

HOME DEPOT INC
Form PRE 14A
March 28, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934**

Filed by the Registrant

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))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

THE HOME DEPOT, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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THE HOME DEPOT

PROXY STATEMENT

AND

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TO MY FELLOW SHAREHOLDERS:

It is my pleasure to invite you to attend our 2011 Annual Meeting of Shareholders on June 2, 2011 at 9:00 a.m., Eastern Time. The meeting will be held at the Cobb Galleria Centre in Atlanta, Georgia.

The enclosed notice of meeting and proxy statement contain important information, including a description of the business that will be acted upon at the meeting, as well as the voting procedures and information on obtaining meeting tickets. At the meeting, we will also report on the Company's performance and operations and respond to your questions. If you will need special assistance or seating, please contact Audrey Davies at (770) 384-2700.

Your vote is important. Whether or not you plan to attend the meeting, we urge you to vote and submit your proxy over the Internet, by telephone or by mail.

I hope you will be able to join us, and I look forward to seeing you.

Sincerely,

Francis S. Blake

Chairman and Chief Executive Officer

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THE HOME DEPOT, INC.
2455 Paces Ferry Road, N.W.
Atlanta, Georgia 30339

NOTICE OF 2011 ANNUAL MEETING OF SHAREHOLDERS

TIME: 9:00 a.m., Eastern Time, on June 2, 2011

PLACE: Cobb Galleria Centre
Two Galleria Parkway
Atlanta, Georgia 30339

ITEMS OF BUSINESS:

- (1) To elect as directors of the Company the ten persons named in the accompanying Proxy Statement for terms expiring at the 2012 annual meeting;
- (2) To ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending January 29, 2012;
- (3) To hold an advisory vote on executive compensation;
- (4) To hold an advisory vote on the frequency of the advisory vote on executive compensation;
- (5) To approve a Company proposal to implement shareholder ability to act by written consent (approval of Amended and Restated Certificate of Incorporation);
- (6) To act on four shareholder proposals described in the Proxy Statement, if properly presented; and
- (7) To transact any other business properly brought before the meeting.

WHO MAY VOTE: You may vote if you were a shareholder of record as of the close of business on April 4, 2011.

ANNUAL MEETING MATERIALS: A copy of this Proxy Statement and our 2010 Annual Report are available at <http://reports.homedepot.com>.

DATE OF MAILING: A Notice of Internet Availability of Proxy Materials or this Proxy Statement is first being mailed to shareholders on or about April 1, 2011.
By Order of the Board of Directors,

Jack A. VanWoerkom, Secretary

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THE HOME DEPOT, INC.

2455 Paces Ferry Road, N.W.

Atlanta, Georgia 30339

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

We are providing this Proxy Statement in connection with the solicitation by the Board of Directors (the "Board") of The Home Depot, Inc. (the "Company") of proxies to be voted at our 2011 Annual Meeting of Shareholders (the "Meeting") and at any reconvened or rescheduled meeting following any adjournment or postponement. The Meeting will be held at the Cobb Galleria Centre, Two Galleria Parkway, Atlanta, Georgia, on Thursday, June 2, 2011, at 9:00 a.m., Eastern Time.

This Proxy Statement contains important information for you to consider when deciding how to vote. Please read this information carefully.

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ABOUT THE 2011 ANNUAL MEETING OF SHAREHOLDERS

WHAT AM I VOTING ON?

You will be voting on the following items:

- Election to the Board of Directors of the ten persons named in Election of Directors below;
- Ratification of the appointment of KPMG LLP as the independent registered public accounting firm of the Company for the fiscal year ending January 29, 2012 (Fiscal 2011);
- An advisory vote on executive compensation, also referred to as say-on-pay ;
- An advisory vote on the frequency of the advisory vote on executive compensation;
- A Company proposal to implement shareholder ability to act by written consent, which requires approval of our Second Amended and Restated Certificate of Incorporation;
- Four shareholder proposals described in this Proxy Statement; and
- Transaction of any other business properly brought before the Meeting.

WHO IS ENTITLED TO VOTE?

