

January 15, 2021

**VIA E-MAIL**

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

Re: *The Home Depot, Inc.*  
*Shareholder Proposal of Myra K. Young*  
*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 2021 Annual Meeting of Shareholders (collectively, the “2021 Proxy Materials”) a shareholder proposal (the “Proposal”), including statements in support thereof, submitted by John Chevedden on behalf of Myra K. Young (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 2021 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 this 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.

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## THE PROPOSAL

The Proposal states:

**Resolved:** Shareholders request the Board commission an independent third-party report, at reasonable cost and omitting proprietary information, assessing how and whether Home Depot ensures its advertising policies are not contributing to violations of civil or human rights. The report should consider whether the policies contribute to the spread of hate speech, disinformation, white supremacist activity, or voter suppression efforts, and whether policies undermine efforts to defend civil and human rights, such as through the demonetization of content that seeks to advance and promote such rights.

A copy of the Proposal, including statements in support thereof, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

## BASIS FOR EXCLUSION

We respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations and does not focus on a significant policy issue. As discussed below, the Proposal is nearly identical to the "Resolved" clause in the proposal submitted by the same Proponent this proxy season to another company, which the Staff concurred was excludable pursuant to Rule 14a-8(i)(7). *See The Walt Disney Co.* (avail. Jan. 8, 2021) ("*Walt Disney 2021*"). Accordingly, the Proposal is likewise excludable pursuant to Rule 14a-8(i)(7).

## ANALYSIS

### **The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because The Proposal Relates To The Company's Ordinary Business Operations.**

#### *A. Background On The Ordinary Business Standard Under Rule 14a-8(i)(7)*

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's "ordinary business" operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" "refers to matters that are not necessarily 'ordinary' in the common meaning of the word," but instead the term "is rooted in the corporate law concept [of]

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providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and identified two central considerations that underlie this policy. As relevant here, one of these considerations was that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." *Id.*

As discussed below, the Proposal is excludable under Rule 14a-8(i)(7) because it relates to the manner in which the Company advertises and markets its products.

*B. The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Relates To The Manner In Which The Company Advertises Its Products*

The Staff has recognized that decisions regarding a company's advertising of products and services relate to a company's ordinary business operations and thus may be excluded under Rule 14a-8(i)(7), regardless of where the advertising occurs. For example, in *Amazon.com, Inc.* (avail. Mar. 23, 2018), the Staff concurred with the exclusion of a shareholder proposal requesting that "the board take the steps necessary to establish a policy that will ensure that the [c]ompany does not place promotional or other marketing material on online sites or platforms that produce and disseminate content that expresses hatred or intolerance for people on the basis of actual or perceived race, ethnicity, national origin, religious affiliation, sex, gender, gender identity, sexual orientation, age or disability" as relating to the company's ordinary business operations. Amazon argued that the proposal implicated "complex decisions regarding [c]ompany advertising standards, including complex technology processes regarding how advertising sites are selected and assessed for consistency with [c]ompany standards, that are not appropriate for shareholder determinations." The Staff's response noted that the proposal "relates to the manner in which the [c]ompany advertises its products and services." Similarly, in *Ford Motor Co.* (avail. Feb. 2, 2017), the Staff agreed with the company that it could exclude a shareholder proposal requesting that the company assess the political activity resulting from its advertising and any resulting risk. Ford argued that the "advertising function and any potential 'risks' resulting from the chosen media channels fall well within the scope of normal business operations and well outside the scope of normal shareholders' expertise." The Staff concurred, noting that "[t]here appears to be some basis for your view that Ford may exclude the proposal under rule 14a-8(i)(7), as relating to Ford's ordinary business operations." *See also General Electric Co.* (avail. Jan. 18, 2005) (concurring with the

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exclusion of a proposal prohibiting the company from advertising through medium that carry statements advocating firearm control legislation); *General Mills, Inc.* (avail. Jul. 14, 1992) (concurring with the exclusion of a proposal prohibiting the company from advertising on television programs that were “insulting to people of any racial, ethnic or religious group”); and *Hershey Foods Corp.* (avail. Dec. 27, 1989) (concurring with the exclusion of a proposal directing the company to discontinue advertising the company’s products on MTV following the company’s sponsorship of an allegedly sexually explicit video).

