FAQ: GROWING SUSTAINABLY

When we make progress in reducing The Home Depot's environmental impact, we strengthen our business and the communities we serve.

Chief Sustainability Officer Ron Jarvis has spent two decades driving sustainability improvements at The Home Depot. Some of the frequently asked questions he responds to offer insights into our progress.

Q. How are you reducing carbon emissions related to company operations?

A. We have made strides in decreasing emissions across our business. Our U.S. stores cut electricity consumption more than 14% year over year in 2020 through our diligent efforts to find electricity savings storewide. LED lighting upgrades were a big part of that success.

In 2020, we moved more products than ever as customers turned to us for appliances, air-conditioning systems, cleaning products and other essentials. As we managed a 20% increase in product volume, we forged ahead with our previously planned operational improvements. The energy-saving, emissions-reducing efficiencies we've gained in recent years helped decrease our carbon intensity. In 2020, we achieved a 22% reduction in the amount of carbon dioxide emitted for each dollar of revenue we earned, compared to 2019.

Q. What are you doing about the environmental impact of products sold at The Home Depot?

A. We understand that our biggest impact on the environment comes from the products we sell. We continue to work with our suppliers to make products more sustainable through improvements in materials sourcing, chemistry, packaging, manufacturing and distribution. We track the product-related emissions embedded in manufacturing, distribution and our customers' use of products, using industry-recognized methodology and technology tools that get more precise every year. We also help our customers select products and projects that can improve the sustainability of their households through our third party-certified Eco Options labels and our Eco Actions website for green-minded DIYers.

Q. The Home Depot achieved several of its stated environmental goals in 2020. Walk us through that progress.

A. As outlined in our 2021 <u>ESG Report</u>, our company in 2020:

- Exceeded our goal to reduce U.S. store kilowatthour electricity use 20%, compared to 2010 levels. We actually cut electricity consumption in our U.S. stores 44% between 2010 and 2020.
- Completed our goal to procure or produce 135 megawatts of renewable or alternative energy. We've now set even more ambitious goals, including adding 200 megawatts in a pledge to buy or generate 335 megawatts of renewable or alternative energy by 2025.



Learn more in our ESG Report.

- Achieved our goals to help customers save \$2.8 billion on utility bills and reduce their greenhouse emissions by 20 million metric tons through the purchase and proper use of the energy-saving products we sell.
- Achieved our goal to help customers reduce their water consumption by 250 billion gallons through the purchase and proper use of the water-saving products we sell.
- Hit our target to exclude certain chemicals from the paints we sell.

Q. What sustainability trend excites you the most for its near-term potential?

A. Waste reduction through circularity. Through years of manufacturing, we now have an abundance of resources that can be repurposed, recycled and reused to produce new products. With the support of our suppliers, The Home Depot is continually searching for ways to use these existing resources to drive efficiency and reduce waste. Our partnership with Trex is a great example. We send our plastic waste to Trex — including more than 8,000 tons of plastic shrink wrap every year. Trex transforms it into decking that doesn't rely on wood.

"We understand that our biggest impact on the environment comes from the products we sell. We continue to work with our suppliers to make products more sustainable."