You may vote if you owned shares of the Company's common stock as of the close of business on April 4, 2011, the record date for the Meeting. Each share of common stock is entitled to one vote on each matter presented for a vote of the shareholders. As of April 4, 2011, we had shares of common stock outstanding.

HOW DO I VOTE BEFORE THE MEETING?

If you are a registered shareholder, you have three options for voting before the Meeting:

- Over the Internet, at www.proxyvote.com, by following the instructions on the Notice of Internet Availability of Proxy Materials (Notice) or proxy card;
- By telephone, by dialing 1-800-690-6903; or
- By completing, dating, signing and returning a proxy card by mail.

You are a registered shareholder if you hold your shares in certificate form or through an account with our transfer agent, Computershare Trust Company, N.A.

If you are a beneficial holder, meaning you hold your shares in street name through an account with a bank or broker, your ability to vote over the Internet or by telephone depends on the voting procedures of your bank or broker. Please follow the directions that your bank or broker provides.

MAY I VOTE AT THE MEETING?

Yes. If you are a registered shareholder, you may vote your shares at the Meeting if you attend in person. If you hold your shares through an account with a bank or broker, you must obtain a legal proxy from the bank or broker in order to vote at the Meeting. A legal proxy is an authorization from your bank or broker to vote the shares it holds in its name. Even if you plan to attend the Meeting, we encourage you to vote your shares before the Meeting.

MAY I REVOKE MY PROXY AND/OR CHANGE MY VOTE?

Yes. You may revoke your proxy and/or change your vote at any time before the polls close at the conclusion of voting at the Meeting. You may do this by:

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Signing another proxy card with a later date and delivering it to us before the Meeting;
Voting again over the Internet or by telephone prior to 11:59 p.m., Eastern Time, on June 1, 2011;
Voting at the Meeting if you are a registered shareholder or have obtained a legal proxy from your bank or broker; or
Notifying the Company's Secretary in writing before the Meeting.

WHAT IF I SIGN AND RETURN MY PROXY BUT DO NOT PROVIDE VOTING INSTRUCTIONS?

Proxies that are signed, dated and returned but do not contain voting instructions will be voted:

For the election of all of the ten named director nominees;
For the ratification of KPMG LLP;
For the advisory proposal on executive compensation;
For a frequency of Every Year (as opposed to Every Two Years or Every Three Years) on the advisory proposal on the frequency of the advisory vote on executive compensation;
For the Company proposal to implement shareholder ability to act by written consent through approval of the Second Amended and Restated Certificate of Incorporation;

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ABOUT THE 2011 ANNUAL MEETING OF SHAREHOLDERS

Against each shareholder proposal; and

On any other matters properly brought before the Meeting, in accordance with the best judgment of the named proxies.

If your shares are held through an account with a bank or broker, see Will My Shares Be Voted If I Do Not Provide My Proxy or Instruction Form? below.

HOW DO I VOTE IF I PARTICIPATE IN ONE OF THE COMPANY'S RETIREMENT PLANS?

You may vote your shares over the Internet, by telephone or by mail as if you were a registered shareholder, as described in this Proxy Statement. By voting, you are instructing the trustee of your plan to vote all of your shares as directed. If you do not vote, the shares credited to your account will be voted by the trustee in the same proportion that it votes shares in other accounts for which it received timely instructions. If, however, you hold shares through the self-directed brokerage window of your plan, or you participate in one of the Company's Canada-based retirement plans, and, in either case, you do not vote those shares, those shares will not be voted.

WILL MY SHARES BE VOTED IF I DO NOT PROVIDE MY PROXY OR INSTRUCTION FORM?

If you are a registered shareholder and do not provide a proxy by voting over the Internet, by telephone or by signing and returning a proxy card, you must attend the Meeting in order to vote.

If you hold shares through an account with a bank or broker, the voting of the shares by the bank or broker when you do not provide voting instructions is governed by the rules of the New York Stock Exchange (NYSE). These rules allow banks and brokers to vote shares in their discretion on routine matters for which their customers do not provide voting instructions. On matters considered non-routine, banks and brokers may not vote shares without your instruction. Shares that banks and brokers are not authorized to vote are referred to as broker non-votes.