Furthermore, the Staff has repeatedly determined that proposals that require companies to consider specific social policy issues in making advertising decisions are excludable under Rule 14-8(i)(7). Notably, in *Walt Disney 2021*, the proposal, like the Proposal here, sought a report “assessing how and whether [the company] ensures the company’s advertising policies are not contributing to violations of civil or human rights.” Moreover, in *Walt Disney 2021* the company argued that “allocation of advertising resources to best promote a company’s products and services is a key management function” and that the proposal’s request “reflects the Proponent’s attempt to impose on the [c]ompany the Proponent’s own views on advertising strategy and standards,” such that the proposal is excludable. As in *Walt Disney 2021*, the same arguments and reasoning apply. The Proposal is nearly identical to the “Resolved” clause at issue in *Walt Disney 2021*, and the supporting statements in each case are focused on the same issues and practices and contain overlapping language. In this regard, as in *Walt Disney 2021*, the Proposal includes the same statements regarding “reputational and business risk” from “contributing to the spread of racism, hate speech, and disinformation [online through] advertising on social media platforms.” Further, the Proposal, like in *Walt Disney 2021*, notes that “platforms like Google and Facebook may be failing to protect civil and human rights” and both proposals criticize the companies for advertising on Facebook. Given the substantial similarity between the Proposal and *Walt Disney 2021*, and because the Proposal likewise seeks a report that bears on the ordinary business topic of the manner in which the Company advertises its products, the Proposal is also excludable pursuant to Rule 14a-8(i)(7).

By way of further example, in *FedEx Corp. (Trillium)* (avail. Jul. 7, 2016), the proposal requested that the company prepare a report describing legal steps FedEx has taken and/or could take to distance itself from the former name of the Washington D.C. NFL team. The proponents characterized that team name as “a dehumanizing word characterizing people by skin color and a racial slur with hateful connotations.” The Staff concurred with the exclusion of the proposal under Rule 14a-8(i)(7) because it addressed the manner in which the company advertises its products and services. See also *FedEx Corp.* (avail. Jul. 14, 2009) (concurring with the exclusion of a proposal that requested the company to prepare a report addressing, among other things, efforts to disassociate the company from imagery that

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disparages American Indians); *The Walt Disney Co.* (avail. Nov. 30, 2007) (concurring with the exclusion of a proposal requesting a report regarding what actions the company is taking “to avoid the use of negative and discriminatory . . . stereotypes in its products”); *Federated Department Stores, Inc.* (avail. Mar. 27, 2002) (concurring with the exclusion of a proposal requesting that the company “identify and disassociate from any offensive imagery to the American Indian community” in product marketing, advertising, endorsements, sponsorships and promotions); and *Apple Computer, Inc.* (avail. Oct. 20, 1989) (concurring with the exclusion of a proposal requesting that the company create a committee to regulate public use of the company’s logo).

As in *Walt Disney 2021*, *Amazon.com, Inc.* and *Ford Motor Co.*, and the other precedents cited above, the Proposal reflects an attempt to intervene in how the Company manages its advertising strategy and standards. However, and as argued in *Walt Disney 2021*, the allocation of advertising resources to best promote a company’s products and services is a key management function. The Company’s internal and external advertising professionals devote significant time, energy and resources in making decisions relating to the advertising of the Company’s products and services, including determining the appropriate channels for advertising, such as social media platforms. Further, the Company operates in a highly competitive industry and marketing effectiveness is among the competitive factors that affect the sales of its products and services. By requesting a report “assessing how and whether Home Depot ensures its advertising policies are not contributing to violations of civil or human rights,” the Proposal intrudes upon the ordinary business operations of the Company in making advertising decisions by seeking to override the Company’s determinations on the processes and standards it employs when implementing its advertising decisions and strategies. This is especially the case with the Proposal, given the complex and evolving technology involved in digital and online advertising and marketing, the subjective nature of the topics targeted by the Proposal, and the Company’s internal, existing processes and standards for managing its online advertising and marketing activities. The well-established precedents cited above, including the Staff’s recent decision in *Walt Disney 2021*, demonstrate that the Staff consistently has concurred that proposals seeking to restrict the manner or context in which a company advertises its products and services address ordinary business issues, and the Proposal therefore is properly excludable under Rule 14a-8(i)(7).

