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January 17, 2025

VIA ELECTRONIC SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: *The Home Depot, Inc.*
Shareholder Proposal of Trillium Asset Management et al.
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, The Home Depot, Inc. (the "Company"), intends to omit from its proxy statement and form of proxy for its 2025 Annual Meeting of Shareholders (collectively, the "2025 Proxy Materials") a shareholder proposal (the "Proposal") and statement in support thereof (the "Supporting Statement") submitted by Trillium Asset Management on behalf of Susan Baker (the "Proponent").

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2025 Proxy Materials with the Commission; and

- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D") provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the "Staff"). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

The Proposal states:

> RESOLVED: Shareholders request Home Depot issue a climate transition plan, above and beyond existing disclosure, reporting on core elements associated with its science-based emissions reduction targets. The plan should be published at reasonable expense, exclude confidential information, and describe progress and any plan updates on a regular basis.

The Supporting Statement further states:

> In developing and implementing the plan, we recommend, at management's discretion:
>
> - Core elements can include, but are not limited to, assumptions, uncertainties, dependencies, regulatory and policy engagement, and indirect lobbying activities associated with achieving HD's targets.
> - Providing forward-looking, near-term, and qualitative and quantitative strategies, metrics, and milestones for achieving HD's targets.
> - Considering guidance by advisory groups such as the Transition Plan Taskforce, Task Force for Climate Related Financial Disclosures, CDP, and Climate Action 100+.

A copy of the Proposal and the Supporting Statement is attached to this letter as Exhibit A.

BACKGROUND

The Company has invested significant time and other resources to "initiate[] multiple programs and goals to support environmental sustainability and decarbonization efforts through [its] product offerings and company wide emission reduction targets."[1] In its products, operations, and supply chain, the Company has sought to align its business model with the transition to a low-carbon economy, as reflected in its science-based emissions reduction targets.[2] Specifically, the Company has adopted targets to reduce each of its (1) combined absolute Scope 1 and Scope 2 greenhouse gas ("GHG") emissions, and (2) absolute Scope 3 GHG emissions from the use of sold products (Category 11) by 42% by the end of fiscal 2030 compared to a fiscal 2020 base year (collectively, the "Emissions Reduction Targets").[3] These targets were developed in accordance with the science-backed standards of the Science Based Targets initiative (the "SBTi").[4] SBTi validated the Company's Emissions Reduction Targets and determined that its Scope 1 and Scope 2 emissions reduction target is in line with a 1.5-degree Celsius trajectory.[5] The Company also

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1 *See The Home Depot, Inc. 2024 CDP Corporate Questionnaire 2024*, The Home Depot, at 89 (Oct. 11, 2024), ***available at*** https://ir.homedepot.com/~/media/Files/H/HomeDepot-IR/2025/legal-esg/2024-cdp-response.pdf ("2024 CDP Response").

2 *Id.* at 89.

3 *Id.*

4 *See 2023 Environmental, Social and Governance Report: Doing Our Part*, The Home Depot, at 3 (Apr. 2023), ***available at*** https://corporate.homedepot.com/sites/default/files/2024-04/2023%20Home%20Depot%20ESG%20Report_vF.8.pdf.

5 *See Environmental, Social and Governance Report: Advancing Our Business FY 2023*, The Home Depot, at 4 (Aug. 2024), ***available at*** https://corporate.homedepot.com/sites/default/files/2024-09/2024_Home_Depot_ESG_Report_8.15.24.2_vF.2.pdf (the "FY23 ESG Report").

has a stated goal to procure or produce 100% renewable electricity equivalent to the electricity needs for all Home Depot facilities worldwide by 2030, among other goals tailored to achievement of its Emissions Reduction Targets.[6] Through its Eco Actions program, the Company also seeks to empower its customers to reduce their carbon footprint.[7]

The Company reports on these targets and related progress in its annual voluntary sustainability reports made available on its website.[8] The Company also describes related details in its responses to the annual questionnaires published by CDP (formerly the Carbon Disclosure Project) focused on climate-related matters.[9]

The Company has engaged in meaningful and productive dialogue with the Proponent to discuss these disclosures, including the 2024 CDP Response that was not publicly available at that time the Proponent submitted the Proposal and its intention to consolidate the disclosures requested by the Proposal into the voluntary sustainability report the Company plans to publish in 2025.

