johnson informed the Company and the Board of her decision to not stand for re-election as a Class II director at the Annual Meeting.

The individuals elected as Class II directors at the Annual Meeting will hold office for a three-year term expiring at the 2021 Annual Meeting and until their respective successors are duly elected and qualified, or until their earlier death, resignation or removal. The individuals designated as proxy holders in the form of proxy intend to vote the Common Shares represented by the proxies received under this solicitation for the Board's nominees, unless otherwise instructed on the form of proxy or through the telephone or Internet voting procedures. The Board has no reason to believe that any of the nominees will be unable or unwilling to serve as a director of the Company if elected. If any nominee becomes unable to serve or for good cause will not serve as a candidate for election as a director, then the individuals designated as proxy holders reserve full discretion to vote the Common Shares represented by the proxies they hold for the election of the remaining nominees and for the election of any substitute nominee designated by the Board following recommendation by the Nominating Committee.

The following information, as of December 1, 2017, with respect to the age, principal occupation or employment, other affiliations and business experience of each continuing director or nominee for election as a director, has been furnished to the Company by each such director or nominee.

Nominees Standing for Election to the Board of Directors

Class II — Terms to Expire at the 2018 Annual Meeting

Thomas N. Kelly Jr., age 70, Director of the Company since 2006

Mr. Kelly served as Executive Vice President, Transition Integration of Sprint Nextel Corporation (now known as Sprint Communications, Inc. ("Sprint")), a global communications company, from December 2005 until April 2006. He served as the Chief Strategy Officer of Sprint from August 2005 until December 2005. He served as the Executive Vice President and Chief Operating Officer of Nextel Communications, Inc., which became Sprint, from February 2003 until August 2005, and as Executive Vice President and Chief Marketing Officer of Nextel Communications, Inc. from 1996 until February 2003. Mr. Kelly also serves as a director of GameStop Corp., where he also serves on the Compensation Committee.

Having served at various times as Chief Strategy Officer, Chief Operating Officer and Chief Marketing Officer of Sprint, Mr. Kelly brings an extensive skill set to the boardroom. His blend of leadership, innovation and technology, international, marketing/consumer industry and financial experience make him a key advisor to the Board on a full range of consumer and strategy-related matters.

Committee Memberships: Innovation and Technology (Chair); Audit; Compensation

Peter E. Shumlin, age 61, Director of the Company since 2017

Mr. Shumlin served three terms as the 81st Governor of the State of Vermont, having held office from 2011 to 2017. Prior to serving as Governor, he served two terms in the Vermont House of Representatives and 14 non-consecutive years in the State Senate, serving on the Rules Committee, the Finance Committee, the Transportation Committee, the Appropriations Committee and as Senate President Pro Tempore. Governor Shumlin is a Director of Putney Student Travel, National Geographic Student Expeditions and New York Times Student Journeys which provides educational summer programs for students around the globe. He is a principal in numerous real estate partnerships specializing in commercial and residential properties.

Governor Shumlin's lengthy public service career provides in-depth knowledge of government, public policy, legal, finance, governance and leadership matters. We believe his unique experience and skill set make him a valued asset to the Board.

Committee Memberships: Compensation; Nominating

John R. Vines, age 68, Director of the Company since 2013 and Lead Independent Director since 2014

Lieutenant General (retired) Vines has served as partner of McChrystal Group since 2016 and was previously a Senior Advisor to McChrystal Group beginning in 2011. General Vines retired in 2007 from the U.S. Army after 35 years active service. He was in continuous command for his last six years of service, including Commander, U.S. Army's XVIII Airborne Corps and Multi-National Corps Iraq. In addition, he commanded the Combined Joint Task Force 180 Afghanistan. General Vines also served as the Senior Defense Representative to Afghanistan and Pakistan and previously commanded the 82nd Airborne Division, which included a year-long deployment in Afghanistan. Following retirement, General Vines has acted as a Department of Defense Senior Mentor to U.S. Army and joint senior leadership and deploying combat units, a member of the Defense Service Board and a member of the Army DARPA Senior Advisory Group.

With more than 35 years of active military service and significant consulting experience, General Vines brings extensive leadership, strategy and innovation experience to the Board.

Committee Membership: Nominating

Class III — Terms to Expire at the 2019 Annual Meeting

Adam Hanft, age 67, Director of the Company since 2010

Mr. Hanft is the founder and Chief Executive Officer of Hanft Projects LLC ("Hanft Projects"), a strategic consultancy that provides marketing advice and insight to leading consumer and business-to-business companies as well as many leading digital brands. He writes broadly about the consumer culture for numerous publications and is the co-author of "Dictionary of the Future." He is also a frequent commentator on marketing and branding issues. Prior to starting Hanft Projects, Mr. Hanft served as founder and Chief Executive Officer of Hanft Unlimited, Inc., a marketing organization created in 2004 that included an advertising agency, strategic consultancy and custom-publishing operation.

As the Chief Executive Officer of Hanft Projects, Mr. Hanft brings his extensive leadership, marketing/consumer industry and innovation and technology experience to the Board. His knowledge of the consumer marketplace, media and current branding initiatives has proven particularly valuable to the Board.

Committee Membership: Innovation and Technology

Stephen L. Johnson, age 66, Director of the Company since 2010

Mr. Johnson is the President and Chief Executive Officer of Stephen L. Johnson and Associates Strategic Consulting, LLC (“Johnson and Associates”), a strategic provider of business, research and financial management and consulting services formed in 2009. Prior to forming Johnson and Associates, Mr. Johnson worked for the U.S. Environmental Protection Agency 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. Mr. Johnson serves as a Director of Frederick Memorial Hospital and a Trustee of Taylor University.

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. His appointment also filled a need for both regulatory and environmental expertise that was identified by the Nominating Committee.

Committee Memberships: Nominating (Chair); Compensation; Innovation and Technology

Katherine Hagedorn Littlefield, age 62, Director of the Company since 2000

Ms. Littlefield is a general partner of the Hagedorn Partnership, L.P. She also serves on the board for the Hagedorn Family Foundation, Inc., a charitable organization. She is the sister of James Hagedorn, the Company’s CEO and Chairman of the Board.

As a general partner and former Chair of the Hagedorn Partnership, L.P., the Company's largest shareholder, Ms. Littlefield brings a strong shareholder voice to the boardroom. She also has significant innovation and technology experience, having served on the Company's Innovation and Technology Committee since December 2014 as well as from May 2004 until January 2014. Prior to that, she served on the Innovation and Marketing Committee from its formation in January 2014 until December 2014 when it was retired, as well as on the Innovation Advisory Board (formerly known as the Scientific Advisory Board and the Innovation and Technology Advisory Board) from its formation in 2001 until January 2014 when it was retired.

Committee Memberships: Finance (Chair); Innovation and Technology

Class I — Terms to Expire at the 2020 Annual Meeting

James Hagedorn, age 62, Director of the Company since 1995 and Chairman of the Board since 2003

Mr. Hagedorn has served as CEO of the Company since May 2001 and Chairman of the Board since January 2003. In addition to serving as CEO and Chairman of the Board, he served as President of the Company from October 2015 until February 2016, from November 2006 until October 2008 and from April 2000 until December 2005. Mr. Hagedorn is the brother of Katherine Hagedorn Littlefield, a director of the Company.

Having joined both the Company and the Board in 1995, and having served as CEO and Chairman of the Board for over a decade, Mr. Hagedorn has more working knowledge of the Company and its products than any other individual. During his career at the Company, Mr. Hagedorn has developed extensive leadership, international, and marketing/consumer industry experience that has proven invaluable as he leads the Board through a wide range of issues.

Brian D. Finn, age 57, Director of the Company since 2014

Mr. Finn served as the Chief Executive Officer of Asset Management Finance Corporation from 2009 to March 2013 and as its Chairman from 2008 to March 2013. From 2004 to 2008, Mr. Finn was Chairman and Head of Alternative Investments at Credit Suisse Group ("Credit Suisse"). Mr. Finn has held many positions within Credit Suisse and its predecessor firms, including President of Credit Suisse First Boston ("CSFB"), President of Investment Banking, Co-President of Institutional Securities, Chief Executive Officer of Credit Suisse USA and a member of the Office of the Chairman of CSFB. He was also a member of the Executive Board of Credit Suisse. Mr. Finn served as principal and partner of private equity firm Clayton, Dubilier & Rice from 1997 to 2002.

Mr. Finn is currently a director of WaveGuide Corporation, a health care technology company and Owl Rock Capital Corporation, a private equity firm specializing in mezzanine loan investments in middle-market companies.

Mr. Finn has over 30 years of experience in the financial industry, including his service in leadership roles in the investment banking and private equity sectors, which provides the Board with additional expertise in strategically growing businesses. Mr. Finn's service as the Co-Head of Mergers and Acquisitions for Credit Suisse augments the Board's capabilities in analyzing and evaluating acquisition opportunities. Mr. Finn qualifies as an "audit committee financial expert" as that term is defined in the applicable rules and regulations of the SEC ("SEC Rules") and his financial experience is also particularly valuable to the Board in his service as a member of the Audit Committee and the Finance Committee.

Committee Memberships: Audit; Finance

James F. McCann, age 66, Director of the Company since 2014

Mr. McCann is the Founder and Executive Chairman of the Board of 1-800-Flowers.com, the world's leading online florist and gift shop, and has served in that capacity since its inception in 1976, when he began a retail chain of flower shops in the New York metropolitan area. In addition to serving as Executive Chairman of the Board, Mr. McCann served as Chief Executive Officer of 1-800-Flowers.com from 1976 until June 2016.

Mr. McCann is currently a director and Chairman of the Board of Willis Towers Watson Plc and a director of International Game Technology Plc (formerly GTECH S.p.A. and Lottomatica Group S.p.A.).

With nearly 40 years of business experience, and as the long-time Executive Chairman and former Chief Executive Officer of 1-800-Flowers.com, Mr. McCann brings considerable leadership, innovation and unparalleled business acumen to the Board.

Committee Membership: Finance

Nancy G. Mistretta, age 63, Director of the Company since 2007

Ms. Mistretta is a retired partner of Russell Reynolds Associates ("Russell Reynolds"), an executive search firm, where she served as a partner from February 2005 until June 2009. She was a member of Russell Reynolds' Not-For-Profit Sector and was responsible for managing executive officer searches for many large philanthropic organizations, with a particular focus on educational searches for presidents, deans and financial officers. Based in New York City, she also was active in the CEO/Board Services Practice of Russell Reynolds. Prior to joining Russell Reynolds, Ms. Mistretta was with JPMorgan Chase & Co. and its heritage institutions (collectively, "JPMorgan") for 29 years and served as a Managing Director in Investment Banking from 1991 to 2005. Ms. Mistretta is currently a director of HSBC North America Holdings, Inc., HSBC USA Inc., and HSBC Bank USA, N.A. In addition, Ms. Mistretta is a member of the Board of Directors of GAM Holding AG in Zurich, Switzerland, where she chairs the Compensation Committee and serves on the Governance and Nominating Committee.

Throughout her nearly 30-year career at JPMorgan, Ms. Mistretta demonstrated a broad base of leadership, international, marketing/consumer industry, retail and financial experience, including through roles as Managing Director responsible for Investment Bank Marketing and Communications, industry head responsible for the Global Diversified Industries group and industry head responsible for the Diversified, Consumer Products and Retail Industries group. Ms. Mistretta qualifies as an "audit committee financial expert" as that term is defined in the applicable SEC Rules and her financial experience is particularly valuable to the Board in her service as Chair of the Audit Committee and member of the Finance Committee.

Committee Memberships: Audit (Chair); Finance

Recommendation and Vote

Under Ohio law and the Company's Code of Regulations, the three nominees for election as Class II directors receiving the greatest number of votes FOR election will be elected as directors of the Company. Common Shares represented by properly executed and returned forms of proxy or properly authenticated voting instructions recorded through the Internet or by telephone will be voted FOR the election of the Board's nominees, unless authority to vote for one or more of the nominees is withheld. Common Shares as to which the authority to vote is withheld and Common Shares represented by broker non-votes will not be counted toward the election of directors or toward the election of the individual nominees of the Board, as applicable.

YOUR BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF ALL OF THE ABOVE-NAMED CLASS II DIRECTOR NOMINEES.

MEETINGS AND COMMITTEES OF THE BOARD

Meetings of the Board and Board Member Attendance at Annual Meeting of Shareholders

The Board held eight meetings during the 2017 fiscal year. Each Board member attended at least 75% of the aggregate number of Board and applicable Board committee meetings during the 2017 fiscal year.