C. *The Proposal Does Not Raise A Significant Policy Issue That Transcends The Company’s Ordinary Business Operations*

The well-established precedent set forth above demonstrates that the Proposal squarely addresses ordinary business matters and, therefore, is excludable under Rule 14a-8(i)(7). Consistent with the 1998 Release, a proposal that relates to both ordinary business matters and significant social policy issues may be excludable in its entirety in reliance on

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Rule 14a-8(i)(7) if it does not “transcend the day-to-day business matters” discussed in the proposal. Moreover, as Staff precedent has established, merely referencing topics in passing that might raise significant policy issues, but which do not define the scope of actions addressed in a proposal and which have only tangential implications for the issues that constitute the central focus of a proposal, does not transform an otherwise ordinary business proposal into one that transcends ordinary business. Here, although the Proposal’s reference to “the spread of racism, hate speech, and disinformation,” white supremacist activity, voter suppression efforts, and “whether policies undermine efforts to defend civil and human rights” could touch upon significant policy considerations in some contexts, the Proposal remains excludable under Rule 14a-8(i)(7) because it does not transcend the day-to-day business matters of the Company.

The Staff consistently has concurred that proposals that do not transcend the day-to-day operations of a company may be excluded under Rule 14a-8(i)(7) even if they touch upon or reference a significant policy issue. For example, as earlier discussed, in *Walt Disney 2021*, the proposal submitted by the same Proponent contained similar language as the Proposal and the Staff concurred with exclusion. In *Walt Disney 2021*, the company also argued that the proposal “does not raise a significant policy issue as to the [c]ompany because it does not have a sufficient nexus to the business of the [c]ompany.” Notwithstanding the social concerns touched on *Walt Disney 2021*, the proposal was fundamentally focused on the manner in which the company advertises, as is the Proposal here. As in *Walt Disney 2021*, the Proposal does not raise a significant policy issue that transcends the Company’s ordinary business operations and is likewise excludable.

Further, in *Amazon.com*, the proposal referenced issues related to “hatred or intolerance for people on the basis of . . . race, ethnicity, national origin, religious affiliation, sex, gender, gender identity, sexual orientation, age or disability,” many of which are protected classes under U.S. federal law. Even though the Staff has found that proposals that focus on human rights concerns can implicate a significant policy issue such that exclusion is not appropriate, the Staff concurred that, as to Amazon, the proposal related to an ordinary business issue (*i.e.*, the manner in which the company advertises its products and services) and was properly excludable, despite statements within the resolved clause regarding hatred and intolerance based on protected classes.

As in *Walt Disney 2021* and *Amazon.com, Inc.*, to the extent the Proposal references a significant policy issue generally, even in the resolved clause, it does not necessarily raise a significant policy issue *as to the business of the Company*. As a home improvement retailer, the Company does not produce or promote content that, in the Proposal’s words, “contribute[s] to the spread of hate speech, disinformation, white supremacist activity, or voter suppression efforts, [or that] undermine[s] efforts to defend civil and human rights.”

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Instead, the supporting statements of the Proposal reference a “widespread concern that platforms like Google and Facebook may be failing to protect civil and human rights by supporting government censorship, facilitating white supremacist activity, and enabling voter suppression.” Specifically, the Proposal takes to task these social media platforms for the, at times, questionable and concerning third-party content that they host and for the actions they take (and/or fail to take) in response to such content, which the Proposal labels as threatening, unsafe, offensive, hateful, and derogatory and believes contributes to “the spread of racism, hate speech, and disinformation.” None of this offensive content, however, relates to the content or speech by the Company or Company advertisements that may appear or be placed on such platforms. Thus, similar to the proposal at issue in *Walt Disney 2021* and *Amazon.com, Inc.*, the Proposal focuses on certain content produced and disseminated by third parties on online sites and social media platforms on which the Company’s products and services may be advertised. As argued in *Walt Disney 2021* and *Amazon.com*, such concerns here have no nexus to the Company, and it is readily apparent that no content generated by the Company is at issue or being criticized in the Proposal. As such, these types of considerations simply do not transcend the day-to-day operations of the Company.