The ratification of KPMG LLP as the Company's independent registered public accounting firm for Fiscal 2011 and the Company proposal to implement shareholder ability to act by written consent through the approval of our Second Amended and Restated Certificate of Incorporation are considered routine matters. Accordingly, banks and brokers may vote shares on these proposals without your instructions, and there will be no broker non-votes with respect to these proposals.

The other proposals will be considered non-routine, and banks and brokers therefore cannot vote shares on those proposals without your instructions. Please note that if you want your vote to be counted on these proposals, including the election of directors, you must instruct your bank or broker how to vote your shares. If you do not provide voting instructions, no votes will be cast on your behalf with respect to those proposals.

HOW MANY VOTES ARE NEEDED TO APPROVE THE PROPOSALS?

With respect to the election of directors, each director nominee receiving a majority of votes cast with respect to that director nominee's election will be elected as a director. If any of the director nominees does not receive a majority of votes cast, under Delaware law he or she would continue to serve on the Board until a successor is elected. However, our Bylaws provide that any director who fails to receive a majority of votes cast must promptly tender his or her resignation to the Board for consideration. The Nominating and Corporate Governance Committee will then recommend to the Board whether to accept or reject the resignation or to take any other action. The Board will act on that recommendation and publicly disclose its decision within 90 days following certification of election results. The director who tenders his or her resignation will not participate in the Nominating and Corporate Governance Committee's recommendation or in the Board's decision.

The ratification of KPMG LLP as the Company's independent registered public accounting firm and each of the shareholder proposals also require a majority of votes cast to be approved.

Under Delaware law, the advisory vote on executive compensation and the advisory vote on the frequency of the vote on executive compensation also require a majority of votes cast to be approved. While these two proposal are advisory in nature and are not binding on

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ABOUT THE 2011 ANNUAL MEETING OF SHAREHOLDERS

the Company even if approved by the majority of votes cast, our Leadership Development and Compensation Committee and Board will consider the results of the voting on these two proposals in formulating future executive compensation policy and in determining the frequency of future votes on executive compensation.

A majority of votes cast means the number of For votes exceeds the number of Against votes. A proxy marked Abstain with respect to any proposal (other than the Company proposal to implement shareholder ability to act by written consent) will therefore not have any effect on the outcome of the vote on that proposal. Similarly, broker non-votes will not be counted as votes cast with respect to any proposal (other than the Company proposal to implement shareholder ability to act by written consent) and therefore will have no effect on the outcome of the vote on that proposal.

The Company proposal to implement shareholder ability to act by written consent through the approval of our Second Amended and Restated Certificate of Incorporation requires a For vote from a majority of the outstanding shares of common stock as of the close of business on April 4, 2011. Accordingly, abstentions and broker non-votes will have the effect of a vote Against this proposal.

HOW MANY SHARES MUST BE PRESENT TO HOLD THE MEETING?

In order for us to conduct the Meeting, holders of a majority of our outstanding shares of common stock as of the close of business on April 4, 2011 must be present in person or by proxy. This is referred to as a quorum. Your shares are counted as present if you attend the Meeting and vote in person or if you properly return a proxy over the Internet, by telephone or by mail. Abstentions and broker non-votes will be counted for purposes of establishing a quorum. If a quorum is not present at the Meeting, the Meeting may be adjourned from time to time until a quorum is present.

HOW CAN I ATTEND THE MEETING?

To attend the Meeting, you will need to bring an admission ticket (or legal proxy) and valid picture identification. If your shares are registered in your name and you received a Notice, the Notice is your admission ticket. You may also indicate whether you plan to attend the meeting by either checking the appropriate box on your proxy card or making the appropriate selection at the bottom of the screen after entering your control number at www.proxyvote.com. If your shares are registered in your name and you received proxy materials by mail, your admission ticket is your proxy card. If you hold shares through an account with a bank or broker, you will need to contact your bank or broker and request a legal proxy, which will serve as your admission ticket.

If you do not have valid picture identification and either an admission ticket or legal proxy, you will not be admitted to the Meeting.