Although the Company does not have a formal policy requiring Board members to attend annual shareholder meetings, the Company encourages all directors to attend each such annual meeting. All of the directors attended the

2017 Annual Meeting of Shareholders held on Friday, January 27, 2017.

Committees of the Board

The Board has established five standing committees to assist with its oversight responsibilities: (1) the Audit Committee; (2) the Compensation and Organization Committee; (3) the Nominating and Governance Committee; (4) the Finance Committee; and (5) the Innovation and Technology Committee. Membership on each of these committees, as of December 1, 2017, is shown in the following chart:

Audit	Compensation and Organization	Nominating and Governance	Finance	Innovation and Technology
Nancy G. Mistretta (Chair)	Michelle A. Johnson (Chair)	Stephen L. Johnson (Chair)	Katherine Hagedorn Littlefield (Chair)	Thomas N. Kelly Jr. (Chair)
Brian D. Finn	Stephen L. Johnson	Michelle A. Johnson	Brian D. Finn	Adam Hanft
Thomas N. Kelly Jr.	Thomas N. Kelly Jr.	Peter E. Shumlin	James F. McCann	Stephen L. Johnson
	Peter E. Shumlin	John R. Vines	Nancy G. Mistretta	Katherine Hagedorn Littlefield

Audit Committee

The Audit Committee, which was established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is organized and conducts its business pursuant to a written charter adopted by the Board. A copy of the Audit Committee charter is posted under the "Corporate Governance" link on the Company's website at http://investor.scotts.com. At least annually, in consultation with the Nominating Committee, the Audit Committee evaluates its performance, reviews and assesses the adequacy of its charter and recommends to the Board any proposed changes thereto as may be necessary or desirable.

The Audit Committee is responsible for: (1) overseeing the accounting and financial reporting processes of the Company, including the audits of the Company's consolidated financial statements; (2) appointing, compensating and overseeing the work of the independent registered public accounting firm employed by the Company; (3) establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters or other compliance matters; (4) assisting the Board in its oversight of: (a) the integrity of the Company's consolidated financial statements, (b) the Company's compliance with applicable laws, rules and regulations, including applicable NYSE Rules, (c) the independent registered public accounting firm's qualifications and independence, and (d) the performance of the Company's internal audit function; and (5) undertaking the other matters required by applicable NYSE Rules as well as the SEC Rules.

Pursuant to its charter, the Audit Committee has the authority to engage and compensate such independent counsel and other advisors as the Audit Committee deems necessary to carry out its duties.

The Board has determined that each member of the Audit Committee satisfies the applicable independence requirements set forth in the NYSE Rules and under Rule 10A-3 promulgated by the SEC under the Exchange Act. The Board believes each member of the Audit Committee is qualified to discharge his or her duties on behalf of the Company and its subsidiaries and satisfies the financial literacy requirement of the NYSE Rules. The Board has determined that Brian D. Finn and Nancy G. Mistretta each qualify as an "audit committee financial expert" as that term is defined in the applicable SEC Rules. None of the current members of the Audit Committee serves on the audit committee of more than two other public companies.

The Audit Committee met eight times during the 2017 fiscal year.

The following directors served on the Audit Committee during the 2017 fiscal year: Brian D. Finn, Thomas N. Kelly Jr. and Nancy G. Mistretta.

The Report of the Audit Committee begins on page 66.

Compensation and Organization Committee

The Compensation Committee is organized and conducts its business pursuant to a written charter adopted by the Board. A copy of the Compensation Committee charter is posted under the “Corporate Governance” link on the Company’s website located at http://investor.scotts.com. At least annually, in consultation with the Nominating Committee, the Compensation Committee evaluates its performance, reviews and assesses the adequacy of its charter and recommends to the Board any proposed changes thereto as may be necessary or desirable.

The Compensation Committee has responsibility for determining all elements of executive compensation and benefits for our CEO and other key executives of the Company and its subsidiaries, including the executive officers named in the Summary Compensation Table (the “NEOs”). As part of this process, the Compensation Committee determines the general compensation philosophy applicable to these individuals. In addition, the Compensation Committee advises the Board regarding executive officer organizational issues and succession plans. The Compensation Committee also acts upon all matters concerning, and exercises such authority as is delegated to it under the provisions of, any benefit or retirement plan maintained by the Company, and serves as the committee administering The Scotts Miracle-Gro Company Long-Term Incentive Plan (the “Long-Term Incentive Plan”), The Scotts Company LLC Amended and Restated Executive Incentive Plan (the “EIP”), the Discounted Stock Purchase Plan and The Scotts Company LLC Executive Retirement Plan (the “ERP”).

Pursuant to its charter, the Compensation Committee has authority to retain special counsel, compensation consultants and other experts or consultants as it deems appropriate to carry out its functions and to approve the fees and other retention terms of any such counsel, consultants or experts. During the 2017 fiscal year, the Compensation Committee engaged independent consultant ClearBridge Compensation Group (“ClearBridge”) to advise the Compensation Committee with respect to market practices and competitive trends in the area of executive compensation, as well as ongoing regulatory considerations. The consultant provided guidance to assist the Compensation Committee in determining the compensation structure for our CEO, the other NEOs and other key management employees. ClearBridge did not provide any consulting services directly to management. The role of ClearBridge is further described in the section captioned “Our Compensation Practices — Role of Outside Consultants” within the Compensation Discussion and Analysis.

The Board has determined that each member of the Compensation Committee satisfies the applicable independence requirements set forth in the NYSE Rules and under Rule 10C-1 promulgated by the SEC under the Exchange Act. The Board also has determined that each member qualifies as an outside director for purposes of § 162(m) of the Internal Revenue Code of 1986, as amended (the “IRC”), and as a non-employee director for purposes of Rule 16b-3 under the Exchange Act.

The Compensation Committee met eight times during the 2017 fiscal year.

The following directors served on the Compensation Committee during the 2017 fiscal year: Michelle A. Johnson, Stephen L. Johnson, Thomas N. Kelly Jr. and Peter E. Shumlin.

The Compensation Discussion and Analysis begins on page 21. The Compensation Committee Report appears on page 35.

Nominating and Governance Committee

The Nominating Committee is organized and conducts its business pursuant to a written charter adopted by the Board. A copy of the Nominating Committee charter is posted under the “Corporate Governance” link on the Company’s

website located at http://investor.scotts.com. At least annually, the Nominating Committee evaluates its performance, reviews and assesses the adequacy of its charter and recommends to the Board any proposed changes thereto as may be necessary or desirable.

The Nominating Committee recommends nominees for membership on the Board as well as policies regarding the composition of the Board generally. The Nominating Committee also makes recommendations to the Board regarding committee selection, including committee chairs and rotation practices, the overall effectiveness of the Board and of management (in the areas of Board relations and corporate governance), director compensation and developments in corporate governance practices. The Nominating Committee is responsible for developing a policy regarding the consideration of candidates recommended by shareholders for election or appointment to the Board and procedures to be followed by shareholders in submitting such recommendations, consistent with any shareholder nomination requirements that may be set forth in the Company's Code of Regulations and applicable laws, rules and regulations. In considering potential nominees for election or appointment to the Board, the Nominating Committee conducts its own search for available, qualified nominees and will consider candidates from any reasonable source, including shareholder recommendations. The Nominating Committee is

also responsible for developing and recommending to the Board corporate governance guidelines applicable to the Company and overseeing the evaluation of the Board.

The Board has determined that each member of the Nominating Committee satisfies the applicable independence requirements set forth in the NYSE Rules.

The Nominating Committee met four times during the 2017 fiscal year.

The following directors served on the Nominating Committee during the 2017 fiscal year: Michelle A. Johnson, Stephen L. Johnson, Peter E. Shumlin and John R. Vines.

Finance Committee

The Finance Committee is organized and conducts its business pursuant to a written charter adopted by the Board. A copy of the Finance Committee charter is posted under the “Corporate Governance” link on the Company’s website located at
http://investor.scotts.com.

The Finance Committee assists the Board in the oversight of the finance and investment functions of the Company, the Company’s capital structure and the financing and financial structure of proposed acquisitions and divestitures in which the Company engages as part of its business strategy from time to time. In discharging these duties, the Finance Committee oversees a broad range of financial matters, including the Company’s capital expenditures budget, investment policies, stock repurchase programs, dividend payments, cash management and corporate financing matters. The Finance Committee also advises the Board with respect to acquisitions, divestitures, other significant corporate transactions, and integration of acquired businesses and business development opportunities. Pursuant to its charter, and delegation approved by the Board, the Finance Committee is responsible for approving certain acquisition, divestiture and corporate financing transactions.

The Finance Committee met seven times during the 2017 fiscal year.

The following directors served on the Finance Committee during the 2017 fiscal year: Brian D. Finn, Katherine Hagedorn Littlefield, James F. McCann and Nancy G. Mistretta.

Innovation and Technology Committee

The Innovation and Technology Committee is organized and conducts its business pursuant to a written charter adopted by the Board. A copy of the Innovation and Technology Committee charter is posted under the “Corporate Governance” link on the Company’s website located at http://investor.scotts.com.

The Innovation and Technology Committee assists the Board in its oversight of management’s activities and processes related to the development of the Company’s technology plans, commercial and technical innovation strategies, and the Company’s policies and practices with respect to corporate social responsibility (including stewardship and sustainability).

The Innovation and Technology Committee met four times during the 2017 fiscal year.

The following directors served on the Innovation and Technology Committee during the 2017 fiscal year: Thomas N. Kelly Jr., Katherine Hagedorn Littlefield, Adam Hanft and Stephen L. Johnson.

Compensation and Organization Committee Interlocks and Insider Participation

With respect to the 2017 fiscal year and from October 1, 2017 through the date of this Proxy Statement, there were no interlocking relationships between any executive officer of the Company and any entity, one of whose executive officers served on the Company's Compensation Committee or Board, or any other relationship required to be disclosed in this section under applicable SEC Rules.

CORPORATE GOVERNANCE

Corporate Governance Guidelines

In accordance with applicable sections of the NYSE Rules, the Board has adopted Corporate Governance Guidelines to promote the effective functioning of the Board and its committees. The Board, with the assistance of the Nominating Committee, periodically reviews the Corporate Governance Guidelines to ensure they remain in compliance with all applicable requirements and appropriately address evolving corporate governance issues.

The Corporate Governance Guidelines are posted under the “Corporate Governance” link on the Company’s website located at http://investor.scotts.com.

Director Independence

In consultation with the Nominating Committee, the Board has reviewed, considered and discussed the relationships, both direct and indirect, of each current director or nominee for election as a director with the Company and its subsidiaries, including those listed under the section captioned “CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS,” and the compensation and other payments each director and each nominee has, both directly and indirectly, received from or made to the Company and its subsidiaries, to determine whether such director or nominee satisfies the applicable independence requirements set forth in the NYSE Rules and the SEC Rules. As part of its independence analysis, the Board considers all commercial, industrial, banking, consulting, legal, accounting, charitable, familial or other business relationships any director or nominee may have with the Company.

Based upon the recommendation of the Nominating Committee and its own review, consideration and discussion, the Board has determined that the following Board members satisfy such independence requirements and are, therefore, “independent” directors:

(1) Brian D. Finn	(5) James F. McCann
(2) Michelle A. Johnson	(6) Nancy G. Mistretta
(3) Stephen L. Johnson	(7) Peter E. Shumlin
(4) Thomas N. Kelly Jr.	(8) John R. Vines

The Board determined that: (a) Mr. Hagedorn is not independent because he is the Company’s CEO; (b) Ms. Littlefield is not independent because she is the sister of Mr. Hagedorn; and (c) Mr. Hanft is not independent because he has received consulting compensation from the Company within the last three years that exceeds the applicable threshold for determining whether a director can be considered independent.

Nominations of Directors

The Board, taking into account the recommendations of the Nominating Committee, selects nominees to stand for election to the Board. The Nominating Committee considers candidates for the Board from any reasonable source, including current director, management and shareholder recommendations, and does not evaluate candidates differently based on the source of the recommendation. Pursuant to its written charter, the Nominating Committee has the authority to retain consultants and search firms to assist in the process of identifying and evaluating director candidates and to approve the fees and other retention terms of any such consultant or search firm.

Shareholders may recommend director candidates for consideration by the Nominating Committee by giving written notice of the recommendation to the Corporate Secretary of the Company. The recommendation must include the candidate’s name, age, business address and principal occupation or employment, as well as a description of the

candidate's qualifications, attributes and other skills. A written statement from the candidate consenting to serve as a director, if so elected, must accompany any such recommendation.

The Company's Corporate Governance Guidelines specify that, in general, a director should not stand for re-election once he or she has reached the age of 72, but provide the Board with flexibility to nominate a director who is age 72 or older based on individual circumstances.

