Home Depot Ecosystem

Home Depot
2455 Paces Ferry Road
Atlanta, GA 30339
Phone: (770) 433-8211; homedepot.com

Outside Relationships

Regulators

- U.S. Department of Labor (Labor and Employment Requirements)
- U.S. Dept. of the Treasury (International Trade)
- California Consumer Privacy Act (Data Protection)
- Federal Trade Commission/ Dept. of Justice (Anti-trust Regulation)
- U.S. Dept. of Commerce and U.S. Treasury Dept. (Export Regulation)
- U.S. Consumer Products Safety Commission (Consumer Protection and Product Safety)
- Environmental Protection Agency and State Agencies (Environmental Regulation)
- U.S. Customs and Border Protection (Import Regulation)
- U.S. Dept. of Transportation (Vehicle, Driver, Interstate Delivery Regulation)
- U.S. Dept. of Homeland Security (Cyber Security)
- U.S. Internal Revenue Service / Non-U.S. Tax Authorities (Tax Regulation)

Capital

- Commercial Banks
- Public Debt Holders (Bank of New York and Deutsche Bank, Trustees)
- Derivatives Counterparts

Working Capital Financing, (includes Hedging & Commercial Paper Program)
Bond Financing
Foreign Currency and Interest Rate Hedges and Swaps

Suppliers

- Non-Merchandising Suppliers
- Real Estate Owners

Shelving, Display Signage & Fixtures
Leases of Land and Buildings

Selected Merchandising Suppliers

- BEHR (Paint)
- CREE (Lighting)
- GE (Appliances)
- Whirlpool (Appliances)
- Danco (Plumbing)
- Delta (Kitchen & Bath)
- Google (Smart Home)
- Commercial Electric (Home Electronics)
- Primeline (Hardware)
- MiracleGro (Soil)
- RYOBI (Lawn Equipment)
- PPG (Paint)
- Husky (Home Storage)
- Milwaukee (Tools)
- Dewalt (Tools)
- Bosch (Tools)
- Local Lumber Mills (Plywood & Lumber)
- Home Decorators Collection (Blinds)

Merchandise

Customers

Merchandise Sales and Supplies

The Home Depot, Inc. (a Delaware Corporation)

Debt Structure

Debt ($ 35.82B @ 1/31/2021) — **Credit Ratings: A (Standard & Poor's); A2 (Moody's); A (Fitch)**

- 2021 (December) Credit Facility ($1.0B)
- 2023 (December) Credit Facility ($2.0B)
- $3.0B Commercial Paper Program ($0 Outstanding)
- Hedging Notional Amounts: Interest Rate ($4.4B); ForEx ($141M)

Senior Notes (Total $33.4B)

- **2022-2029:** $12.65B @ 0.9 – 3.9%
- **2041-2049:** $9.5B @ 3.125 – 5.95%
- **2030-2040:** $6.5B @ 1.375 – 5.875%
- **2050+:** $3.75B @ 2.375 – 3.50%

Equity Structure

Equity

- *Share Repurchase Program* — Authorized: $15 Billion; Expiration: None
- *Common Stock* — Authorized: 10 Billion; Issued: 1.789 Billion; Outstanding: 1.077 Billion; Recordholders: 116,000

Governance

Board of Directors

Craig Menear (Chair)	J. Frank Brown (A,F)	Manuel Kadre (A,F)
Wayne Hewett (A,L)	Helena Foulkes (N,F)	Ari Bousbib (A,F)
Jeffery Boyd (N,F)	Albert Carey (L,N)	Gerard Arpey (N,F)
Gregory Brenneman	Linda Gooden (A,L)	Stephanie Linnartz (L,N)

Committees: Nominating & Corporate Governance (N), Audit (A), Leadership Development & Compensation (L), Finance (F)