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal.

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6 *See id*. at 23.

7 *See id.* at 43 and 64.

8 *See generally* Resources & Reports, The Home Depot, *available at* https://corporate.homedepot.com/page/resources-reports ("Home Depot Resources & Reports Page").

9 *See generally The Home Depot Earns A/A- Rating Four Consecutive Years from Environmental Impact Leader CDP*, The Home Depot (Jan. 20, 2022), *available at* https://corporate.homedepot.com/news/sustainability/home-depot-earns-aa-rating-four-consecutive-years-environmental-impact-leader (describing scores from 2018 to 2021) (the "Home Depot CDP Release"). The Company has posted its 2024 CDP Response on the ESG Investors page of the Company's website, available at https://ir.homedepot.com/esg-investors. As described *infra* at note 26, the Company plans to consolidate disclosures from the 2024 CDP Response into its upcoming voluntary sustainability report, which will be available on the same website later in 2025.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(10) Because The Company Has Already Substantially Implemented the Proposal

A. *Background*

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." Exchange Act Release No. 12598 (July 7, 1976). Originally, the Staff narrowly interpreted this predecessor rule and concurred with the exclusion of a proposal only when proposals were "'fully' effected" by the company. *See* Exchange Act Release No. 19135 (Oct. 14, 1982). By 1983, the Commission recognized that the "previous formalistic application of [the rule] defeated its purpose" because proponents were successfully avoiding exclusion by submitting proposals that differed from existing company policy in minor respects. Exchange Act Release No. 20091, at § II.E.6. (Aug. 16, 1983) (the "1983 Release"). Therefore, in the 1983 Release, the Commission adopted a revised interpretation of the rule to permit the omission of proposals that had been "substantially implemented," and the Commission codified this revised interpretation in Exchange Act Release No. 40018, at n.30 (May 21, 1998) (the "1998 Release").

Thus, when a company can demonstrate that it already has taken actions to address the underlying concerns and essential objectives of a shareholder proposal, the Staff has concurred that the proposal has been "substantially implemented" and may be excluded as moot. *See, e.g.*, *Exelon Corp.* (avail. Feb. 26, 2010); *Exxon Mobil Corp. (Burt)* (avail. Mar. 23, 2009); *Exxon Mobil Corp.* (avail. Jan. 24, 2001); *Masco Corp.* (avail. Mar. 29, 1999); *The Gap, Inc.* (avail. Mar. 8, 1996). The Staff has noted that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Walgreen Co.* (avail. Sept. 26, 2013); *Texaco, Inc. (Recon.)* (avail. Mar. 28, 1991).

At the same time, a company need not implement a proposal in exactly the same manner as set forth by the proponent. *See* 1998 Release at n.30 and accompanying text.[10] The Staff has not required that a company implement the action requested in a proposal exactly in all details but has been willing to issue no-action relief under the predecessor of

[10] In Exchange Act Release No. 95267 (July 13, 2022), the Commission proposed to amend Rule 14a-8(i)(10) to provide that proposals would be excludable if a company has already implemented the "essential elements" of the proposal. While the Commission has not yet adopted that proposed amendment, and it is therefore not applicable to the Staff's review of this letter, it is notable the Commission stated that even under the proposed standard, "a proposal need not be rendered entirely moot, or be fully implemented in exactly the way a proponent desires, in order to be excluded. A company may be permitted to exclude a proposal it has not implemented precisely as requested if the differences between the proposal and the company's actions are not essential to the proposal."