Communications with the Board

The Board believes it is important for shareholders and other interested persons to have a process pursuant to which they can send communications to the Board and its individual members, including the Lead Independent Director. Accordingly, shareholders and other interested persons who wish to communicate with the Board, the Lead Independent Director, the non-employee directors as a group, the independent directors as a group or any particular director may do so by addressing such correspondence to the name(s) of the specific director(s), to the "Lead Independent Director," to the "Non-employee Directors" or "Independent Directors" as a group or to the "Board of Directors" as a whole, and sending it in care of the Company to the Company's principal corporate offices at 14111 Scottslawn Road, Marysville, Ohio 43041. All such correspondence should identify the author as a shareholder or other interested person, explain such person's interest and clearly indicate to whom the correspondence is directed. Correspondence marked "personal and confidential" will be delivered to the intended recipient(s) without opening. Copies of all correspondence will be circulated to the appropriate director or directors. There is no screening process in respect of communications from shareholders and other interested persons.

Code of Business Conduct and Ethics

In accordance with applicable NYSE Rules and SEC Rules, the Board has adopted The Scotts Miracle-Gro Company Code of Business Conduct and Ethics, which is available under the "Corporate Governance" link on the Company's website located at http://investor.scotts.com.

All employees of the Company and its subsidiaries, including each NEO, and all directors of the Company are required to comply with the Company's Code of Business Conduct and Ethics. The Sarbanes-Oxley Act of 2002 and the SEC Rules promulgated thereunder require companies to have procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and to allow for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. The procedures for addressing these matters are set forth in the Company's Code of Business Conduct and Ethics.

NON-EMPLOYEE DIRECTOR COMPENSATION

Benchmarking Non-Employee Director Compensation

The Board believes that non-employee director compensation should be competitive with similarly situated companies and encourage high levels of ownership of Common Shares. To ensure that non-employee director compensation levels remain competitive, the Board periodically engages an independent outside consultant to conduct a benchmark study. The most recent benchmark study was conducted by Frederic W. Cook & Co. in 2013 (the "Benchmark Study") that compared each element of non-employee director compensation against the then-current peer group used to benchmark NEO compensation (the "Compensation Peer Group"). For further discussion of the Compensation Peer Group, see the section of this Proxy Statement captioned "Our Compensation Practices — Compensation Peer Group" within the Compensation Discussion and Analysis. The Board relied on the Benchmark Study to evaluate the competitiveness of the non-employee director compensation structure for the 2017 calendar year. Although the Board establishes the non-employee director compensation on a calendar year basis, where applicable, the amounts are presented on a fiscal year basis in this Proxy Statement.

Non-Employee Director Compensation Structure for 2017

In an effort to better leverage the collective skills and experience of the Company's non-employee directors, the Company expects each non-employee director to dedicate significant time beyond Board and committee meetings to Board service. In addition to their participation at Board and committee meetings, the Company expects the non-employee directors to spend several days each year "in the field" immersing themselves in the Company's business to gain additional insights and perspective regarding the Company's operations, partners, customers and consumers.

The annual Board retainer paid by the Company to the non-employee directors consists of a quarterly cash retainer and an annual grant of deferred stock units ("DSUs"). No additional compensation is provided for serving as a committee chair, serving as a committee member, or attending Board or committee meetings. The Lead Independent Director receives additional cash compensation and DSUs for serving in that role, as reflected in the table below. The Company believes this simplified retainer structure reflects the additional responsibilities that the Company expects each non-employee director to assume, facilitates the rotation of directors among the various Board committees and ensures that the Company continues to provide a competitive level of compensation to its non-employee directors. By delivering approximately two-thirds of the annual Board retainer in the form of equity-based compensation, the structure also strengthens the alignment between the interests of the

Company's non-employee directors and its shareholders. Based on the results of the Benchmark Study, the compensation provided by the Company to its non-employee directors was at the high end of the Compensation Peer Group.

The 2017 calendar year compensation structure for non-employee directors, which increased by 5.5% versus the 2016 calendar year, reflects a combination of annual cash retainers and equity-based compensation granted in the form of DSUs as follows:

	Annual Retainers Paid in Cash (1)		Value of DSUs Granted	
Board Membership	$	100,000	$	185,000
Lead Independent Director (Supplemental)	$	15,000	$	35,000

(1) The annual cash-based retainer is paid in quarterly installments.

In addition to the above compensation elements, non-employee directors also receive reimbursement of all reasonable travel and other expenses for attending Board meetings or other Company-related functions. Further, as circumstances permit, we allow family members to accompany directors on business-related flights on the corporate aircraft. The inclusion of family members on these flights does not incur any incremental costs to the Company.

Equity-Based Compensation

For the 2017 calendar year, the equity-based compensation for non-employee directors was granted in the form of DSUs. Each whole DSU represents a contingent right to receive one full Common Share. The number of DSUs is determined by dividing the intended grant value by the closing price of one Common Share on NYSE on the applicable grant date, and rounding up to the next whole share.

Dividend Equivalents

Each DSU is granted with a related dividend equivalent, which represents the right to receive additional DSUs in respect of dividends that are declared and paid in cash in respect of the Common Shares underlying the DSUs, during the period beginning on the grant date and ending on the settlement date. Such cash dividends are converted to DSUs based on the fair market value of Common Shares on the date the dividend is paid. Dividends declared and paid in the form of Common Shares are converted to DSUs in proportion to the dividends paid per Common Share.

Vesting and Settlement

DSU grants for non-employee directors typically are approved by the Board at a meeting held around the time of the annual meeting of shareholders. The grant date typically is established as the day of or the first business day after the annual meeting of shareholders. For the 2017 calendar year, DSUs were granted to the non-employee directors on January 30, 2017. In general, the DSUs granted to non-employee directors in the 2017 calendar year, including dividend equivalents converted to DSUs, vest on the date of the Annual Meeting. The DSUs (and related dividend equivalents) become 100% vested if a non-employee director's service on the Board terminates as a result of his or her death or becoming totally disabled. The unvested DSUs (and related dividend equivalents) are immediately forfeited if the service of a non-employee director terminates prior to the vesting date for any reason other than a change in control of the Company (except as provided above for death or disability). Subject to the terms of the Long-Term Incentive Plan, whole vested DSUs are settled in Common Shares and fractional DSUs are settled in cash as soon as

administratively practicable, but in no event later than 90 days following the earliest to occur of: (i) termination; (ii) death; (iii) disability; or (iv) the third anniversary of the grant date. Upon a change in control of the Company, each non-employee director's outstanding DSUs vest on the date of the change in control, and settle as described above. Until the DSUs are settled, a non-employee director has none of the rights of a shareholder with respect to the Common Shares underlying the DSUs.

Deferral of Cash-Based Retainers

For the 2017 calendar year, the non-employee directors had the option to elect, in advance, to receive up to 100% of their quarterly cash retainers in cash or fully-vested DSUs. If DSUs were elected, the non-employee director received the number of DSUs determined by dividing the deferral amount by the closing price of one Common Share on NYSE on the applicable grant date, and rounding up to the next whole share. DSUs granted in connection with deferral elections will be settled on the same terms as described above. For the 2017 calendar year, the following non-employee directors elected to receive the respective portion of their quarterly cash retainers in fully vested DSUs: Mr. Finn, 100%; Mr. Hanft, 50%; and Mr. Johnson, 25%. None of the other non-employee directors elected to defer any portion of their 2017 calendar year cash retainer.

Non-Employee Director Stock Ownership Guidelines

The Board believes that ownership of Common Shares strengthens directors' commitment to the long-term future of the Company and further aligns their interests with those of the Company's shareholders. Accordingly, the Board has adopted stock ownership guidelines applicable to all non-employee directors. Under the stock ownership guidelines, each non-employee director is expected to own Common Shares having a value of at least five times the annual cash retainer. For purposes of determining compliance with the stock ownership guidelines, the value of beneficially-owned shares is determined as follows:

- 100% of the value of Common Shares directly registered to the director and/or held in a brokerage account;

- 60% of the "in-the-money" portion of any non-qualified stock option ("NSO"), whether vested or unvested; and

- 60% of the value of unsettled full-value awards (e.g., DSUs), whether vested or unvested.

The stock ownership guidelines require each non-employee director to retain 50% of any individual equity-based awards until the ownership guideline has been achieved.

Non-Employee Director Compensation Table

The following table sets forth the compensation awarded to, or earned by, each of the non-employee directors of the Company for the 2017 fiscal year. Mr. Hagedorn did not receive any additional compensation for his services as a director. Accordingly, Mr. Hagedorn's compensation is reported in the section captioned "EXECUTIVE COMPENSATION" and is not included in the table below.

Non-Employee Director Compensation Table

Name	Fees Earned or Paid in Cash ($)(1)		Stock Awards ($)(4)(5)		Total ($)
Brian D. Finn	100,000		185,030		285,030
Adam Hanft	100,000	(2)	185,030	(2)	285,030
Michelle A. Johnson	100,000		185,030		285,030
Stephen L. Johnson	100,000		185,030		285,030
Thomas N. Kelly Jr.	100,000		185,030		285,030
Katherine Hagedorn Littlefield	100,000		185,030		285,030
James F. McCann	100,000		185,030		285,030

Nancy G. Mistretta	100,000	185,030	285,030
Peter E. Shumlin	75,000	185,030	260,030
John R. Vines	115,000	(3) 220,084	(6) 335,084

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(1) Reflects the cash-based retainer earned for services rendered during the 2017 fiscal year, paid at a rate of $25,000 per quarter. With respect to Mr. Finn, Mr. Hanft and Mr. Johnson, consistent with their elections to defer the cash-based retainer, the amount reported includes a total of $100,000, $50,000 and $25,000 respectively, in cash fees from October 1, 2016 through September 30, 2017 that were deferred and awarded in the form of fully vested DSUs on October 1, 2016, January 30, 2017, April 1, 2017 and July 1, 2017.

With respect to Mr. McCann, reflects the cash-based retainer earned for services rendered during the 2017 fiscal year in the amount of $25,000 in cash fees from October 1, 2016 to December 31, 2016 that were deferred and awarded in the form of fully vested DSUs on October 1, 2016. While fees earned or paid are reported on a fiscal year basis, elections to defer cash-based retainers are made on a calendar year basis. Mr. McCann did not elect to defer his cash-based retainer for calendar year 2017.

Mr. Shumlin joined the Board on January 27, 2017, and therefore did not receive a cash retainer for the first quarter of the 2017 fiscal year.

(2) In addition to the cash-based retainer and DSUs granted to Mr. Hanft for his service on the Board, he earned an additional $900,000 in cash-based consulting fees and received a grant of $400,045 in restricted stock units (“RSUs”) for the provision of strategic marketing consulting services to the Company. The value of the RSUs was determined using the fair market value of the underlying Common Shares on February 1, 2017, the date of the grant, and was calculated in accordance with the equity compensation accounting provisions of FASB ASC Topic 718.

(3) With respect to General Vines, reflects an additional cash-based retainer of $15,000 for his service as the Company’s Lead Independent Director from October 1, 2016 through September 30, 2017.

(4) Reflects the aggregate grant date fair value of DSUs granted during the 2017 fiscal year. The value of each DSU was determined using the fair market value of the underlying Common Shares on January 30, 2017, the date of the grant, and was calculated in accordance with the equity compensation accounting provisions of FASB ASC Topic 718, without respect to forfeiture assumptions.

(5) The aggregate number of Common Shares subject to RSUs (both vested and unvested) and DSUs (including both vested and unvested DSUs, DSUs granted as a result of converting dividend equivalents and DSUs granted in lieu of cash retainer) outstanding as of September 30, 2017 was as follows:

Name	Aggregate Number of Common Shares Subject to Stock Awards Outstanding as of September 30, 2017
Brian D. Finn	11,668
Adam Hanft (includes RSUs received in connection with consulting agreement)	13,919
Michelle A. Johnson	7,482
Stephen L. Johnson	8,483
Thomas N. Kelly Jr.	7,482
Katherine Hagedorn Littlefield	7,482
James F. McCann	8,896
Nancy G. Mistretta	7,482

Peter E. Shumlin	2,024
John R. Vines	9,036

(6) Reflects an additional grant of $35,000 in DSUs for General Vines' service as the Company's Lead Independent Director during the 2017 fiscal year.

EXECUTIVE OFFICERS

The executive officers of the Company who are not directors, their positions and, as of December 1, 2017, their ages and years with the Company (and its predecessors) are set forth below. Information for Mr. Hagedorn, our Chief Executive Officer and Chairman of the Board, can be found under "PROPOSAL NUMBER 1 — ELECTION OF DIRECTORS."