Although the Proposal refers to “violations of civil or human rights,” consistent with *Walt Disney 2021* and *Amazon.com* and other precedent, a mere reference to a possible significant policy issue does not automatically transform a proposal focused on ordinary business matters to one that transcends ordinary business. Here, the Proposal does not indicate or allege that the Company’s advertising policies have contributed to human rights issues. Additionally, the content concerns that the supporting statements address (*i.e.*, “hate speech and discriminatory content” and “offensive, hateful, or derogatory content”) do not rise to the level of a human rights concerns that the Staff has determined in the past may preclude exclusion of a proposal pursuant to Rule 14a-8(i)(7) (*i.e.*, where the proposal at issue focuses on fundamental human rights or relates to the mistreatment of human beings). As in *Walt Disney 2021*, such concerns are not enough to transcend the ordinary business of the Company. Accordingly, the Proposal may be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company’s ordinary business operations. *See also Viacom, Inc.* (avail. Dec. 18, 2015) (concurring with the exclusion of a proposal requesting that the company issue a report assessing the company’s policy responses to public concerns regarding linkages of food and beverage advertising to impacts on children’s health, despite the public health implications raised by the proposal); *PetSmart, Inc.* (avail. Mar. 24, 2011) (concurring with the exclusion of a proposal requesting that the board require its suppliers to certify they had not violated “the Animal Welfare Act, the Lacey Act, or any state equivalents,” the principal purpose of which related to preventing animal cruelty, despite the fact that the proposal implicated animal welfare concerns); *Intel Corp.* (avail. Mar. 19, 1999, *recon. granted* Mar. 31, 1999) (concurring with the exclusion of a proposal requesting that the

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company condition its sponsorship of the International Science and Engineering Fair on the fair's operators changing their rules to restrict the use of animal tests by some contestants, despite the fact that the proposal raised concerns regarding animal welfare); and *Rite Aid Corp.* (avail. Mar. 5, 1997) (concurring with the exclusion of a proposal requesting the adoption of a policy for the company to stop selling cigarettes unless management could demonstrate that its stores can implement FDA regulations limiting advertising and access of cigarettes and tobacco products to minors, despite the related public health implications).

Based on the Proposal language and supporting statements, it is clear that what the Proposal truly wants is for the Company to alter its advertising policies, and to prevent any of its ads from appearing on certain social media platforms. However, as demonstrated above, the foregoing concerns merely crystalize the ordinary business focus of this Proposal. The Proposal is focused on *how* and *where* the Company advertises, which, as previously established, clearly relates to the manner in which the Company advertises its products and services, and the policies related thereto. Accordingly, the Proposal may be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

## CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2021 Proxy Materials.

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](mailto: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 Stacy S. Ingram, the Company's Associate General Counsel and Deputy Corporate Secretary, at (770) 384-2858.

Sincerely,



Elizabeth A. Ising

Enclosures

cc: Stacy S. Ingram, The Home Depot, Inc.  
John Chevedden



GIBSON DUNN

**EXHIBIT A**

**From:** John Chevedden \*\*\* >  
**Sent:** Friday, November 20, 2020 7:33 PM  
**To:** Ingram, Stacy <[STACY\\_INGRAM@homedepot.com](mailto:STACY_INGRAM@homedepot.com)>  
**Cc:** Burton, Lyndsey M <[LYNDSEY\\_M\\_BURTON@homedepot.com](mailto:LYNDSEY_M_BURTON@homedepot.com)>  
**Subject:** [EXTERNAL] Rule 14a-8 Proposal (HD)``

Dear Ms. Ingram,

Please see the attached rule 14a-8 proposal to improve corporate governance and enhance long-term shareholder value at de minimis up-front cost – especially considering the substantial market capitalization of the company.

I expect to forward a broker letter soon so if you acknowledge this proposal in an email message it may very well save you from requesting a broker letter from me.

Sincerely,  
John Chevedden

\*\*\*

Ms. Teresa Wynn Roseborough  
Corporate Secretary  
The Home Depot, Inc. (HD)  
2455 Paces Ferry Road NW  
Atlanta GA 30339  
PH: 770-433-8211  
Via: Teresa\_Roseborough@homedepot.com

Dear Corporate Secretary,

I am pleased to be a shareholder in The Home Depot, Inc. (HD) and appreciate the leadership our company shown in many areas.

I am submitting a shareholder proposal for a vote at the next annual shareholder meeting on **Advertising Policies and Social Media**. The attached proposal meets all Rule 14a-8 requirements, including the continuous ownership of the required stock value for over a year and I pledge to continue to hold the required amount of stock until after the date of the next shareholder meeting. My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

This letter confirms that I am delegating John Chevedden to act as my agent regarding this Rule 14a-8 proposal, including its submission, negotiations and/or modification, and presentation at the forthcoming shareholder meeting. Please direct all future communications regarding my rule 14a-8 proposal to John Chevedden (

o facilitate prompt communication. My husband, James McRitchie is hereby delegated to act as Mr. Chevedden's backup agent regarding this proposal. Please identify Myra K. Young as the proponent of the proposal exclusively.