Executive Leadership Team

CEO: Craig Menear	President, Mexico: José "Pepe" Rodriguez	President, Canada: Michael Rowe
President & COO: Ted Decker	EVP, Supply Chain & Product Development: Mark Holifield	EVP, General Counsel & Corporate Secretary: Teresa Wynn Roseborough
EVP, U.S. Stores & Int'l Stores: Ann-Marie Campbell	EVP, Human Resources: Tim Hourigan	EVP, CIO: Matt Carey
EVP, Merchandising: Jeff Kinnaird	EVP, Outside Sales & Service: Bill Lennie	SVP, Technology: Paul Antony
EVP, CFO: Richard McPhail		

Corporate Matters

Finance/Accounting
- Financial Performance
- Capital Allocation
- Investor Relations
- Tax
- Treasury
- Corporate Strategy
- Strategic Business Development

Legal
- Legal Functions
- Securities
- Litigation
- Employment
- Mergers & Acquisitions
- Real Estate
- Store Operations
- Risk Management
- Intellectual Property
- Government Relations
- Communications and External Affairs
- Internal/External
- Home Depot Foundation
- Homer Fund
- Branded Merchandise and Events Team
- Corporate Governance

Operations
- U.S Store Leadership (2,200 Stores; 550,000 Associates)
- International Operations (Supply Chain, Merchandising, Sourcing, and Strategy)

Supply Chain and Product Development
- Logistics
- Distribution
- Delivery
- Transportation
- Inventory Planning and Replenishment Operations
- Product Development for Company Private Brands

Information
- IT Infrastructure
- Software Development
- Communication Networks
- Supply Chain Distribution Centers
- Retail Systems
- Stores
- Store Support Centers
- IT Strategy (including Development and Execution of Technologies Used)
- Stores
- Online
- Supply Chain

Outside Sales & Service
- PRO Business
- MRO Business
- Installation Business

Merchandising
- Store and Online Merchandising Departments
- Merchandising Strategy
- Vendor Management
- Services
- In-Store Environment

Human Resources
- Culture and Employee Engagement
- Compensation and Benefits
- HR Support
- Retail Stores
- Distribution Centers
- Customer Contact Centers
- Store Support Center
- HR Information Systems

Operations

	United States	Mexico	Canada
2020 Employees (% of Total Workforce)	504,500 (89.4%)	18,600 (3.7%)	34,400 (6.8%)
Revenue (2020)	$122.16 B	$9.95 B	
Retail Stores	1,987	127	182
Stocking Distribution Centers	12		
Direct Fulfillment Centers	72		
Rapid Deployment Centers	20		
Bulk Distribution Centers	27		

Products

Building Materials — 2020 Revenue: $46.54 B

- **Electrical & Lighting** — Revenue: $11.17B (8.5%)
  - Outdoor Lighting
  - Lamps & Shades
  - Smart Home
  - Home Security & Video Surveillance
  - Home Electronics
  - Electrical Switches
  - Renewable Energy
  - Fire Safety
  - Light Bulbs
  - Conduit
  - Electrical Wires & Cables
  - Electrical Tools & Accessories
  - Extension Cords/Surge Protectors
  - Breakers, Distribution & Load Centers
  - Electrical Boxes & Brackets
  - Ceiling Fans/Lights
  - Wall Lights & Switch Plates
- **Plumbing** — Revenue: $8.91B (6.7%)
  - Water Heaters
  - Pipe Insulation
  - Pipe & Fittings
  - Pumps
  - Toilets
  - Valves
  - Irrigation
  - Stops, Drains & Plugs
  - Parts & Repair
  - Drain Openers
  - Water Filtration
  - Plumbing Tools
- **Building Materials** — Revenue: $8.68B (6.6%)
  - Siding
  - Insulation
  - Ladders
  - Drywall
  - Fasteners
  - Materials Handling Equipment
  - Roofing & Gutters
  - Concrete, Cement & Masonry
  - Builders Hardware
  - Doors & Windows
  - Glass & Plastic Sheets
- **Lumber** — Revenue: $11.31B (8.6%)
  - Decking
  - Exterior & Construction
  - Appearance Boards
  - Fencing
  - Wall Paneling
- **Millwork** — Revenue: $6.46B (4.9%)
  - Interior Stair Parts
  - Accents
  - Moulding Styles
  - Features & Materials