Name	Age	Position(s) Held	Years with Company
Thomas R. Coleman	48	Executive Vice President and Chief Financial Officer	18
Michael C. Lukemire	59	President and Chief Operating Officer	21
Denise S. Stump	63	Executive Vice President, Global Human Resources and Chief Ethics Officer	17
Ivan C. Smith	48	Executive Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer	14

Executive officers serve at the discretion of the Board of the Company and pursuant to executive severance agreements or other arrangements. The business experience of each of the individuals listed above during at least the past five years is as follows:

Mr. Coleman was named Executive Vice President and Chief Financial Officer of the Company in April 2014. Prior to this appointment, Mr. Coleman served as interim principal financial officer of the Company between February 2013 and March 2013. Prior to February 2013, Mr. Coleman served as Senior Vice President, Global Finance Operations and Enterprise Performance Management Analytics for The Scotts Company LLC ("Scotts LLC"), a wholly-owned subsidiary of the Company, since January 2011. Prior to 2011, Mr. Coleman held various managerial roles at the Company.

Mr. Lukemire was named President and Chief Operating Officer of the Company in February 2016. He served as Executive Vice President and Chief Operating Officer of the Company from December 2014 until February 2016. Prior to this appointment, Mr. Lukemire had served as Executive Vice President, North American Operations of the Company from April 2014 until December 2014, as Executive Vice President, Business Execution of the Company from May 2013 until April 2014 and as President, U.S. Consumer Regions of the Company from October 2011 until May 2013. Prior to 2011, Mr. Lukemire held various managerial roles at the Company.

Ms. Stump was named Executive Vice President, Global Human Resources of the Company (or its predecessor) in February 2003 and Chief Ethics Officer of the Company in October 2013. Prior to 2003, Ms. Stump held various managerial roles at the Company.

Mr. Smith was named Executive Vice President, General Counsel and Corporate Secretary of the Company in July 2013 and Chief Compliance Officer of the Company in October 2013. Prior to July 2013, he served as Vice President, Global Consumer Legal and Assistant General Counsel of Scotts LLC since October 2011. Prior to 2011, Mr. Smith held various managerial roles at the Company.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Discussion and Analysis (the "CD&A") provides insight to our shareholders regarding our executive compensation philosophy, the structure of our executive compensation programs and the factors that we consider when making compensation decisions for the executive officers named in the Summary Compensation Table ("NEOs").

Executive Summary

The Company believes its compensation practices and the overall level of executive compensation are competitive when compared with our Compensation Peer Group and reflect fair pay relative to the Company's financial performance. Proposal Number 2, found on page 57, provides shareholders an opportunity to vote to approve, on a non-binding, advisory basis, the compensation of our NEOs as set forth in this Proxy Statement. At our 2017 Annual Meeting of Shareholders held on Friday, January 27, 2017, shareholders had the opportunity to provide an advisory vote on the compensation paid to our NEOs, a so-called "Say-on-Pay" vote. Over 98% of the votes cast by our shareholders were in favor of our "Say-on-Pay" vote. Accordingly, the Compensation Committee generally believes that such results affirm shareholder support of our approach to executive compensation. Indeed, none of the changes made to our compensation structure in 2017 were in response to the vote, but are part of continuous efforts to evaluate and improve our compensation programs.

Our compensation programs align our NEOs' interests with those of our shareholders by rewarding performance that meets or exceeds the goals the Compensation Committee establishes with the objective of increasing shareholder value. We also recognize that leadership qualities demonstrated by our NEOs drive success in our business and should be rewarded along with financial results. Finally, the Compensation Committee strives to ensure that our executive compensation levels are competitive with companies of a like nature. In short, we pay for performance: where financial and leadership objectives are met or exceeded, our compensation programs provide higher payouts to our NEOs and vice-versa. Accordingly, based on exceeding the pre-defined performance goals for the 2017 fiscal year, our NEOs achieved incentive payouts that were above target.

We Believe in Linking Pay to Shareholder Value Creation

Linking executive pay to shareholder value creation is central to the design of our executive compensation programs. The Compensation Committee strives to achieve that linkage through our short-term and long-term compensation plans, and exercises its discretion to make adjustments to the design of our programs to ensure that our executives are rewarded fairly, over time, relative to the shareholder value they help create. We believe shareholder value is created by profitability growth, consistently delivering strong free cash flow and demonstrated leadership by our NEOs. To that end, the Compensation Committee modified the design of our compensation programs for the 2017 fiscal year to include a free cash flow metric, which, in addition to a profit metric, directly links executive pay to shareholder value creation over both a short-term and a long-term horizon. Our NEOs are directly aligned with, and invested in, the success of our business because they are impacted positively or negatively through their pay opportunities as shareholders are impacted positively or negatively through their return on investment.

Our compensation programs include the following measures to ensure that compensation granted to our NEOs is aligned with the interests of our shareholders and the key drivers of shareholder value creation:

- A significant portion of the total direct compensation opportunity for each of our NEOs is tied directly to both short-term and long-term financial performance or long-term appreciation of our share price, directly aligning the

interests of the NEOs with our shareholders.

- Our annual incentive compensation program is structured to reward increased cash flow and profitability growth to drive long-term value creation and also includes a subjective factor to emphasize the importance of demonstrated leadership qualities. We believe effective leadership is as important to the long-term success of the Company as delivering on financial results.

- Our annual incentive compensation program includes a funding trigger to mitigate the potential risk associated with short-term decisions by our NEOs that may not be in the best interests of the Company or its shareholders. The funding trigger is intended to enhance compliance with our credit facility by requiring compliance with certain debt covenants. Our failure to meet the funding trigger would result in a forfeiture of the annual incentive awards.

Executive Compensation Reflects Financial Performance and Fair Target Setting

Consistent with our executive compensation program design, our compensation program results* for the 2017 fiscal year reflected the Company's financial results:

- The target performance level for the 2017 fiscal year annual incentive plan was set based on an expectation that the Company would deliver 13.5% profitability growth and $220.0 million of net cash provided by operating activities, reduced by investments in property, plant and equipment ("Non-GAAP Free Cash Flow").

- Our consolidated adjusted earnings before interest, taxes and amortization ("Non-GAAP Adjusted EBITA"), which was weighted at 75% under the annual incentive plan for the 2017 fiscal year, increased by 2.5% compared to the prior year but came in below target performance. The Company delivered $290.0 million in Non-GAAP Free Cash Flow, weighted at 25% under the annual incentive plan for the 2017 fiscal year, which was approximately 32% above target performance. As a result, incentive payouts were above target for the NEOs, driven by our strong cash flow results.

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* There may be differences between the Company's reported financial results and the amounts used for purposes of calculating incentive payments under the annual incentive compensation program since the calculations reflect currency translation based on budgeted, rather than actual, exchange rates and other discretionary adjustments the Compensation Committee may make based on individual facts and circumstances.

The Compensation Committee believes the level of variable compensation reported for our NEOs in the Summary Compensation Table is appropriate given the overall financial performance achieved by the Company for the 2017 fiscal year.

Compensation Design Reflects Key Market Practices

We believe our compensation design and practices align our executive compensation with our shareholders' interests and reflect current market practices, including:

- Performance-Based Pay: Consistent with our pay-for-performance philosophy, approximately 75% of the target annual compensation opportunity for our CEO was delivered in the form of variable pay tied to financial performance. For the other NEOs, approximately 70% of their target annual compensation opportunity was delivered in the form of variable pay tied to financial performance.

- No Employment Agreements: The Company does not maintain employment agreements with any of the NEOs. Severance benefits for our CEO are provided under a separate severance agreement, and severance benefits for all other NEOs are provided under an executive severance plan.

- Limited Executive Perquisites: The Company does not offer certain cash-based executive perquisites, such as car allowances and financial planning services.

- Double-Trigger Change in Control Provisions: Our plans include "double-trigger" change in control provisions, which provide for vesting upon involuntary termination of employment within 24 months after a change in control if equity-based awards are assumed or substituted in the transaction or if equity-based awards otherwise continue in effect after the transaction.

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- Clawback Provisions: All of our equity-based awards and annual incentive awards contain provisions designed to recoup such awards for violation of non-compete covenants or engaging in conduct that is detrimental to the Company. In addition, our Executive Compensation Recovery Policy allows the Company to recover annual incentive award payments and equity award distributions in the event of a required accounting restatement due to material non-compliance with any applicable financial reporting requirement.

- Stock Ownership Guidelines: Our stock ownership guidelines are designed to align the interests of each NEO with the long-term interests of the shareholders by ensuring that a material amount of each NEO's accumulated wealth is maintained in the form of Common Shares. The ownership guidelines, which are competitive with the levels maintained by our Compensation Peer Group, are: 10 times base salary for the CEO, 5 times base salary for the COO and 3 times base salary for all other NEOs.

- No Excess Benefit Retirement Plan: Our excess benefit plan was frozen effective December 31, 1997 and the only NEO who was enrolled in this plan prior to this date is our CEO.

- Independent Consultants: Our Compensation Committee engages an independent consultant to advise with respect to executive compensation levels and practices. The consultant provides no services to management and had no prior relationship with any of our NEOs.

- Insider Trading Policy; Anti-Hedging Policy: Our Insider Trading Policy prohibits all Company employees, including our NEOs and members of the Board, from engaging in certain hedging transactions relating to Company securities held by them, including short sales, the purchase of puts, calls or listed options and hedging transactions such as prepaid variable forwards, equity swaps, caps, collars and exchange funds.

Our Compensation Philosophy and Objectives

Objectives: The culture of our Company is based on a strong bias for action aimed at delivering sustainable results and driving value to our shareholders. We believe our compensation programs promote accountability and a performance-based culture, with significant emphasis on both short-term and long-term incentives that are designed to achieve the following objectives:

- Attract, retain and motivate top leadership talent;

- Drive performance that generates long-term profitable growth;

- Reward behaviors that reinforce our business strategy and desired culture;

- Encourage teamwork across business units and functional areas; and

- Link rewards to shareholder value creation.

Guiding Principles: The Company has adopted the following guiding principles as a framework for making compensation decisions while maintaining flexibility to respond to the competitive market for executive talent:

- Structure total compensation levels within the competitive market range for similar executive roles, which is generally viewed as the pay range between the 25th percentile and the 75th percentile of the Compensation Peer Group (the “Competitive Market Range”);

- Place greater emphasis on variable pay versus fixed pay;

- Emphasize pay-for-performance to motivate both short-term and long-term performance for the benefit of shareholders; and

- Provide the opportunity for meaningful wealth accumulation over time, tied directly to shareholder value creation.

Setting Pay Levels and Pay Mix: The Compensation Committee exercises its discretion to position individual pay levels and pay mix (i.e., how much of the pay opportunity is allocated among base salary, target incentive opportunity and long-term value) relative to the Competitive Market Range based on a subjective assessment of the individual facts and circumstances, including:

- The relative degree of organizational impact and influence of the role (what we refer to as “role-based pay”);
- The competency, experience and skill level of the executive; and
- The overall level of personal performance and expected contribution to the success of our business in the future.

Elements of Executive Compensation

To best promote the objectives of our executive compensation program, the Company relies on a mix of five principal short-term and long-term compensation elements. For the 2017 fiscal year, the elements of executive compensation were:

- Base salary;
- Annual cash incentive compensation;
- Long-term equity-based incentive awards;
- Executive perquisites and other benefits; and
- Retirement plans and deferred compensation benefits.

The Compensation Committee has responsibility for determining all elements of compensation granted to our NEOs and other key management employees. On an annual basis, the Compensation Committee reviews the relative mix or weighting between short-term and long-term compensation elements to ensure that the structure of our executive compensation is consistent with our compensation philosophy and guiding principles.

Base Salary (short-term compensation element)

Base salary is the primary fixed element of total compensation and serves as the foundation of the total compensation structure, since most of the variable compensation elements are linked directly or indirectly to the base salary level. Base salaries of the NEOs are reviewed on an annual basis and compared against the Competitive Market Range for similar positions based on survey data provided by the Company's compensation consultants. The Compensation Committee exercises its discretion to position individual base salary levels for the NEOs relative to the Competitive Market Range based on a subjective assessment of organizational and individual qualities and characteristics, including the strategic importance of the individual's job function to the Company, as well as an NEO's experience, competency, skill level, overall contribution to the success of our business and potential to make significant contributions to the Company in the future.

Annual Cash Incentive Compensation (short-term compensation element)

The Scotts Company LLC Amended and Restated Executive Incentive Plan ("EIP") provides annual cash incentive compensation opportunities based on Non-GAAP Adjusted EBITA, Non-GAAP Free Cash Flow and the leadership qualities demonstrated by our NEOs, because we believe these performance metrics drive shareholder value.