Rule 14a-8(i)(10) in situations where the "essential objective" of the proposal had been satisfied. *See General Motors Corp.* (avail. Mar. 4, 1996) (concurring with the exclusion of a proposal where the company argued, "[i]f the mootness requirement of paragraph (c)(10) [of the predecessor rule] were applied too strictly, the intention of [the rule]—permitting exclusion of 'substantially implemented' proposals—could be evaded merely by including some element in the proposal that differs from the registrant's policy or practice"). Thus, differences between a company's actions and a shareholder proposal are permitted as long as the company's actions satisfactorily address the proposal's essential objectives.

The Staff has concurred that, when substantially implementing a shareholder proposal, companies can address aspects of implementation in ways that may differ from the manner in which the shareholder proponent would implement the proposal. For example, the Staff has previously taken the position that a shareholder proposal requesting that a company's board of directors prepare a report pertaining to environmental, social, or governance issues may be excluded when the company has provided information about the initiative in various public disclosures. *See PPG Industries Inc. (Congregation of the Sisters of St. Joseph of Peace)* (avail. Jan. 16, 2020) (concurring with the exclusion of a proposal requesting that the board of directors prepare a report on the company's processes for "implementing human rights commitments within company-owned operations and through business relationships" where the requested information was already disclosed in the company's global code of ethics, global supplier code of conduct, supplier sustainability policy, and sustainability report, and other disclosures that addressed the requested information); *The Wendy's Company* (avail. Apr. 10, 2019) (concurring with exclusion of a proposal requesting that the board of directors prepare a report on the company's process for identifying and analyzing potential and actual human rights risks of operations and supply chain where the company already had a code of conduct for suppliers, a code of business conduct and ethics, and other policies and public disclosures concerning supply chain practices and other human rights issues that achieved the proposal's essential objective); *The Dow Chemical Co.* (avail. Mar. 18, 2014, *recon. denied* Mar. 25, 2014) (concurring with the exclusion of a proposal requesting that the company prepare a report assessing short- and long-term financial, reputational and operational impacts that the legacy of the Bhopal disaster may reasonably have on the company's Indian and global business opportunities and reporting on any actions the company intends to take to reduce such impacts, where the company had published a "Q and A" regarding Bhopal and disclosed other actions it had taken and would continue to take).

B. *Comparison of the Company's Reporting to the Requested Report*

The Proposal's essential objective is for the Company to publish additional information regarding the Company's progress and plans for achieving its Emissions Reduction Targets. Specifically, the Proposal requests the issuance of a "climate transition plan" that addresses "core elements associated with its science-based emissions reduction targets," including a description of progress and any updates to the plan. The Supporting Statement further recommends, but does not require, that the Company include "at management's discretion" certain items "[i]n developing and implementing the plan": (1) various matters as potential "[c]ore elements" that are "associated with achieving [the Company's] targets"; (2) providing various "strategies, metrics, and milestones" for achieving the Company's Emissions Reduction Targets; and (3) considering guidance by advisory groups.

As described in the Background section, the Company has disclosed that it "has initiated multiple programs and goals to support environmental sustainability and decarbonization efforts through [its] product offerings and company wide emission reduction targets . . . . In [its] products, [its] operations, and [its] supply chain, The Home Depot has sought to align its business model with the transition to a low-carbon economy."[11] This includes the adoption of the Emissions Reduction Targets. As explained below, the Company's 2024 CDP Response and FY23 ESG Report together provide extensive detail regarding the contents of these programs and goals as well as the requested updates on how the Company is progressing towards achieving the Emissions Reduction Targets.