Décor — 2020 Revenue: $43.41 B

- **Appliances** — Revenue: $11.86B (9.0%)
  - Refrigerators
  - Ranges
  - Dishwashers
  - Range Hoods
  - Cooktops
  - Washers & Dryers
  - Wall Ovens
  - Garbage Disposals
  - Freezers
  - Microwaves
  - Vacuums & Floorcare
  - Wine & Beverage Coolers
- **Décor & Storage** — Revenue: $4.87B (3.7%)
  - Garage Storage
  - Closet Organizers
  - Shelving
  - Shutters
  - Moving Boxes & Supplies
  - Home Organization
  - Blinds
- **Kitchen & Bath** — Revenue: $8.47B (6.4%)
  - Cabinets
  - Countertops
  - Sinks
  - Vanities & Faucets
  - Tubs & Showers
  - Appliances
  - Faucets
  - Cabinet Hardware
  - Toilets, Toilet Seats & Bidets
- **Flooring** — Revenue: $8.16B (6.2%)
  - Laminate
  - Carpet
  - Tile
  - Vinyl
  - Rugs
  - Garage
  - Hardwood
- **Paint** — Revenue: $10.06B (7.6%)
  - Interior and Exterior Paint
  - Paint Sprayers, Supplies and Applicators
  - Stains, Sealers and Finishes
  - Spray Paint & Specialty Paint

Hardlines — 2020 Revenue: $42.17 B

- **Tools** — Revenue: $10.61B (8.0%)
  - Power Tools & Accessories
  - Hand Tools
  - Safety & Security Tools
  - Tool Storage
  - Welding & Soldering Tools
  - Automotive
  - Air Compressors, Tool & Accessories
  - Outdoor Power Equipment
  - Safety Equipment
  - Vacuums
- **Hardware** — Revenue: $7.66B (5.8%)
  - Cabinet & Furniture Hardware
  - Fasteners
  - Weather Stripping
  - Door Hardware
  - Metal Stock
  - Mailboxes
  - Chains & Ropes
  - Tie-Down Straps
  - Batteries
  - Workwear
  - Keys
  - Signs
  - Safes
- **Indoor Garden** — Revenue: $14.30B (10.8%)
  - Plants & Flowers
  - Holiday Decorations
  - Terrariums
  - Greenhouse Lights
  - Fertilizer
  - Edible Garden
  - Soil
  - Mulch
  - Garden Tools
- **Outdoor Garden** — Revenue: $9.60B (7.3%)
  - Plants & Flowers
  - Trees & Bushes
  - Edible Garden
  - Soil
  - Watering & Irrigation
  - Fertilizer
  - Lawn Mowers
  - Garden Tools
  - Mulch
  - Landscaping Supplies

Services

- **Indoor Tool Rental**: Blowers; Carpet Cleaners; Floor Strippers; Heaters; Pipe Tools; Vacuums
- **Outdoor Tool Rental**: Augers; Chainsaws; Lawn Mowers; Leaf Blowers; Pressure Washers; Tillers
- **Power Tool Rental**: Demolition Hammers; Air Compressors; Generators; Drills & Drivers; Paint Sprayers; Handheld Sanders; Tile Saws; Nailers; Breakers; Planers; Saws
- **Equipment Rental**: Aerial; Earthmoving; Landscaping; Moving Trailers; Stump Grinders
- **Truck Rental**: Flat Beds; Cargo Vans; Moving Box Truck; Moving Truck
- **Credit Services**: Consumer Credit Card; Project Loan; Commercial Revolving Charge Card; Commercial Account
- **Handyman Services**: Painting; Assembly; Installation; Repair; Mounting; Remodeling