WHAT DOES IT MEAN IF I RECEIVE MORE THAN ONE NOTICE, PROXY CARD OR INSTRUCTION FORM?

This means that your shares are registered differently and are held in more than one account. To ensure that all shares are voted, please vote each account over the Internet or by telephone, or sign and return by mail all proxy cards and instruction forms. We encourage you to register all shares in the same name and address by contacting our transfer agent, Computershare, at 1-800-577-0177. If you hold your shares through an account with a bank or broker, you should contact your bank or broker and request consolidation.

AVAILABILITY OF ANNUAL REPORT AND PROXY STATEMENT TO SHAREHOLDERS

Only one copy of the Notice or this Proxy Statement and the 2010 Annual Report is being delivered to shareholders sharing an address unless the Company has received contrary instructions from one or more of the shareholders. Shareholders sharing an address who wish to receive separate copies of the Notice or this Proxy Statement and the 2010 Annual Report, or who wish to begin receiving a single copy of such materials, may make such request as follows:

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If you are a registered shareholder, by writing to Broadridge Investor Communication Solutions, Inc., Householding Department, 51 Mercedes Way, Edgewood, NY 11717 or by calling 1-800-542-1061; or

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ABOUT THE 2011 ANNUAL MEETING OF SHAREHOLDERS

If you are a beneficial owner, by contacting your broker, dealer, bank, voting trustee or other nominee to make such request. Registered shareholders sharing an address who elect to receive a single copy of the Notice or this Proxy Statement and the 2010 Annual Report will continue to receive separate proxy cards.

You may also elect to receive the Notice or this Proxy Statement and the 2010 Annual Report via e-mail by contacting Broadridge if you are a registered shareholder, by contacting your bank or broker if you are a beneficial owner, or by visiting our website at <http://reports.homedepot.com>.

Additional copies of the 2010 Annual Report and this Proxy Statement will be provided without charge to shareholders upon written request to Investor Relations, The Home Depot, Inc., 2455 Paces Ferry Road, Atlanta, Georgia 30339, by calling (770) 384-4388 or via the Internet at <http://ir.homedepot.com>.

WHERE AND WHEN WILL I BE ABLE TO FIND THE VOTING RESULTS?

You can find the official results of voting at the Meeting in our Current Report on Form 8-K to be filed within four business days after the Meeting. If the official results are not available at that time, we will provide preliminary voting results in the Form 8-K and will provide the final results in an amendment to the Form 8-K as soon as they become available.

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BOARD OF DIRECTORS INFORMATION

Our Board currently has nine members: F. Duane Ackerman, David H. Batchelder, Francis S. Blake, Ari Bousbib, Gregory D. Brenneman, Albert P. Carey, Armando Codina, Bonnie G. Hill and Karen L. Katen. Each director who served during the fiscal year ended January 30, 2011 (Fiscal 2010) was, and continues to be, independent other than Mr. Blake, because of his position as the Chairman and Chief Executive Officer (CEO) of the Company.

BOARD LEADERSHIP

We believe that having a combined Chairman and CEO, Board committees comprised entirely of independent directors and an independent Lead Director currently provides the best board leadership structure for The Home Depot. This structure, together with our other good corporate governance practices, provides strong independent oversight of management while ensuring clear strategic alignment throughout the Company. Specifically, Mr. Blake proposes strategic priorities to the Board (with input from the Lead Director), communicates the Board's guidance to management, and is ultimately responsible for implementing the Company's key strategic initiatives. Our Lead Director is an independent director who is elected annually by the independent members of the Board. Bonnie G. Hill, a director since 1999, currently serves as our Lead Director.

Our Lead Director:

- Chairs Board meetings when the Chairman is not present, including presiding at executive sessions of the Board (without management present) at every regularly scheduled Board meeting;
- Works with management to determine the information and materials provided to Board members;
- Approves Board meeting agendas, schedules and other information provided to the Board;
- Consults with the Chairman on such other matters as are pertinent to the Board and the Company;
- Has the authority to call meetings of the independent directors;
- Is available for direct communication and consultation with major shareholders upon request; and
- Serves as liaison between the Chairman and the independent directors.