Your consideration and the consideration of the Board of Directors is appreciated in responding to this proposal. *We are open to negotiating possible changes to the proposal or withdrawal. We expect to forward a broker letter soon. Therefore, if you simply acknowledge my proposal in an email message to* \*\*\* *, it may not be necessary for you to request such evidence of ownership.*

Sincerely,



Myra K. Young

November 20, 2020

Date

cc: Stacy Ingram <stacy\_ingram@homedepot.com>  
Associate General Counsel – Corporate & Securities  
Lyndsey Burton <Lyndsey M\_Burton@homedepot.com>

Home Depot spent \$1.2 billion on advertising in 2019,<sup>1</sup> with large budgets for social media platforms. The company was Facebook's biggest 2019 advertiser, spending \$179 million,<sup>2</sup> plus \$40 million in the first half of 2020.<sup>3</sup>

There is widespread concern that platforms like Google and Facebook may be failing to protect civil and human rights by supporting government censorship,<sup>4</sup> facilitating white supremacist activity,<sup>5</sup> and enabling voter suppression.<sup>6</sup> Facebook itself noted, "One of the biggest issues social networks face is that, when left unchecked, people will engage disproportionately with more sensationalist and provocative content."<sup>7</sup> In June 2020, a Home Depot spokeswoman said: "Like others, we're disgusted by hate speech and discriminatory content we see on social media."<sup>8</sup>

Home Depot faces reputational and business risk if it is perceived as contributing to the spread of racism, hate speech, and disinformation by facilitating advertising on social media platforms. Potential inadvertent promotion of harmful viral content by advertisers threatens user safety and brand value. Seventy percent of millennials and Gen Xers "will not like, recommend, or purchase from a brand whose ads appear next to offensive, hateful, or derogatory content."<sup>9</sup>

In 2018, after CNN found YouTube ran ads from major brands on extremist channels, one analyst said, "If brands want to make sure this stops, the only way for that to happen is for them to stop spending [on YouTube] until it's fixed." Advertisers are not passive bystanders when they inadvertently finance harm. Their spending influences what content appears online. For instance, Omnicom found some advertisers excluding content like "News and Current Events" from ad buys;<sup>10</sup> journalism groups have asked that advertisers not block ads from financing credible journalism.<sup>11</sup>

According to House Speaker Nancy Pelosi, advertisers "have power to discourage platforms from amplifying dangerous and even life-threatening disinformation." However, steps taken to date are insufficient. For instance, the Global Alliance for Responsible Media announced shared recommendations between social media platforms and advertisers, including common definitions for hate speech. Critics question its efficacy. The president of Color Of Change called the recommendations, "another reminder that the incentives are broken and government regulation is still needed." WIRED magazine observed: "It's fair to wonder whether a consortium that includes Facebook and Google—the two dominant digital advertising companies—will produce any meaningful change to the status quo."<sup>12</sup>

**Resolved:** Shareholders request the Board commission an independent third-party report, at reasonable cost and omitting proprietary information, assessing how and whether Home Depot ensures its advertising policies are not contributing to violations of civil or human rights. The report should consider whether the

<sup>1</sup> [https://ir.homedepot.com/~/\\_media/Files/H/HomeDepot-IR/2020/2019\\_THD\\_AnnualReport\\_vf.pdf](https://ir.homedepot.com/~/_media/Files/H/HomeDepot-IR/2020/2019_THD_AnnualReport_vf.pdf)

<sup>2</sup> <https://fortune.com/2020/06/29/facebook-ad-boycott-top-advertisers-silent-which-companies/>

<sup>3</sup> <https://www.marketingcharts.com/digital/social-media-114732>

<sup>4</sup> <https://impactpolicies.org/en/news/30>

<sup>5</sup> <https://www.techtransparencyproject.org/sites/default/files/Facebook-White-Supremacy-Report.pdf>

<sup>6</sup> <https://int.nyt.com/data/documenthelper/533-read-report-internet-research-agency/7871ea6d5b7bedafbf19/optimized/full.pdf#page=1>

<sup>7</sup> <https://www.facebook.com/notes/mark-zuckerberg/a-blueprint-for-content-governance-and-enforcement/10156443129621634/>

<sup>8</sup> <https://fortune.com/2020/06/29/facebook-ad-boycott-top-advertisers-silent-which-companies/>

<sup>9</sup> <https://venturebeat.com/2018/07/25/adcolony-brands-are-worried-about-unsafe-content-and-fake-news-on-facebook-social-media/>