EIP Performance Metrics: For the 2017 fiscal year, the incentive awards were based on a combination of Non-GAAP Adjusted EBITA (75% weighting) and Non-GAAP Free Cash Flow (25% weighting), calculated at the consolidated Company level, as follows:

- Non-GAAP Adjusted EBITA — This measure is calculated as GAAP income from operations adjusted to exclude amortization expense within selling, general and administrative expenses; charges or credits relating to impairments; restructurings; discontinued operations; and other unusual items such as costs or gains related to discrete projects or transactions that are apart from and not indicative of the results of the operations of the business. This measure is

adjusted to exclude acquisitions and divestitures during the year unless their expected results are reflected in our annual budget. This measure is also subject to further adjustments at the discretion of the Compensation Committee, based on individual facts and circumstances.

- Non-GAAP Free Cash Flow — This measure is calculated as net cash provided by operating activities reduced by investments in property, plant and equipment.

As reflected in the table below, to account for potential weather-related volatility, a threshold payout of 50% can be achieved at a Non-GAAP Adjusted EBITA level that is 2.5% above the prior year, excluding the full-year impact of acquisitions, and a Non-GAAP Free Cash Flow level that is 2.3% below the prior year. The target performance goal required to achieve a payout of 100% reflects Non-GAAP Adjusted EBITA growth of 13.5% versus the prior year, excluding the full-year impact of acquisitions, and Non-GAAP Free Cash Flow growth of 22.8% versus the prior year. The maximum performance goal, which reflects Non-GAAP Adjusted EBITA growth of 22.2% versus the prior year, excluding the full year impact of

acquisitions, and Non-GAAP Free Cash Flow growth of 70.3% growth versus the prior year, was set at a level that the Compensation Committee believed to be achievable under ideal business and weather conditions.

The consolidated Company-level performance goals and actual performance results for the 2017 fiscal year (with dollars in millions) were:

Metric	Metric Weighting	Payout Level 50.0%	100.0%	175.0%	250.0%	Performance Results*	Weighted Payout %
Non-GAAP Adjusted EBITA	75%	$451.7	$500.6	$518.5	$538.6	$472.4	53.4%
Non-GAAP Free Cash Flow	25%	$175.0	$220.0	$265.0	$305.0	$290.0	53.1%
Total							106.5%

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* The Compensation Committee believes that the performance metrics should not be influenced by currency fluctuations and, therefore, where applicable, the EIP metrics reflect currency translation based on budgeted exchange rates, which is in contrast to actual exchange rates employed for currency conversions used for GAAP reporting. In addition, the Compensation Committee exercises its discretion to adjust the amounts used for purposes of calculating incentive payouts under the EIP based on individual facts and circumstances. As a result, there could be a difference between the Company's reported financial results and the amounts shown in this Proxy Statement.

Funding Trigger: Payouts under the EIP are subject to the Company remaining in compliance with the quarterly debt/EBITDA ratio requirement under its credit facility. This requirement was met for the 2017 fiscal year.

Individual Discretionary Component: For the 2017 fiscal year, the Compensation Committee considered a discretionary Personal Performance Factor ("PPF") to ensure we recognize and reward desired behaviors, not just financial results. The PPF is a multiplier on each NEO's calculated incentive payout amount and is intended to reward and motivate our top performers by facilitating a meaningful differentiation of payouts based on personal goal achievement and demonstrated leadership and cultural attributes. The PPF multiplier can range between 0% and 150% and, in addition to financial results, incorporates a subjective assessment of effective leadership qualities such as team development, embodiment of the Company's culture and personal development and growth. After applying the PPF, an individual participant could receive a total incentive payout that differs from the payout that would be calculated based solely on achievement of the performance metrics under this plan.
After considering these factors, as well as the financial performance of the Company, the Compensation Committee awarded the following EIP payouts for the 2017 fiscal year:

NEO	EIP Payout
Mr. Hagedorn	$1,546,380
Mr. Coleman	$593,072
Mr. Lukemire	$596,400
Ms. Stump	$386,595
Mr. Smith	$347,936

The above amounts are included in the Summary Compensation Table for the 2017 fiscal year.

Tax Deductibility: The Compensation Committee oversees the operation of the EIP, including approval of the plan design, performance objectives and payout targets for each fiscal year, and attempts to qualify the underlying payouts as performance-based compensation for purposes of IRC § 162(m) in order to maximize the tax deductibility of such compensation for the Company.

Long-Term Equity-Based Incentive Awards (long-term compensation element)

Long-term incentive compensation is an integral part of total compensation for Company executives and directly ties rewards to performance that creates and enhances shareholder value. The Compensation Committee targets the grant value of long-term equity-based incentive awards within the Competitive Market Range for each of our NEOs. Consistent with the Company's performance-based pay philosophy, the Compensation Committee exercises its discretion to position the targeted grant value of individual equity-based incentive awards relative to the Competitive Market Range based on factors such as the overall performance level of the individual, the overall contribution of the individual to the success of the business, years of service and the potential of the individual to make significant contributions to the Company in the future.

For the 2017 fiscal year, the Compensation Committee decided to align a significant portion of the long-term equity-based compensation of the NEOs to a performance-based design directly connected to our strategic growth initiative ("Project Focus"), which provides a roadmap to reconfigure the Company to drive long-term enterprise-wide growth, achieve improved and consistent cash flow, incorporate a capital allocation strategy that is focused on returning cash to shareholders, and increase the overall level of investor return. The Compensation Committee believes it is critical that the compensation and interests of the NEOs be directly aligned with the success of Project Focus. To that end, on January 30, 2017, the Compensation Committee approved front-loaded performance unit grants to our NEOs, referred to as the Project Focus Awards ("PFAs"), that are intended to:

- Ensure the alignment of management and shareholder interests;

- Align management's decision-making in support of the Project Focus financial objectives; and

- Promote the retention and continuity of the Company's senior leadership.

The performance period for the PFAs is the 2017-2021 fiscal year, which represents the 60-month forward-looking period that covers the first five years of the Project Focus planning horizon (the "PFA Performance Period"). The design of the PFAs pulls forward a portion of the grant value that likely would have been provided to each of the NEOs over the PFA Performance Period into a front-loaded performance-based award with robust performance goals tied to increased Non-GAAP Free Cash Flow and investor returns that are directly aligned to the objectives of Project Focus. Separate from the PFAs, on January 30, 2017, each NEO also received a grant of service-based RSUs structured to promote retention and continuity that are subject to three-year time-based cliff vesting. It is anticipated that the NEOs will continue to receive annual RSU grants over the balance of the PFA Performance Period, but due to the front-loaded nature of the PFAs, the value of the future RSU grants to the NEOs is expected to be significantly reduced versus recent annual grant levels.

PFAs granted in the 2017 fiscal year are subject to five-year, time-based cliff vesting on January 30, 2022, provided the Company achieves pre-defined performance criteria for the PFA Performance Period. The PFAs include a provision for partial vesting in the event of involuntary termination without cause, retirement, death, disability, or change in control; however, with the exception of death or disability, any potential payouts are subject to achievement of the pre-defined performance criteria for the PFA Performance Period. The PFAs also provide for an additional payment to mitigate the impact of any federal excise tax that may be triggered in connection with a change in control of the Company.

PFA Performance Metrics: The PFAs granted during the 2017 fiscal year are subject to the achievement of the following non-GAAP performance metrics:

- Cumulative Non-GAAP Free Cash Flow (67% weighting) — Net cash provided by operating activities reduced by investments in property, plant and equipment accumulated over the PFA Performance Period; and

- Calculated Investor Return (33% weighting) — Percentage of Adjusted Diluted EPS Growth* plus Dividend Yield**, calculated annually for the PFA Performance Period. To mitigate the risk of using a single point-to-point measurement, the average of the five annual calculations will be utilized to determine performance against this metric.

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* Derived from reported adjusted diluted income (loss) per Common Share from continuing operations and subject to discretionary adjustments the Compensation Committee may make based on individual facts and circumstances.

** Annual dividend per share divided by the average of the closing share price for each quarter.

		PFA Performance Period Payout Levels			
Metric	Metric Weighting	50%	100%	200%	250%
Cumulative Non-GAAP Free Cash Flow	67%	$500.0M	$900.0M	$1.3B	$1.5B
Avg. Annual Calculated Investor Return	33%	5.0%	10.0%	13.0%	15.0%

Failure to achieve the specified minimum performance goal for each metric will result in forfeiture of the portion of the PFAs associated with that metric. Each PFA granted to the NEOs in the 2017 fiscal year also includes a dividend equivalent right entitling the NEO to receive an amount in cash equal to the dividends declared and paid by the Company during the period beginning on the grant date and ending on the settlement date. Dividends are performance-based in that they are payable only on the number of shares actually achieved. Since the PFAs are intended to qualify as performance-based compensation for purposes of IRC § 162(m), the full value of these awards at the time of settlement is intended to be deductible. Information regarding our equity grant practices, including the determination of exercise price, can be found in the section captioned “Other Executive Compensation Policies, Practices and Guidelines — Practices Regarding Equity-Based Awards.”

Executive Perquisites and Other Benefits (short-term compensation element)

The Company maintains traditional health and welfare benefit plans and The Scotts Company LLC Retirement Savings Plan (the “RSP”), a qualified 401(k) plan, which are generally offered to all employees (subject to basic plan eligibility requirements) and are consistent with the types of benefits offered by other similar corporations. With the exception of a Company-paid annual physical examination and limited personal use of Company aircraft as provided below, none of the NEOs other than the CEO receive executive perquisites or benefits beyond those generally offered to all employees. From time-to-time, family members of the NEOs are accommodated as passengers on business-related flights on Company aircraft. There is no incremental cost to the Company for this perquisite.

All of the NEOs are entitled to limited personal use of Company aircraft at their own expense. Specifically, Mr. Hagedorn has an option to purchase up to 100 flight hours per year for personal use at the Company’s incremental direct operating cost per flight hour. All other NEOs are entitled to purchase up to 25 flight hours per year. There is no incremental cost to the Company for this perquisite other than the partial loss of a tax deduction of certain aircraft-related costs as a result of personal use of Company aircraft. Since Company aircraft are used primarily for business travel, the determination of the direct operating cost per flight hour excludes the fixed costs that do not change based on usage, such as pilots’ salaries, the purchase cost of Company aircraft and the cost of maintenance not related to personal trips.

As an additional perquisite, Mr. Hagedorn has access to the services of the Company’s aviation mechanics and pilots in circumstances involving commuting flights on personal aircraft. Since the Company’s aviation mechanics and pilots are paid on a salary basis, there is no incremental cost to the Company for this perquisite. To the extent Mr. Hagedorn utilizes the Company’s aviation mechanics and pilots in connection with non-commuting flights on his personal aircraft, he reimburses the Company for a pro-rata portion of their salaries and fringe benefit costs. For further discussion, see section captioned “CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.”

Retirement Plans and Deferred Compensation Benefits (long-term compensation element)

Executive Retirement Plan

The Scotts Company LLC Executive Retirement Plan (the "ERP") is a non-qualified deferred compensation plan that provides executives the opportunity to: (1) defer compensation with respect to salary and amounts received in lieu of salary and (2) defer compensation with respect to any Performance Award (as defined in the ERP). The ERP consists of the following five parts:

- Compensation Deferral, which allows continued deferral of up to 75% of salary and amounts received in lieu of salary;
- Performance Award Deferral, which allows the deferral of up to 100% of any cash incentive compensation earned under the EIP;

- Retention Awards, which reflect the Company's contribution to the ERP for retention awards;
- Supplemental Retirement Awards, which reflect Company directed contributions to the ERP, subject to the approval of the Compensation Committee; and
- Crediting of Company matching contributions on qualifying deferrals.

The Supplemental Retirement Awards ("SRA") provide a tax deferred approach to award additional compensation, on a discretionary basis, to the NEOs and other key management employees of the Company. The SRA contributions, which are subject to the discretion of the Compensation Committee, are funded on a monthly basis. While the awards are fully vested at the time of contribution, the SRA account balance cannot be distributed to the recipient for a minimum of six months following the termination of employment. During the 2017 fiscal year, the Compensation Committee awarded the following SRAs:

- Since January 2014, the Compensation Committee has awarded Mr. Hagedorn an annualized SRA contribution of $1.0 million (payable in monthly installments of $83,333) in connection with the negotiation of the severance agreement Scotts LLC entered into with Mr. Hagedorn on December 11, 2013 (the "Hagedorn Severance Agreement").
- In February 2016, the Compensation Committee awarded Ms. Stump, who is retirement eligible, an annualized SRA contribution in lieu of a portion of her targeted long-term equity grant value for 2016. Beginning in February 2017, the Compensation Committee discontinued this SRA contribution due to Ms. Stump's participation in the PFAs.