The Proposal seeks a description of the "core elements" associated with the Emissions Reduction Targets, and the Supporting Statement notes that (in management's discretion) these elements "can include, but are not limited to, assumptions, uncertainties, dependencies, regulatory and policy engagement, and indirect lobbying activities associated with achieving HD's targets." The Company already provides disclosure on each of these elements through its 2024 CDP Response, which was not publicly available when the Proposal was submitted and contains new disclosures compared to prior CDP submissions. Specifically:

- In response to Questions 5.1.1 and 5.1.2 in the 2024 CDP Response, the Company describes the <u>assumptions, uncertainties, and dependencies</u> related to achieving its Emissions Reduction Targets.[12] Specifically, the Company describes the bespoke transition scenario analysis it conducted that "evaluated the feasibility of The Home Depot meeting a 5-10 year 1.5 °C target covering Scope 1 & 2 emissions and Scope 3 (Category 11)."[13] Under the heading "Assumptions, uncertainties and constraints in scenario," the Company describes in detail the "assumptions and scenarios related within the context of forecasted business growth, emissions hot spots, current and anticipated operational efficiency opportunities, current and anticipated energy-saving opportunities for [its] customers, grid greening, and policy influence."[14] Notably, the Proposal asserts that this requested disclosure is needed "to demonstrate [that the Company's] climate goals are backed by a credible implementation roadmap." As

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11 *See* 2024 CDP Response at 89. The Company acknowledges that its 2024 CDP Response indicates that the Company does not have a "climate transition plan." *Id*. at 88. This response was referring to a standalone document. However, as a consequence of evaluating the Proposal and the Company's existing disclosures and activities, the Company maintains that it has substantially implemented the core elements of a climate transition plan as defined and requested by the Proposal. Further, the Company plans to consolidate these elements in its voluntary sustainability report in 2025 (*see infra* note 26).

12 *See id.* at 86-88.

13 *Id.* at 87.

14 *Id*.

described under the heading beginning "Summarize the outcomes of the scenario analysis . . ." of the 2024 CDP Response, the Company explains that this scenario analysis confirmed the Company had a viable pathway to achieving the Emissions Reduction Targets.[15]

- In response to Questions 4.10 and 4.11 of the 2024 CDP Response, the Company describes its regulatory and policy engagement and indirect lobbying activities associated with achieving the Emissions Reduction Targets.[16] Specifically, the Company describes the various environmental collaborative frameworks or initiatives to which it is a signatory or member and its role within each framework initiative. It also provides several examples describing its engagement with policy makers on particular laws, policies, or regulations related to the environment, as well as its governance processes to support alignment of any climate-related engagements with the Company's climate strategy.

The Supporting Statement notes that (in management's discretion) the disclosure could also provide "forward-looking, near-term, and qualitative and quantitative strategies, metrics, and milestones for achieving HD's targets." The Company's FY23 ESG Report and 2024 CDP Response provide disclosure regarding each of these matters as follows:

- For the requested strategies, beginning on page 45 and as detailed on page 47 of the FY23 ESG Report, the Company explains that "[t]o execute against [its] carbon reduction strategy, [it] focus[es] on several initiatives, including: sourcing alternative/renewable electricity, promoting a less carbon-intensive grid and increasing the efficiency of [its] stores and supply chain network." The narrative then describes in detail the Company's renewable and efficient energy initiatives and efforts in its stores, its energy efficiency efforts in its supply chain, and its energy-saving products, noting that the use of the Company's sold products account for the majority of its carbon emissions.[17]

- For the requested metrics, page 46 of the FY23 ESG Report outlines the specific low-carbon emission opportunities the Company intends to invest in as it seeks to achieve its Emissions Reduction Targets, including targets for renewable electricity, hydrogen-powered forklifts, and sales of ENERGY STAR products and rechargeable battery-based products.[18] In the 2024 CDP Response, the Company also provides detailed information on its GHG emissions reporting,

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15 *See id.* at 88.

16 *See id.* at 74-82.

17 *See* FY23 ESG Report at 45-50.