RISK OVERSIGHT

In accordance with NYSE requirements and our Audit Committee charter, the Audit Committee has primary responsibility for overseeing risk assessment and management, including the Company's major financial exposures and the steps management has taken to monitor and control such exposures. In addition to reviewing the independence of our auditor, the Audit Committee stays apprised of significant actual and potential risks faced by the Company in part through review of quarterly reports from our Enterprise Risk Council (ERC) and detailed presentations, at least annually, from the chair of the ERC regarding the Company's risk assessment and management process. The Audit Committee then reports to the Board at each quarterly Board meeting.

Our ERC is composed of leaders from the functional areas of the Company and meets at least quarterly to coordinate information sharing and mitigation efforts for all types of risks. The chair of the ERC, who is also our Vice President of Internal Audit and Corporate Compliance, reports the ERC's risk analyses to senior management regularly and attends each Audit Committee meeting. The Audit Committee also receives quarterly reports from our FCPA Oversight Committee, which oversees enterprise-wide compliance with the U.S. Foreign Corrupt Practices Act and the anti-bribery laws of the jurisdictions in which we conduct business. The FCPA Oversight Committee, which is chaired by our Executive Vice President and General Counsel, is comprised of representatives from each non-U.S. division, the business functions responsible for administration of our policies, and the business functions that manage our transactions outside of the U.S.

Our other committees also consider significant risks within their areas of responsibility. As discussed in the Compensation Discussion and Analysis on page 34, our Leadership Development and Compensation Committee oversees risks related to our compensation programs, including an annual review and risk assessment of the Company's compensation policies and practices for all associates, and monitors the independence of its compensation consultant. Our Nominating and Corporate Governance Committee oversees risks related to our governance policies and practices, including review and approval of any related

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BOARD OF DIRECTORS INFORMATION

party transactions and relationships involving our directors and executive officers. Our Infrastructure Committee reviews risks related to our corporate infrastructure. Each of the committees reports to the Board at each quarterly Board meeting.

In addition, the Board and the Audit Committee receive presentations throughout the year from management regarding specific potential risks and trends as necessary. At each Board meeting, the Chairman and CEO addresses in a directors-only session matters of particular importance or concern, including any significant areas of risk requiring Board attention. Annually, through dedicated sessions focusing exclusively on corporate strategy, our full Board reviews in detail the Company's short- and long-term strategies, including consideration of significant risks facing the Company and their potential impact. We believe that the practices described above and our current leadership structure facilitate effective Board oversight of our significant risks.

DIRECTOR INDEPENDENCE

The Director Independence Standards in the Company's Corporate Governance Guidelines (attached as Appendix A to this Proxy Statement and available at <http://ir.homedepot.com> and in print upon request) meet or exceed the independence standards adopted by the NYSE. Pursuant to these guidelines, the Board and the Nominating and Corporate Governance Committee reviewed the independence of each director and director nominee in March 2011. During this review, the Board and the Nominating and Corporate Governance Committee considered all relevant facts and circumstances related to transactions and relationships between each director or nominee (and his or her immediate family and affiliates) and the Company and its management to determine whether any such relationships or transactions would prohibit a director or nominee from being independent under Securities and Exchange Commission (SEC) rules, the NYSE listing standards and the Company's Director Independence Standards.

Based on this review and the recommendation of the Nominating and Corporate Governance Committee, the Board affirmatively determined that all of the directors and nominees for election to the Board at the Meeting are independent except Francis S. Blake, because of his position as our Chairman and CEO.