The Company matching contributions to the ERP were based on the same contribution formulae as those used for the RSP. Specifically, the Company matched participant contributions at a rate of 150% for the first 4% of eligible earnings contributed to the ERP and 50% for the next 2% of eligible earnings contributed to the ERP. Company matching contributions to the ERP are not funded until the first quarter of the subsequent calendar year, provided the individual is actively employed by the Company as of December 31.

All accounts under the ERP are bookkeeping accounts and do not represent claims against specific assets of the Company. Each participant may select one or more investment funds, including a Company stock fund, against which to benchmark such participant's ERP accounts. The investment options under the ERP are substantially consistent with the investment options permitted under the RSP. Accordingly, there were no above-market or preferential earnings on investments associated with the ERP for any of the NEOs for the 2017 fiscal year.

Other Retirement and Deferred Compensation Plans

The Scotts Company LLC Excess Benefit Plan for Non Grandfathered Associates (the "Excess Pension Plan") is an unfunded plan that provides benefits that cannot be provided under The Scotts Company LLC Associates' Pension Plan (the "Associates' Pension Plan") due to specified statutory limits. The Associates' Pension Plan and related Excess Pension Plan were frozen effective December 31, 1997 and, therefore, no additional benefits have accrued after that date under either plan. However, continued service taken into account for vesting purposes under the Associates' Pension Plan is recognized with respect to the entitlement to, and the calculation of, subsidized early retirement benefits under the Excess Pension Plan. Based on his tenure, Mr. Hagedorn is the only NEO who participates in the Excess Pension Plan. For further details regarding the Excess Pension Plan, see section captioned "EXECUTIVE COMPENSATION TABLES — Pension Benefits Table."

Our Compensation Practices

Determining Executive Officer Compensation

The Compensation Committee is responsible for determining all elements of compensation for our NEOs and other key executives. As explained more fully below, in determining our NEOs' compensation, the Compensation Committee considers individual performance, Company performance against pre-determined performance goals, the level of their compensation when compared to the Competitive Market Range for their role, and other factors specific to the individual and role. With respect to the annual incentive compensation plans, the Compensation Committee has responsibility for approving the overall plan design as well as the performance metrics, performance goals and payout levels.

The Compensation Committee is also responsible for administering or overseeing all equity-based incentive plans. Under the terms of these plans, the Compensation Committee has sole discretion and authority to determine the size and type of all equity-based awards, as well as the period of vesting and all other key terms and conditions of the awards.

Role of Outside Consultants

During the 2017 fiscal year, the Compensation Committee engaged ClearBridge Compensation Group (“ClearBridge”) as an independent compensation consultant to advise the Compensation Committee with respect to best practices and competitive trends in the area of executive compensation, as well as ongoing regulatory considerations. ClearBridge provided guidance to assist the Compensation Committee in determining the compensation structure for our NEOs and other key management employees but did not provide any consulting services directly to management. The Compensation Committee assessed the independence of ClearBridge as required by NYSE and SEC regulations and concluded that ClearBridge’s work for the Compensation Committee did not raise any conflict of interest.

During the 2017 fiscal year, the Company engaged various compensation consultants, including Towers Watson, Aon Hewitt, Mercer Global and Exequity to work directly with management to advise the Company on best practices and competitive trends, as well as ongoing regulatory considerations with respect to executive compensation. None of the consulting firms engaged by management provided consulting services directly to the Compensation Committee or the Board.

Compensation Peer Group

For the purpose of enabling the Company to benchmark our compensation practices, as well as the total compensation packages of our CEO and other key executives, the Company uses a customized Compensation Peer Group. The Compensation Committee believes that the companies chosen for the Compensation Peer Group (listed below) reflect the types of highly regarded consumer products-oriented companies with which the Company typically competes to attract and retain executive talent.

Briggs & Stratton Corporation	Central Garden & Pet Company	Church & Dwight Co., Inc.
The Clorox Company	Energizer Holdings, Inc.	FMC Corporation
Herbalife Ltd.	Masco Corporation	Nu Skin Enterprises, Inc.
Revlon, Inc.	Rollins, Inc.	RPM International, Inc.
The J. M. Smucker Company	Spectrum Brands Holdings, Inc.	The Toro Company
Tupperware Brands Corporation		

The Compensation Committee believes this Compensation Peer Group reflects the pay practices of the broader consumer products industry and is reflective of the size and complexity of the Company. In general, the Compensation Peer Group includes companies that range between $1.5 billion and $7.4 billion of annual revenues, with a median annual revenue approximating the Company’s revenue for the 2017 fiscal year. In conjunction with its independent compensation consultants, the Compensation Committee regularly evaluates the composition of the peer group based upon the Company business profile.

Use of Tally Sheets

On a periodic basis, management prepares and furnishes to the Compensation Committee a comprehensive statement, known as a “Tally Sheet,” reflecting the value of each element of compensation for the current fiscal year as well as executive perquisites and other benefits provided to the NEOs. The Tally Sheets provide perspective to the Compensation Committee on the overall level of executive compensation and wealth accumulation, as well as the relationship between short-term and long-term compensation elements and how each element relates to our compensation philosophy and guiding principles. The Tally Sheets are instructive for the Compensation Committee when compensation decisions are being evaluated, particularly as it relates to compensation decisions made in connection with promotions, special retention issues and separations from the Company.

Role of Management in Compensation Decisions

The Compensation Committee is responsible for establishing performance objectives for our CEO and completing an annual assessment of his performance. Our CEO is responsible for establishing performance objectives and conducting annual performance reviews for all of the other NEOs. The Compensation Committee believes that performance evaluation and goal-setting are critical to the overall compensation-setting process because the personal performance level of each NEO is one of the most heavily weighted factors considered by the Compensation Committee when making compensation decisions.

In conjunction with the Company's outside consultants from Towers Watson and Aon Hewitt, management conducts annual market surveys of the base salary levels, short-term incentives and long-term incentives for each of our NEOs, with the

goal of helping to ensure that executive compensation levels remain competitive with the benchmark compensation data, which facilitates our ability to retain and motivate key executive talent. The benchmark compensation data provided by Towers Watson and Aon Hewitt reflects almost 500 general industry companies, representing a wide range of annual revenue, who voluntarily participate in the surveys and are not selected by the Company. To account for the wide range of companies included in the surveys, the data is statistically adjusted by the Company's compensation consultants to more closely reflect the relative size of the Company based on revenue.

Setting Compensation Levels for CEO and Other NEOs

Consistent with our performance-oriented pay philosophy, the compensation structure for our CEO is designed to deliver approximately 25% of the annual compensation opportunity in the form of fixed pay (i.e., base salary) and the remaining 75% in the form of variable pay (i.e., annual incentive compensation and long-term equity-based compensation). Once a year, the Compensation Committee completes an evaluation of our CEO's performance with respect to the Company's goals and objectives and makes a report of its evaluation to the Board. When evaluating potential changes to Mr. Hagedorn's total level of compensation for the 2017 fiscal year, the Compensation Committee considered Mr. Hagedorn's personal performance against pre-established goals and objectives, the Company's performance and relative shareholder return, and the compensation of CEOs at comparable companies, as reflected in the benchmark compensation data.

Based on their assessment of the competitive market trends and the individual performance level of each NEO, our CEO and the Executive Vice President, Global Human Resources make specific recommendations to the Compensation Committee with respect to each element of compensation for each of the other NEOs. These recommendations are based on their assessment of each NEO's individual performance, and all elements of compensation, including base salary, annual incentive compensation and long-term equity-based compensation. In evaluating these compensation recommendations, the Compensation Committee considers information such as the Company's financial performance as well as the compensation of similarly situated executive officers as determined by the Competitive Market Range for each role. The Compensation Committee strives to deliver a competitive level of total compensation to each of them by evaluating and balancing the strategic importance of the position within our executive ranks, the overall performance level and expected contribution of the individual to the Company's business results, industry compensation practices (including companies within our Compensation Peer Group), internal pay equity, and our executive compensation structure and philosophy.

Consistent with our performance-oriented pay philosophy, the compensation structure for the NEOs, other than our CEO, was designed to deliver approximately 30% of the annual compensation opportunity in the form of fixed pay (i.e., base salary and SRA) and the remaining 70% in the form of variable pay (i.e., annual incentive compensation and long-term equity-based compensation). The Compensation Committee believes that the pay mix and overall levels of pay are generally in line with the pay mix for similar positions within our Compensation Peer Group.

Consistent with our role-based pay approach, which is intended to distinguish the overall level of and mix of pay for those roles that have a higher degree of organizational impact and influence, the Compensation Committee determines the overall pay levels for the CEO and each of the other NEOs relative to the Competitive Market Range to reflect the impact they believe that each of these individuals brings to our Company.

After applying the above guidelines, the Compensation Committee established the target total direct compensation elements for CEO and each of the other NEOs as follows:

	Base Salary	Other Comp	Annual Bonus Target %	Target $	Target Cash Compensation	Target Annual Long-Term Incentive Value	Target Direct Compensation

								(TDC)
Mr. Hagedorn	2017 TDC	$1,100,000	$1,000,000	120%	$1,320,000	$3,420,000	$4,580,000	$8,000,000
	% of TDC	14%	13%		16%	43%	57%	
Mr. Coleman	2017 TDC	$675,000	—	75%	$506,250	$1,181,250	$1,300,000	$2,481,250
	% of TDC	27%	0%		21%	48%	52%	
Mr. Lukemire	2017 TDC	$700,000	—	80%	$560,000	$1,260,000	$1,600,000	$2,860,000
	% of TDC	24%	0%		20%	44%	56%	
Ms. Stump	2017 TDC	$550,000	—	60%	$330,000	$880,000	$620,000	$1,500,000
	% of TDC	37%	0%		22%	59%	41%	
Mr. Smith	2017 TDC	$500,000	—	60%	$300,000	$800,000	$580,000	$1,380,000
	% of TDC	36%	0%		22%	58%	42%	

The Compensation Committee believes that each element of total direct compensation reflected above, as well as the overall level of compensation for each of the NEOs, appropriately recognizes their personal performance and unique skill sets and is within the Competitive Market Range for their respective roles.

Changes in Base Salary and Short-Term Cash-Based Incentive Compensation

During the 2017 fiscal year, the Compensation Committee reviewed the base salary and short-term target incentive opportunity for each of the NEOs. With the exception of the changes noted below for Mr. Coleman and Mr. Smith, the Compensation Committee determined that no changes were necessary based on an assessment of the Competitive Market Range for their respective roles.

- Mr. Hagedorn's annual base salary and target incentive opportunity for purposes of the EIP remained unchanged at $1.1 million and 120% of base salary, respectively.

- Mr. Lukemire's annual base salary and target incentive opportunity for purposes of the EIP remained unchanged at $700,000 and 80% of base salary, respectively.

- Mr. Coleman received an increase in base salary from $575,000 to $675,000 and an increase in target incentive opportunity for purposes of the EIP from 70% to 75%.

- Ms. Stump's annual base salary and target incentive opportunity for purposes of the EIP remained unchanged at $550,000 and 60% of base salary, respectively.

- Mr. Smith received an increase from $480,000 to $500,000 and his target incentive opportunity for purposes of the EIP remained at 60% of base salary.

The payout levels under the EIP are subject to specific performance goals. A description of the specific performance goals and payout levels is included in the section captioned "Elements of Executive Compensation — Annual Cash Incentive Compensation (short-term compensation element)."

Long-Term Equity-Based Compensation

The Company's compensation philosophy supports strongly linking rewards to shareholder value creation and to motivating long-term performance. The Compensation Committee established the specific target annual long-term incentive ("LTI") value for the NEOs based on a subjective assessment of their overall performance level and expected contributions to the business, which is within the Competitive Market Range for their respective roles. As previously noted, during the 2017 fiscal year, the Compensation Committee awarded the NEOs a combination of PFAs and RSUs. The PFAs awarded during the 2017 fiscal year, which are front-loaded awards covering the five-year PFA Performance Period, have a grant date value equal to 3.5 times the target annual LTI value established for the NEOs. The percentage of total performance-based pay realized by our NEOs has the potential to be considerably higher in the future due to the impact of the performance multiplier incorporated into the design of the PFAs that were granted to our NEOs during the 2017 fiscal year. The grant date value of the RSUs awarded during the 2017 fiscal year had a grant date value equal to one-half the target annual LTI value established for the NEOs. The combined value of equity-based compensation awarded to our NEOs during the 2017 fiscal year was as follows:

Target Annual LTI Value	PFA Grant Date Value	RSU Grant Date Value	Total 2017 Grant Date Value

Mr. Hagedorn	$4,580,000	$16,030,031	$2,290,004	$18,320,035
Mr. Coleman	$1,300,000	$4,550,069	$650,023	$5,200,092
Mr. Lukemire	$1,600,000	$5,600,092	$1,100,047(1)	$6,700,139
Ms. Stump	$620,000	$2,170,060	$310,089	$2,480,149
Mr. Smith	$580,000	$2,030,032	$290,005	$2,320,037

(1) Includes a one-time discretionary RSU award valued at $300,000.