18 *See id*. at 46.

including drivers for year-over-year improvements such as renewable electricity purchases.[19]

- For the requested milestones, page 24 of the FY23 ESG Report describes each of the Company's achieved sustainability goals on the path to achieving its Emissions Reduction Targets, including the 2020 achievement of a 20% reduction in U.S. store kilowatt-hour electricity use (compared to 2010), the 2020 achievement of helping reduce customers' GHG emissions by 20 million metric tons (since 2017), and the production or procurement of 335 megawatts of renewable or alternative energy capacity in 2025.[20]

The Supporting Statement notes the Company could consider "guidance by advisory groups such as the Transition Plan Taskforce, Task Force for Climate Related Financial Disclosures [(the "TCFD")], CDP, and Climate Action 100+." In this regard:

- As discussed above, the Company has responded to the CDP questionnaire for several years.[21] CDP is fully aligned with the TCFD recommendations and with the successor IFRS S2 (ISSB) climate standard. These frameworks incorporate climate transition risk planning and require disclosure of the essential elements that the Proposal requests.[22]

- The Company has also "considered the TCFD framework as a tool to make meaningful data accessible to [its] stakeholders," and includes on pages 108 to 109 of the FY23 ESG Report a table describing the location of relevant information corresponding to the TCFD framework.

- In response to Question 4.10 of its 2024 CDP Response, the Company also provides detailed information regarding its membership in the RE100 and specific ENERGY STAR programs.[23]

The Proposal also requests information on the Company's "progress and any plan updates on a regular basis." The Company regularly updates its shareholders and other stakeholders on its ongoing efforts and its achievements related to the Emissions Reduction Targets:

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[19] *See generally* 2024 CDP Response at 113-285; *see, e.g.*, *id.* at 143-149 (responding to Question 7.10). *See also* FY23 ESG Report at 45 and 95 (providing annual GHG emissions metrics over the past three years).

[20] *See* FY23 ESG Report at 24.

[21] *See* The Home Depot CDP Release.

[22] *See CDP's Alignment with Disclosure Frameworks and Standards*, CDP (2025), *available at* https://cdp.net/en/about/framework-alignment.

[23] *See* 2024 CDP Response at 74. *See also* FY23 ESG Report at 47 and 50.

- The Company responds to the CDP questionnaire annually.[24]

- The Company also publishes voluntary sustainability reports on its Company's website on an annual basis.[25]

C. *The Company's Disclosures Addresses The Underlying Concerns And Essential Objectives Of The Proposal*

As described above, the Company's 2024 CDP Response and FY23 ESG Report substantially implement the Proposal within the meaning of Rule 14a-8(i)(10) because they collectively fulfill the Proposal's essential objective by disclosing, above and beyond disclosure that existed at the time of the Proposal's submission, the Company's progress and plans for achieving its Emissions Reduction Targets. As a result, the Company's actions implementing the Proposal present precisely the scenario contemplated by the SEC when it adopted the predecessor to Rule 14a-8(i)(10) "to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." 1976 Release.

When a company has already acted favorably on an issue addressed in a shareholder proposal, Rule 14a-8(i)(10) does not require the company and its shareholders to reconsider the issue. The Staff has consistently concurred with the exclusion of shareholder proposals where the company's policies, practices and procedures or public disclosures compare favorably with the guidelines of the proposal. For example, in *Alliant Energy Corp.* (avail. Mar. 30, 2023), the Staff concurred with the exclusion under Rule 14a-8(i)(10) of a proposal that requested an annual report regarding the company's progress toward, and the ongoing feasibility of, its net-zero carbon dioxide emissions goal for the electricity it generates where the company demonstrated that its public disclosures across two different reports and its website addressed the essential objective of the proposal. Similarly, in *IDACORP, Inc.* (avail. April 1, 2022), the Staff concurred with exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company annually report on specific targets "aligned with the Paris Agreement's goal of maintaining global temperature rise at 1.5 degrees Celsius" and progress to achieve those targets, covering the company's full scope of operational and product related emissions, on the basis that the company's "public disclosures substantially implement the [p]roposal," where the company argued that its current sustainability reporting provided the requested disclosure.