The Company has purchase, sale and other transactions and relationships in the normal course of business with companies with which certain Company directors or nominees are associated, but which are not material to the Company, the directors, the nominees, or the companies with which the directors or nominees are associated. All of these transactions were reviewed and considered by the Board and the Nominating and Corporate Governance Committee in determining the independence of Company directors and nominees. In particular, the Nominating and Corporate Governance Committee and the Board took into account the following transactions during Fiscal 2010:

- Mr. Ackerman served as a director of United Parcel Service, Inc., from which we purchased freight services;
- Mr. Batchelder served as a director of Intuit Inc., from which we purchased tax software;
- Until September 2010, Mr. Bousbib served as an executive officer of United Technologies Corporation, from affiliates of which we purchased HVAC, fire safety and elevator products and services;
- Mr. Brenneman served as a director of Automatic Data Processing, Inc., from which we purchased payroll and tax services;
- Mr. Carey served as an officer of Frito-Lay North America, from which we purchased a de minimis amount of food products;
- Ms. Katen served as a director of Air Liquide S.A., from which we purchased a de minimis amount of helium tanks; and
- Director nominee Ronald L. Sargent served as an executive officer of Staples, Inc., from which we purchased office products and related services, and as a director of The Kroger Co., to an affiliate of which we paid common area maintenance fees related to one store.

In each instance described above, the amount of payments made and received by each entity represented significantly less than two percent of the Company's and the other entity's revenues. The Board and the Nominating and Corporate Governance Committee believe that all of the transactions and

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BOARD OF DIRECTORS INFORMATION

relationships during Fiscal 2010 described above were on arm's-length terms that were reasonable and competitive and that the directors and the director nominees did not participate in or personally benefit from these transactions.

SELECTING NOMINEES TO THE BOARD OF DIRECTORS

The Nominating and Corporate Governance Committee is responsible for considering candidates for the Board and recommending director nominees to the Board. All members of the Nominating and Corporate Governance Committee have been determined to be independent by the Board pursuant to SEC rules, NYSE listing standards and the Company's Director Independence Standards. The Nominating and Corporate Governance Committee's charter, as well as the charters of the Audit Committee, the Leadership Development and Compensation Committee and the Infrastructure Committee, are available on the Company's website at <http://ir.homedepot.com>.

The Nominating and Corporate Governance Committee considers candidates for nomination to the Board from a number of sources. Current members of the Board are considered for re-election unless they have notified the Company that they do not wish to stand for re-election and provided they have not reached age 72 by the calendar year-end immediately preceding the Company's next annual meeting of shareholders.

The Nominating and Corporate Governance Committee also considers candidates recommended by current members of the Board, members of management or shareholders. From time to time, the Nominating and Corporate Governance Committee engages independent search firms to assist in identifying potential Board candidates. Services provided by the search firms include identifying and assessing potential director candidates meeting criteria established by the Nominating and Corporate Governance Committee, verifying information about the prospective candidate's credentials, and obtaining a preliminary indication of interest and willingness to serve as a Board member. In Fiscal 2010, the Nominating and Corporate Governance Committee engaged Spencer Stuart to assist it in identifying and assessing potential director candidates, including the two candidates, Messrs. Brown and Sargent, discussed below under Election of Directors.

The Nominating and Corporate Governance Committee evaluates all candidates, regardless of who recommended the candidate, based on the same criteria. The criteria and the process by which director nominees are considered and selected are discussed further below under Election of Directors.

DIRECTOR CANDIDATES RECOMMENDED BY SHAREHOLDERS

The Nominating and Corporate Governance Committee will consider all candidates recommended by a shareholder (or group of shareholders) who owns at least one percent of the Company's outstanding shares of common stock and who has held such shares for at least one year as of the date of the recommendation. We refer to a shareholder (or shareholders) who meets these requirements as an Eligible Shareholder. The Nominating and Corporate Governance Committee may also, in its discretion, consider candidates recommended by a shareholder owning less than 1% of the Company's outstanding common stock. A shareholder wishing to recommend a candidate must submit the following documents to the Corporate Secretary, The Home Depot, Inc., 2455 Paces Ferry Road, Building C-22, Atlanta, Georgia 30339 not less than 120 calendar days prior to the anniversary of the date on which the Company's proxy statement was released to shareholders in connection with the previous year's annual meeting of shareholders:

- A recommendation that identifies the candidate and provides contact information for that candidate;
- The written consent of the candidate to serve as a director of the Company, if elected; and
- Documentation establishing that the shareholder making the recommendation is an Eligible Shareholder.