The vesting criteria and performance goals are explained more fully in the section captioned "Elements of Executive Compensation — Long-Term Equity-Based Incentive Awards (long-term compensation element)." The use of performance-based equity awards increases the portion of our NEOs' total compensation opportunity that is directly tied to the performance of the Company, is reflective of competitive practice and further aligns our NEOs' interests with the long-term interests of the Company's shareholders. Failure to achieve the pre-defined performance goals will result in forfeiture of the PFAs, even if the service-based vesting requirements are satisfied in the future.

The RSUs are service-based and are subject to three-year, time-based cliff vesting, with a provision for accelerated vesting in the event of retirement, death or disability.

Long-Term Supplemental Retirement Account Contributions

As noted in the section captioned "Elements of Executive Compensation — Retirement Plans and Deferred Compensation Benefits (long-term compensation element)," Mr. Hagedorn received an annualized SRA contribution of $1.0 million (payable in monthly installments of $83,333) and Ms. Stump received monthly SRA contributions of $25,833 through January 2017.

Other Executive Compensation Policies, Practices and Guidelines

Practices Regarding Equity-Based Awards

In general, all employees are eligible to receive grants of equity-based awards; however, the Compensation Committee typically limits participation to the NEOs and other key management employees. The decision to grant equity-based awards to certain key management employees reflects competitive market practice and serves to reward those individuals for their past and anticipated future positive impact on our business results.

The Company typically grants equity-based awards at the Compensation Committee meeting in January, with the effective date of the grant established as either the day of or the next business day following the annual meeting of shareholders. Other than this practice, the Company does not have any program, plan or practice to coordinate the timing of annual equity-based awards to our executive officers with the release of material, non-public information.

Although no non-qualified stock options ("NSOs") were granted during the 2017 fiscal year, the Company's practice is to establish the exercise price for each NSO as the closing price of a Common Share on NYSE on the grant date. If the grant date is not a trading day on NYSE, the exercise price is equal to the closing price on the next succeeding trading day.

Stock Ownership Guidelines

The Compensation Committee has established stock ownership guidelines for each of the NEOs. The purpose of these guidelines is to align the interests of each NEO with the long-term interests of the shareholders by ensuring that a material amount of each NEO's accumulated wealth is maintained in the form of Common Shares. The minimum target levels of stock ownership are as follows:

CEO	10 times base salary
COO	5 times base salary
Other NEOs	3 times base salary

The Compensation Committee believes that these stock ownership guidelines reflect the practices of our Compensation Peer Group and are even more stringent for our CEO. For purposes of determining compliance with the

stock ownership guidelines, the value of beneficially-owned shares is determined as follows:

- 100% of the value of Common Shares directly registered to the NEO and/or held in a brokerage account;
- 100% of the value of shares or stock-settled units held in retirement plans such as the RSP, the Discounted Stock Purchase Plan or the ERP;
- 60% of the "in-the-money" portion of an NSO, whether vested or unvested; and
- 60% of the value of unsettled full-value awards (e.g., RSUs, PUs, PFAs, etc.).

The stock ownership guidelines require each NEO to retain 50% of the net shares realized from equity-based awards (after covering any exercise cost and the required tax withholding obligations) until the applicable ownership guideline has been achieved. The Company's Insider Trading Policy prohibits any person subject to the policy, which includes all NEOs, among others, from engaging in short sales of the Company's securities.

Recoupment/Clawback Policies

To protect the interests of the Company and its shareholders, subject to applicable law, all equity-based awards and all amounts paid under the EIP contain recoupment provisions (known as clawback provisions) designed to enable the Company to recoup amounts earned or received under such awards or the EIP based on subsequent events, such as violation of non-compete covenants or engaging in conduct that is deemed to be detrimental to the Company (as outlined in the underlying plan and/or award agreement).

Consistent with the terms of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), the Compensation Committee approved an Executive Compensation Recovery Policy (the "Recovery Policy") on September 22, 2010, which is intended to supplement the existing recoupment provisions contained within the equity award agreements and the EIP. The Recovery Policy allows the Company to recover incentive award payments and equity award distributions made to covered executives in the event of a required accounting restatement due to material non-compliance with any financial reporting requirement under U.S. securities laws. The Recovery Policy provides for the mandatory recovery of incentive amounts in excess of what would have been paid under the restated financial statements.

The Recovery Policy is applicable to all current and former incentive-eligible executive officers, within a qualifying three-year look-back period, and applies to all incentive awards paid or distributed in 2010 or thereafter, except to the extent required by SEC regulations.

Guidelines with Respect to Tax Deductibility and Accounting Treatment

The Company's ability to deduct certain elements of compensation paid to each of its Chief Executive Officer and the three other most highly compensated executive officers (other than its Chief Financial Officer) is generally limited to $1.0 million annually under IRC § 162(m). Non-deductibility is generally limited to amounts that do not meet certain requirements to be classified as "performance-based" compensation. To ensure the maximum tax deduction allowable, the Company attempts to structure its cash-based incentive program and its long-term incentive program to qualify as performance-based compensation under IRC § 162(m). For the 2017 fiscal year, Mr. Hagedorn had non-performance-based compensation in excess of $1.0 million, attributed to his base salary level and the value of the Company SRA contribution made to the ERP. Mr. Lukemire had non-performance-based compensation in excess of $1.0 million, attributed to his base salary level and the settlement of service-based RSUs. None of the other NEOs had non-performance-based compensation in excess of $1.0 million for the 2017 fiscal year.

The Company accounts for equity-based compensation, including option awards and stock awards, in accordance with GAAP. Prior to making decisions to grant equity-based awards, the Compensation Committee reviews pro forma expense estimates for the awards as well as an analysis of the potential dilutive effect such awards could have on existing shareholders. Where appropriate, the proposed level of the equity-based awards may be adjusted to balance these objectives.

Decisions regarding the design, structure and operation of the Company's incentive plans, including the EIP and the equity-based incentive plans, contemplate an appropriate balance between the underlying objectives of each plan and the resulting accounting and tax implications to the Company. While we view preserving the tax deductibility of

executive compensation as an important objective, there are instances where the Compensation Committee has approved design elements that may not be fully tax-deductible, but are accepted as trade-offs that support the achievement of other compensation objectives.

Risk Assessment in Compensation Programs

Management has assessed the Company's compensation programs and has concluded that the Company's compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company. In reaching its conclusion, the Company based its assessment on an evaluation of the compensation plans and arrangements that represent material sources of variable pay. In particular:

- Annual cash incentive compensation plans — The Company's annual incentive compensation program incorporates a funding trigger that conditions payout on meeting the debt covenants in the Company's credit facility. This trigger is designed to mitigate the potential risk associated with plan participants making short-term decisions that may not be in the best interests of the Company or its shareholders; and

- Equity-based compensation plans — The Company generally utilizes a mix of performance-based and service-based equity awards, which helps ensure that management maintains a responsible level of sensitivity to the impact of decision-making on share price. Since the equity-based awards are generally subject to either three-year or longer time-based cliff vesting or performance-based vesting criteria, the Company believes the risks of focusing on short-term share price increases rather than long-term value creation are mitigated. In addition, the use of a similar cash flow metric in both the annual compensation program and the PFAs awarded under the Long-Term Incentive Plan is intended to mitigate the risk of short-term decisions that are not in the long-term interests of our shareholders.

Based on the foregoing, we believe that our compensation policies and practices do not create inappropriate or unintended significant risk to the Company as a whole and are supported by the oversight and administration of the Compensation Committee with regard to executive compensation programs.

Insider Trading Policy; Anti-Hedging Policy

Our Insider Trading Policy includes an anti-hedging policy that prohibits all Company employees, including our NEOs and members of the Board, from engaging in certain hedging transactions relating to Company securities held by them, including short sales, the purchase or sale of puts, calls or listed options and hedging transactions such as prepaid variable forwards, equity swaps, caps, collars and exchange funds.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of SEC Regulation S-K with management and, based on such review and discussion, the Compensation Committee recommended to the Board of Directors (and the Board of Directors approved) that the Compensation Discussion and Analysis be included in this Proxy Statement.

Submitted by the Compensation Committee of the Board of Directors of the Company:

Michelle A. Johnson, Chair
Stephen L. Johnson
Thomas N. Kelly Jr.
Peter E. Shumlin

EXECUTIVE COMPENSATION TABLES

The Company's NEOs for the 2017 fiscal year are as follows:

- James Hagedorn, the Company's Chief Executive Officer and Chairman of the Board;
- Thomas R. Coleman, the Company's Executive Vice President and Chief Financial Officer;
- Michael C. Lukemire, the Company's President and Chief Operating Officer;
- Denise S. Stump, the Company's Executive Vice President, Global Human Resources and Chief Ethics Officer; and
- Ivan C. Smith, the Company's Executive Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer.

Summary Compensation Table

The following table summarizes the total compensation paid to, awarded to or earned by each of the NEOs for the fiscal years shown. The amounts shown include all forms of compensation provided to the NEOs, including amounts that may have been deferred. Since the table includes equity-based compensation costs and changes in the actuarial present value of the NEOs' accumulated pension benefits, the total compensation amounts may be greater than the compensation that was actually paid to the NEOs during each of the fiscal years.

Summary Compensation Table for 2017 Fiscal Year

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)	Stock Awards ($)(3)	Option Awards ($)(4)	Non-Equity Incentive Plan Compensation ($)(5)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings ($)(6)(7)	All Other Compensation ($)(8)	Total ($)
James Hagedorn	2017	1,100,000	—	18,320,035	—	1,546,380	—	1,106,615	22,073,030
Chief Executive Officer and	2016	1,100,000	—	2,290,066	1,658,003	2,307,888	40,261	1,106,248	8,502,466
Chairman of the Board	2015	1,100,000	—	2,000,011	1,543,940	1,801,228	52,704	1,149,037	7,646,920
Thomas R.	2017	675,000	—	5,200,092	—	593,072	—	89,715	6,557,879
Coleman Executive Vice	2016	568,750	—	487,559	352,959	700,142	—	72,885	2,182,295
President and Chief Financial Officer	2015	537,500	—	412,549	318,436	484,008	—	55,994	1,808,487
	2017	700,000	—	6,700,139	—	596,400	—	13,853	8,010,392

Michael C. Lukemire President and Chief Operating Officer	2016	687,500	—	800,053	579,214	900,717	3,138	91,378	3,062,000
	2015	616,250	—	1,750,097	578,976	642,190	3,807	61,911	3,653,231
Denise S. Stump Executive Vice President, Global Human Resources and Chief Ethics Officer	2017	550,000	—	2,480,149	—	386,595	—	191,205	3,607,949
	2016	537,500	150,000(2)	310,022	—	550,233	—	415,672	1,963,427
	2015	485,000	—	—	—	342,783	—	392,486	1,220,269
Ivan C. Smith Executive Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer	2017	495,000	—	2,320,037	—	347,936	—	65,337	3,228,310
	2016	472,500	—	290,036	209,968	450,235	—	53,524	1,476,263
	2015	437,500	—	240,019	185,276	309,165	—	46,669	1,218,629

(1) Reflects the amount of base salary received by each NEO for the applicable fiscal years. Due to the timing of pay changes, the amount reported may be less than the base salary rate as of the end of each fiscal year.

(2) Reflects a one-time lump sum discretionary bonus payment to Ms. Stump.

(3) With respect to the 2017 fiscal year, reflects the aggregate grant date fair value of service-based RSUs and the front-loaded performance-based PFAs granted to each NEO (assuming the underlying performance criteria applicable to the PFAs will be achieved at the target level of performance). With respect to the 2016 and 2015 fiscal years, reflects the aggregate grant date value of service-based RSUs and performance-based PUs (assuming the underlying performance criteria applicable to the PUs will be satisfied). The value of the RSUs, PUs and PFAs is determined using the fair market value of the underlying Common Shares on the date of grant, computed in accordance with the equity compensation accounting provisions of FASB ASC Topic 718. Pursuant to applicable SEC Rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions.

The following table sets forth the grant date value of RSUs, the target number of PFAs, the target grant date fair value based on the $92.98 closing price on the date of grant, and the potential maximum payout value assuming that the maximum performance level would be achieved over the five-year performance period, and further assuming no appreciation in share price from the grant date closing price of $92.98.