Here, by publicly reporting in the FY23 ESG Report and 2024 CDP Response on its programs and goals to achieve the Emissions Reduction Targets—including the Company's assumptions, uncertainties, and dependencies for such achievement; its related regulatory and policy engagement and indirect lobbying activities; its strategies, metrics, and

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[24] *See* The Home Depot CDP Release; *see, e.g.*, 2024 CDP Response at 274 (describing the Company's "[p]lan for achieving" its Emission Reductions Targets and "progress made to the end of the reporting year").

[25] *See* Home Depot Resources & Reports Page; *see, e.g.*, FY23 ESG Report at 24 (describing achieved goals), 45 (describing emission reductions to prior years), 46 (describing updates to the Emissions Reduction Targets).

milestones to monitor and make progress; and its consideration of third-party frameworks—and providing annual updates to its shareholders and other stakeholders, the Company has already acted favorably on each of the topics addressed in the Proposal, even if such disclosure is not presented in the specific manner requested by the Proponent. Accordingly, consistent with *Alliant Energy*, *IDACORP*, and the other precedent discussed above[26], there is no further action required to address the essential objective and respond to the essential concerns of the Proposal, and the Proposal may be excluded from the Company's 2025 Proxy Materials under Rule 14a-8(i)(10).

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2025 Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955 8287 or Stephanie W. Bignon, the Company's Associate General Counsel and Deputy Corporate Secretary, at (770) 384-2858.

Sincerely,

Elizabeth Ising

Elizabeth A. Ising

Enclosures

cc: Stephanie W. Bignon, The Home Depot, Inc.
Andrea Ranger, Trillium Asset Management
Susan Baker

[26] The Company plans to consolidate the elements of its 2024 CDP Response described above to inform the disclosures in its annual voluntary sustainability report in 2025 in order to provide additional transparency through a single disclosure.

<u>Exhibit A</u>

Shareholder Proposal

From: Andrea Ranger [redacted]
Sent: Tuesday, November 26, 2024 3:32 PM
To: Shareholder_Proposals <shareholder_proposals@homedepot.com>
Subject: [EXTERNAL] Trillium Shareholder Proposal for HD 2025 AGM - Climate Transition Plan

Hi,

Please find attached a shareholder proposal and accompanying documentation filed by Trillium Asset Management regarding developing and publishing a climate transition plan. Proof of ownership materials will be provided under separate cover.

We would appreciate acknowledgement of receipt of this communication.

Thank you.
Sincerely,
Andrea Ranger

Andrea Ranger | Director of Shareholder Advocacy
Trillium | Boston
P: [redacted] | E: [redacted]

TRILLIUM ASSET MANAGEMENT®

One Congress Street
Suite 3101
Boston, MA 02114

November 26, 2024

Via email to shareholder_proposals@homedepot.com

Corporate Secretary
The Home Depot, Inc.
2455 Paces Ferry Road
Atlanta, Georgia 30339

Re: Shareholder proposal for 2025 Annual Shareholder Meeting

Dear Corporate Secretary:

Trillium Asset Management is submitting the attached shareholder proposal, on behalf of Susan Baker ("Proponent"), a shareholder of The Home Depot, Inc. ("the Company") for inclusion in the Company's 2025 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8).

Per Rule 14a-8, Proponent holds more than $2,000 of the Company's common stock, acquired more than 3 years prior to today's date and held continuously for that time. Proponent intends to hold such shares continuously through the date of the 2025 annual meeting. Verification of Proponent's ownership will be sent separately.

Proponent and Trillium are available to meet with the Company on December 9, 2024 at 2 pm to 3 pm Eastern and December 10, 2024 at 2 to 3 pm Eastern. Please let us know within 10 days if the Company would like to meet at one of these times. After 10 days we may no longer be able to hold these dates and times.