Key Competitors

Lowe's; Target; Costco Wholesale; Best Buy; JCPenney; Berkshire Hathaway; TJX; Ace Hardware; True Value; Macy's; Builders FirstSource; Pike; Kohl's; Floor & Decor; Bed Bath & Beyond; Amazon; Walmart

Large Equipment Supplies
Vehicle Supplies
Credit Card Account and Payments Services
Contractor Services
Marketing & Advertising Services

Key Equipment Suppliers: GENIE; Barreto; Bobcat

Key Truck Suppliers: Ford Motor Company; Penske

MasterCard

Home Depot PROs (Local Contractors) — Home Repair and Installation Services — "Do It For Me (DIFM)" Customers

Outside Relationships

Customers

Retail Customers
- Do It Yourself (DIY)
- Do It For Me (DIFM)

Professional Customers
- General Contractors
- Remodelers
- Handymen and Women

Large Entity Customers
- Federal, State, and Local Governments (including U.S. Military)
- Educational Institutions

Bulk Merchandise Sales and Supplies
Bulk Merchandise Sales and Supplies

Suppliers

Professional Services
- Alston & Bird; King & Spalding (Legal)
- KPMG (Accounting)
- OMD Worldwide (Advertising)
- Fierce Government Relations, Harbinger Strategies & Invariant (Lobbying)

Professional Services

Capital

Securities Regulation and NYSE Listing Rules
Equity Capital
Dividends and Share Repurchases

Significant Shareholders
- The Vanguard Group (7.89%)
- SSgA Funds Management (4.5%)
- BlackRock Fund Advisors (4.44%)
- Capital Research & Management (3.14%)
- Fidelity Management & Research (1.81%)
- Institutional Ownership (71.17%)

Regulators

Securities Regulators
- U.S. Securities and Exchange Commission (SEC) (Financial Reporting and Disclosure Requirements)
- New York Stock Exchange (NYSE) (Listing and Maintenance Rules)

Key Company Data (as of 1/31/2021)

Share Data
- Ticker Symbol: HD
- Stock Exchange: NYSE
- Share Price: $323.67 (4/30/21)
- Earnings Per Share: $11.94 (Trailing 12 Months)
- Forward Annual Dividend: $6.60
- Market Capitalization: $348.01 B (as of 4/30/21)

Financial Highlights

Results of Operations
- Revenues: $132.11B
- Cost of Goods Sold: $87.26B
- Operating Income: $18.28B
- Net Income: $12.87B

Financial Condition
- Total Assets: $70.58B
- Total Liabilities: $67.28B
- Long Term Debt: $35.82B
- Equity: $3.30B

Cash Flow
- Cash Flow from Operations: $18.84B
- Cash Used in Investing Activities: ($10.17B)
- Cash Used in Financing Activities: ($32.98B)

Key Financial Metrics
- Net Operating Profit After Tax (NOPAT): $13.86B
- Return on Invested Capital: 40.8%

Resources
- Employees: 504,800
- Total Stores: 2,296
- Supply Chain Distribution Centers: 90
- Sourcing Offices: U.S., Canada, Mexico, China, Vietnam, India, Italy, Poland and Turkey

Subsidiaries
- Compact Power Equipment Inc. (Equipment Rental & Maintenance Services)
- The Company Store (Textiles & Home Décor Products)
- Interline Brands Inc. (Building Products)
- Blinds.com (Window Blinds)
- Redbeacon.com (Home Improvement Services)

ESG Pillars
- Focus on People
- Operate Sustainably
- Strengthen Our Communities

Recent Developments

Record Breaking 2020
Home Depot's sales increased more than $20 billion in FY2020, a whopping 19.9% increase. The company is poised to have another blowout year but has not offered any guidance for FY2021.

Georgia's New Voting Law
Home Depot is headquartered in Atlanta, Georgia, and has been criticized, with some even calling for a boycott of the company, for not taking a stand against Georgia's new restrictive voting laws.

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