Name	RSU Grant Date Fair Value	# PFAs at Potential Target Payout	PFA Potential Target Payout Value at $92.98 Grant Date	PFA Potential Maximum Payout Value at $92.98 Grant Date
James Hagedorn	$2,290,004	172,403	$16,030,031	$40,075,077
Thomas R. Coleman	$650,023	48,936	$4,550,069	$11,375,173
Michael C. Lukemire	$1,100,047	60,229	$5,600,092	$14,000,231
Denise S. Stump	$310,089	23,339	$2,170,060	$5,425,151
Ivan C. Smith	$290,005	21,833	$2,030,032	$5,075,081

(4) No NSOs were granted to any of the NEOs during the 2017 fiscal year. For prior years, this column reflects the aggregate grant date value of NSOs granted to each NEO. The value of the NSO awards is determined using a binomial option valuation on the date of the grant, computed in accordance with the equity compensation accounting provisions of FASB ASC Topic 718. Pursuant to applicable SEC Rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Assumptions used in the calculation of the amounts shown are included in Note 12 to the Consolidated Financial Statements included in the Company’s Annual Report on Form 10-K, as applicable.

(5) Reflects the EIP payouts awarded to the NEOs for the applicable fiscal year.

(6) Participant account balances in the ERP, a non-qualified deferred compensation plan, are credited to one or more benchmark funds that are substantially consistent with the investment options available under the RSP. Accordingly, there are no above-market or preferential earnings on amounts deferred under the ERP. The Associates’ Pension Plan and the Excess Pension Plan were frozen as of December 31, 1997; therefore, no service credits have been earned since that date by Mr. Hagedorn or Mr. Lukemire. No other NEOs were eligible for either the Associates’ Pension Plan or the Excess Pension Plan. For additional information, see the table below captioned “Pension Benefits at 2017 Fiscal Year-End.”

(7) Reflects the actuarial present value of accumulated benefit for the respective fiscal year under both the Associates’ Pension Plan and the Excess Pension Plan for Mr. Hagedorn and under the Associates’ Pension Plan for Mr. Lukemire. With respect to the 2017 fiscal year, the accumulated benefit decreased for both Mr. Hagedorn

($10,576) and Mr. Lukemire ($922); however, based on applicable SEC guidance, amounts reported in this table cannot be negative.

(8) Please see the table below captioned “All Other Compensation” for information regarding the components of the “All Other Compensation” column.

All Other Compensation Table

The following table shows the 2017 fiscal year detail for the column captioned "All Other Compensation" of the Summary Compensation Table:

All Other Compensation

Name	Defined Contribution Plans ($)(1)	Deferred Compensation Plans ($)(2)		Total ($)
James Hagedorn	18,900	1,087,715	(3)	1,106,615
Thomas R. Coleman	17,200	72,515		89,715
Michael C. Lukemire	13,853	—		13,853
Denise S. Stump	18,900	172,305	(4)	191,205
Ivan C. Smith	18,677	46,660		65,337

(1) Reflects Company matching contributions made under the RSP. The RSP provides eligible associates, including the NEOs, the opportunity to contribute up to 75% of eligible earnings on a before-tax and/or after-tax basis through payroll deductions up to the specified statutory limits under the IRC. The Company matches participant contributions at a rate of 150% for the first 4% of eligible earnings contributed and 50% for the next 2% of eligible earnings contributed (within the specified statutory limitations). The matching contributions, and any earnings on them, are immediately 100% vested.

To ensure that the total Company matching contribution is based on a participant's total deferrals and total eligible compensation for the calendar year, the RSP includes a "true-up" matching contribution. The "true-up" matching contributions to the RSP for a particular calendar year are not funded until the first quarter of the subsequent calendar year. As a result, amounts reflected in this column do not include the following estimated "true-up" matching contributions with respect to NEO contributions that were made to the RSP between January 1, 2017 and September 30, 2017: Mr. Hagedorn, $0; Mr. Coleman, $8,223; Mr. Lukemire, $7,505; Ms. Stump, $0; and Mr. Smith, $11,341.

(2) Reflects Company matching contributions into the ERP, a non-qualified deferred compensation plan. Company matching contributions to the ERP for a particular calendar year are not allocated until the first quarter of the subsequent calendar year. As a result, amounts reflected in this column do not include the following estimated Company matching contributions with respect to NEO contributions that were made to the ERP between January 1, 2017 and September 30, 2017: Mr. Hagedorn, $38,890; Mr. Coleman, $16,630; Mr. Lukemire, $17,854; Ms. Stump, $10,019; and Mr. Smith, $7,440. Additional details with respect to non-qualified deferred compensation provided for under the ERP are shown in the table captioned "Non-Qualified Deferred Compensation for 2017 Fiscal Year" and the accompanying narrative.

(3) Reflects an $87,715 Company matching contribution made to the ERP as well as a $1.0 million Company SRA contribution, which consisted of monthly contributions of $83,333. A description of the SRA contribution is set forth in the section captioned "Elements of Executive Compensation — Retirement Plans and Deferred Compensation Benefits (long-term compensation element) — Executive Retirement Plan" within the CD&A.

(4) Reflects a $68,972 Company matching contribution made to the ERP as well as a $103,333 Company SRA contribution, which consisted of monthly contributions in the amount of $25,833 for the period beginning October 1, 2016 through January 31, 2017, at which time the Company SRA contributions were discontinued. A description of the SRA contribution is set forth in the section captioned "Elements of Executive Compensation — Retirement

Plans and Deferred Compensation Benefits (long-term compensation element) — Executive Retirement Plan" within the CD&A.

Grants of Plan-Based Awards Table

The following table sets forth information concerning equity-based awards made during the 2017 fiscal year as well as the range of potential payouts under the EIP, a non-equity incentive plan, with respect to performance goals for the 2017 fiscal year.

Grants of Plan-Based Awards for 2017 Fiscal Year

Name	Grant Date(1)	Payouts Under Non-Equity Incentive Plan Awards(2)			Payouts Under Equity Incentive Plan Awards(3)			Number of Shares of Stock or Units (#)	Value of Stock and Option Awards ($)(5)
		Threshold ($)	Target ($)	Maximum ($)	Threshold (shares)	Target (shares)	Maximum (shares)		
James Hagedorn									
PFAs	1/30/2017				86,202	172,403	431,008		16,030,031
RSUs	1/30/2017							24,629	2,290,004
EIP		660,000	1,320,000	3,300,000					
Thomas R. Coleman									
PFAs	1/30/2017				24,468	48,936	122,340		4,550,069
RSUs	1/30/2017							6,991	650,023
EIP		253,125	506,250	1,265,625					
Michael C. Lukemire									
PFAs	1/30/2017				30,115	60,229	150,573		5,600,092
RSUs	1/30/2017							11,831 (4)	1,100,047
EIP		280,000	560,000	1,400,000					
Denise S. Stump									
PFAs	1/30/2017				11,670	23,339	58,348		2,170,060
RSUs	1/30/2017							3,335	310,089
EIP		165,000	330,000	825,000					
Ivan C. Smith									
PFAs	1/30/2017				10,917	21,833	54,583		2,030,032
RSUs	1/30/2017							3,119	290,005
EIP		148,500	297,000	742,500					

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(1) Awards listed were approved by the Compensation Committee on January 30, 2017 with a grant date of January 30, 2017.

(2) These amounts are the estimated potential threshold (50%), target (100%) and maximum (250%) incentive award payouts that each NEO was eligible to receive based on performance goals set pursuant to the EIP for the 2017

fiscal year. A detailed description of the performance goals and potential incentive award payouts under the EIP is provided in the section captioned “Elements of Executive Compensation — Annual Cash Incentive Compensation (short-term compensation element)” within the CD&A.

(3) Reflects the number of PFAs awarded under the Long-Term Incentive Plan for the 2017 fiscal year at the threshold (50%), target (100%) and maximum (250%) payout levels. In general, the PFAs, as well as the associated cash-based dividend equivalents, vest on January 30, 2022, subject to the achievement of the pre-defined performance goals. A detailed description of the performance goals and potential shares to be paid out is provided in the section captioned “Elements of Executive Compensation — Long-Term Equity-Based Incentive Awards (long-term compensation element)” within the CD&A.

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The PFAs are subject to earlier vesting, on a pro-rata basis, in the event of retirement, involuntary termination without cause, or a change in control of the Company in certain circumstances (provided the minimum performance criteria is met for the full PFA Performance Period). The PFAs are subject to pro-rata vesting at target performance upon the death or disability of the NEO. In all other circumstances, the PFAs are forfeited in the event of termination prior to the vesting date. As of September 30, 2017, Mr. Hagedorn, Mr. Lukemire and Ms. Stump were retirement eligible and therefore qualify for accelerated pro-rata vesting should they retire prior to the normal vesting date; however, vested shares will remain subject to the satisfaction of the performance criteria. No other NEOs are retirement eligible.

Subject to the terms of the Long-Term Incentive Plan, whole vested PFAs will be settled in Common Shares and fractional PFAs will be settled in cash as soon as administratively practicable, but in no event later than 90 days following the fifth anniversary of the grant date. Until the PFAs are settled, the NEO has none of the rights of a shareholder with respect to the Common Shares underlying the PFAs. The PFAs provide for the ability to defer receipt of the awards after the vesting date; however, none of the NEOs elected to defer receipt of their PFAs beyond the vesting date.

(4) Includes 3,227 RSUs associated with a one-time discretionary award made to Mr. Lukemire on January 30, 2017.

(5) Reflects the grant date fair value for the RSU and PFA grants (assuming the underlying performance criteria for the PFA grants will be satisfied at target performance), computed in accordance with FASB ASC Topic 718.

Outstanding Equity Awards Table

The following table provides information regarding outstanding equity-based awards as of September 30, 2017.

Outstanding Equity Awards at 2017 Fiscal Year-End

		Option Awards				Stock Awards			
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable (#)(1)	Number of Securities Underlying Unexercised Options Unexercisable (#)(1)	Option Exercise Price ($)(2)	Option Expiration Date	Number of Shares or Units That Have Not Vested (#)(3)	Market Value of Shares or Units That Have Not Vested ($)(4)	Equity Incentive Plan Awards: Number of Unearned Shares or Units That Have Not Vested (#)(5)	Equity Incentive Plan Awards: Market or Payout Value Of Unearned Shares or Units That Have Not Vested ($)(6)
James Hagedorn	10/8/2008	210,386		20.59	10/5/2018				
	1/20/2010	85,444		39.58	1/17/2020				
	1/21/2011	123,991		49.19	1/20/2021				
	1/20/2012	120,288		45.32	1/19/2022				
	1/30/2015		134,139	63.43	1/30/2025			31,531	3,069,228
	1/29/2016		134,469	68.68	1/29/2026			33,344	3,245,705
	1/30/2017					24,629	2,397,387	172,403	16,781,708
Thomas R. Coleman	1/30/2015		27,666	63.43	1/30/2025			6,504	633,099
	1/29/2016		28,626	68.68	1/29/2026			7,099	691,017
	1/30/2017					6,991	680,504	48,936	4,763,430
Michael C. Lukemire	1/20/2010	13,363		39.58	1/17/2020				
	1/21/2011	9,788		49.19	1/20/2021				
	1/20/2012	9,813		45.32	1/19/2022				
	1/30/2015		50,302	63.43	1/30/2025			11,825	1,151,046
	1/29/2016		46,976	68.68	1/29/2026			11,649	1,133,914
	1/30/2017					11,831	1,151,630	60,229	5,862,691
Denise S. Stump	1/20/2010	11,575		39.58	1/17/2020				
	1/21/2012	9,529		45.32	1/19/2022				
	1/29/2016					4,514	439,393		
	1/30/2017					3,335	324,629	23,339	2,271,818
Ivan C. Smith	1/21/2011	1,263		49.14	1/20/2021				
	1/20/2012	3,324		45.32	1/19/2022				
	1/30/2015		16,097	63.43	1/30/2025			3,784	368,335
	1/29/2016		17,029	68.68	1/29/2026			4,223	411,067
	1/30/2017					3,119	303,603	21,833	2,125,224

(1) All of the NSOs shown in these two columns have a vesting date that is the third anniversary of the grant date shown in the column captioned "Grant Date."

(2) Each NSO was granted with an exercise price equal to the closing price of one Common Share on NYSE on the date of grant.

(3) This column shows the aggregate number of RSUs outstanding as of September 30, 2017. The vesting date for each award based on the listed grant date is as follows:

Award Type	Grant Date	Vesting Date	Vesting Schedule Notes
RSUs	01/29/2016	01/29/2019	Vests on the third anniversary of the grant date
RSUs	01/30/2017	01/30/2020	Vests on the third anniversary of the grant date

(4) Reflects the market value of unvested RSUs, based on the closing stock price on September 30, 2017 of $97.34.

(5) This column shows the aggregate number of PUs and PFAs outstanding as of September 30, 2017. The vesting date for each award based on the listed grant date is as follows:

Award Type	Grant Date	Vesting Date