Upon timely receipt of the required documents, the Corporate Secretary will determine if the shareholder submitting the recommendation is an Eligible Shareholder based on those documents. If the shareholder is not an Eligible Shareholder, the Nominating and Corporate Governance Committee may, but is not obligated to, evaluate the candidate and consider him or her for nomination to the Board.

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BOARD OF DIRECTORS INFORMATION

If the candidate is to be evaluated by the Nominating and Corporate Governance Committee, the Corporate Secretary will request from the candidate a detailed resumé, an autobiographical statement explaining the candidate's interest in serving as a director of the Company, a completed statement regarding conflicts of interest, and a waiver of liability for a background check. These documents must be received from the candidate before the first day of February preceding the annual meeting of shareholders. The Nominating and Corporate Governance Committee will also use reasonable efforts to engage a governance consultant to assist in evaluating the candidate.

COMMUNICATING WITH THE BOARD

Shareholders and others who are interested in communicating directly with members of the Board, including those wishing to express concerns relating to accounting, internal accounting controls, audit matters, fraud or unethical behavior, may do so by e-mail, at HD_Directors@homedepot.com, or by writing to the directors at the following address:

Name of Director or Directors

c/o Corporate Secretary

The Home Depot, Inc.

2455 Paces Ferry Road

Building C-22

Atlanta, Georgia 30339

The Corporate Secretary reviews and provides the Board and the Nominating and Corporate Governance Committee with a summary of all such communications and a copy of any correspondence that, in the opinion of the Corporate Secretary, deals with the functions of the Board or the standing committees of the Board, or that otherwise requires the attention of the Board and the Nominating and Corporate Governance Committee. Correspondence relating to accounting, internal controls or auditing matters is brought to the attention of the Company's internal audit department and, if appropriate, to the Audit Committee. All communications are treated confidentially.

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The Board met seven times during Fiscal 2010. The number of times that each standing committee of the Board met in Fiscal 2010 is shown below. Each incumbent director attended at least 75% of the meetings of the Board and of the standing committees of which he or she was a member during Fiscal 2010. Company policy provides that all directors are expected to attend annual shareholder meetings, absent extraordinary circumstances. All but two of our current directors attended the 2010 Annual Meeting of Shareholders.

During Fiscal 2010, the Board had standing Audit, Nominating and Corporate Governance, Leadership Development and Compensation, and Infrastructure Committees. The members of each committee, the principal functions of each committee and the number of meetings held in Fiscal 2010 are shown below. Each member of each committee was, and continues to be, independent under our Director Independence Standards and applicable SEC and NYSE rules.

Name of Committee and Members	Committee Functions	Number of Meetings
AUDIT:	Reviews the Company's financial statements, including management's report on internal control over financial reporting	9
David H. Batchelder, Chair	Oversees auditing procedures	
F. Duane Ackerman	Oversees internal risk assessment and management	
Ari Bousbib	Selects the Company's independent registered public accounting firm	
Albert P. Carey	Receives the report of the independent registered public accounting firm	
NOMINATING AND CORPORATE GOVERNANCE:	Oversees the Company's corporate governance practices and procedures	4
Bonnie G. Hill, Chair	Reviews and monitors the performance and composition of the Board and its committees	
Gregory D. Brenneman	Makes recommendations for nominees for director	
Armando Codina	Reviews the independence of directors	
Karen L. Katen	Reviews and recommends policies, practices and procedures concerning human resource-related matters	6
LEADERSHIP DEVELOPMENT AND COMPENSATION:	Oversees senior management succession planning policies and procedures	
Gregory D. Brenneman, Chair	Reviews and recommends compensation of directors and executive officers	
David H. Batchelder	Undertakes annual review and risk assessment of compensation policies and practices	
Armando Codina	Administers stock incentive and stock purchase plans, including determining grants of equity awards under the plans	
Bonnie G. Hill		
INFRASTRUCTURE:		4

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Ari Bousbib, Chair

Reviews practices and procedures concerning supply chain, logistics,
information technology and information security

F. Duane Ackerman

Albert P. Carey

Karen L. Katen

Subject to the election of the ten director nominees discussed below under Election of Directors, the members of the committees following the Meeting are expected to be as follows:

AUDIT