A letter from the Proponent authorizing Trillium to act as representative on its behalf is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the shareholder proposal as required by the Securities and Exchange Commission rules.

I may be contacted by email at [redacted] and request a confirmation of receipt of this letter via email. Proponent may be contacted at [redacted]. Please address any future correspondence regarding the proposal to both of us.

One Congress Street
Suite 3101
Boston, MA 02114

Sincerely,

Andrea T Ranger

Andrea Ranger
Director of Shareholder Advocacy
Enclosures

Climate Transition Plan

WHEREAS: Climate change poses systemic financial risk, potentially reducing global GDP by up to19% by midcentury.[1]

The Home Depot ("HD" or "the Company") aims to mitigate its climate impact by setting a science-based greenhouse gas (GHG) emissions reduction target, validated by the Science Based Targets initiative, to cut its scope 1 -3 emissions by 42% by 2030. Its scope 3 target focuses solely on emissions associated with customer use of sold products.[2]

Achieving its ambitious goal requires comprehensive planning that anticipates shifting external factors such as changes in appliance efficiency standards, consumer preferences, and the pace of greening the grid. While HD's 2024 ESG report provides examples of its goals, it does not adequately explain how the Company will achieve them.

HD should consider an approach many companies are adopting - developing and publishing a climate transition plan ("transition plan") – to demonstrate its climate goals are backed by a credible implementation roadmap. In 2023, 5,906 companies disclosed through CDP having a science-based transition plan, and 8,600 disclosed the intention to develop one within two years.[3]

By responding to the core elements of a transition plan, such as found in Transition Plan Taskforce guidance,[4] HD could improve transparency by disclosing its assumptions, uncertainties, dependencies, regulatory and policy engagement, and indirect lobbying activities to better inform investors of its advocacy and risks that may impede reaching its climate goals. While HD evaluates scenarios informing its emissions reduction pathway,[5] it could better communicate factors potentially changing its scenarios.

For example, HD indicates in its CDP Climate Change 2023 report that it faces risk because "Regulations addressing product efficiency and labeling have increased the cost of certain products" ranging "from 0 - 20%."[6] It also notes that low-GHG emission products present "significant business opportunities."[7] Because HD relies heavily on sales of energy efficient products to reach its scope 3 target, investors would benefit by understanding its assumptions, dependencies, and mitigation strategies should regulations and/or lackluster customer demand thwart success.

RESOLVED: Shareholders request Home Depot issue a climate transition plan, above and beyond existing disclosure, reporting on core elements associated with its science-based emissions reduction

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[1] https://www.nature.com/articles/s41586 -024 -07219 -0
[2] https://corporate.homedepot.com/sites/default/files/2024-08/2024_ESG_Report_The_Home_Depot.pdf#page=44
[3] https://cdn.cdp.net/cdp -production/cms/reports/documents/000/007/783/original/CDP_Climate_Transition_Plans_2024.pdf?1720436354#page=4
[4] https://www.ifrs.org/content/dam/ifrs/knowledge-hub/resources/tpt/disclosure-framework-oct-2023.pdf#page=15
[5] CDP Climate Change 2023 report. Pg. 21.
[6] Ibid., 22.
[7] Ibid.,17.

targets. The plan should be published at reasonable expense, exclude confidential information, and describe progress and any plan updates on a regular basis.

SUPPORTING STATEMENT: In developing and implementing the plan, we recommend, at management's discretion:

- Core elements can include, but are not limited to, assumptions, uncertainties, dependencies, regulatory and policy engagement, and indirect lobbying activities associated with achieving HD's targets.
- Providing forward-looking, near-term, and qualitative and quantitative strategies, metrics, and milestones for achieving HD's targets.
- Considering guidance by advisory groups such as the Transition Plan Taskforce, Task Force for Climate Related Financial Disclosures, CDP, and Climate Action 100+.