<sup>10</sup> [https://www.omnicommediagroup.com/wp-content/uploads/2020/05/OMG\\_COVID-19\\_SocialMediaPricingPOV\\_22April20.pdf](https://www.omnicommediagroup.com/wp-content/uploads/2020/05/OMG_COVID-19_SocialMediaPricingPOV_22April20.pdf)

<sup>11</sup> <https://gfmf.info/emergency-appeal-for-journalism-and-media-support-2/>

<sup>12</sup> <https://www.wired.com/story/she-helped-wreck-the-news-business-heres-her-plan-to-fix-it/>

policies contribute to the spread of hate speech, disinformation, white supremacist activity, or voter suppression efforts, and whether policies undermine efforts to defend civil and human rights, such as through the demonetization of content that seeks to advance and promote such rights.

Please vote for: Advertising Policies and Social Media – Proposal [4\*]



[This line and any below are *not* for publication]  
Number 4\* to be assigned by the Company

The graphic above is intended to be published with the rule 14a-8 proposal. The graphic would be the same size as the largest management graphic (and accompanying bold or highlighted management text with a graphic) or any highlighted management executive summary used in conjunction with a management proposal or a rule 14a-8 shareholder proposal in the 2021 proxy.

The proponent is willing to discuss the in unison elimination of both shareholder graphic and management graphic in the proxy in regard to specific proposals.

Reference SEC Staff Legal Bulletin No. 14I (CF)

[16] Companies should not minimize or otherwise diminish the appearance of a shareholder's graphic. For example, if the company includes its own graphics in its proxy statement, it should give similar prominence to a shareholder's graphics. If a company's proxy statement appears in black and white, however, the shareholder proposal and accompanying graphics may also appear in black and white.

Notes: This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(i)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

**We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.**

See also Sun Microsystems, Inc. (July 21, 2005)

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email \*\*\*

**From:** John Chevedden \*\*\* >  
**Sent:** Friday, November 27, 2020 1:55 PM  
**To:** Ingram, Stacy <[STACY\\_INGRAM@homedepot.com](mailto:STACY_INGRAM@homedepot.com)>  
**Cc:** Burton, Lyndsey M <[LYNDSEY\\_M\\_BURTON@homedepot.com](mailto:LYNDSEY_M_BURTON@homedepot.com)>  
**Subject:** [EXTERNAL] Rule 14a-8 Proposal (HD) blb

Dear Ms. Ingram,  
Please see the attached broker letter.  
Please confirm receipt.  
Sincerely,  
John Chevedden



11/27/2020

Myra Young  
\*\*\*

Re: Your TD Ameritrade Account Ending in \*\*\*

Dear Myra Young,

Pursuant to your request, this letter is to confirm that as of the date of this letter, Myra K. Young held, and had held continuously for at least 13 months, 47 shares of Home Depot Inc. (HD) common stock in her account ending in \*\*\* at TD Ameritrade. The DTC clearinghouse number for TD Ameritrade is 0188.

If we can be of any further assistance, please let us know. Just log in to your account and go to the Message Center to write us. You can also call Client Services at 800-669-3900. We're available 24 hours a day, seven days a week.

Sincerely,

A handwritten signature in cursive script that reads 'Gabriel Elliott'.

Gabriel Elliott  
Resource Specialist  
TD Ameritrade

This information is furnished as part of a general information service and TD Ameritrade shall not be liable for any damages arising out of any inaccuracy in the information. Because this information may differ from your TD Ameritrade monthly statement, you should rely only on the TD Ameritrade monthly statement as the official record of your TD Ameritrade account.

Market volatility, volume, and system availability may delay account access and trade executions.

TD Ameritrade, Inc., member FINRA/SIPC ([www.finra.org](http://www.finra.org), [www.sipc.org](http://www.sipc.org)). TD Ameritrade is a trademark jointly owned by TD Ameritrade IP Company, Inc. and The Toronto-Dominion Bank. © 2015 TD Ameritrade IP Company, Inc. All rights reserved. Used with permission.

**From:** Ingram, Stacy <[STACY\\_INGRAM@homedepot.com](mailto:STACY_INGRAM@homedepot.com)>  
**Sent:** Tuesday, December 1, 2020 1:56 PM  
**To:** John Chevedden <\*\*\*>  
**Cc:** Burton, Lyndsey M <[LYNDSEY\\_M\\_BURTON@homedepot.com](mailto:LYNDSEY_M_BURTON@homedepot.com)>  
**Subject:** Re: [EXTERNAL] Rule 14a-8 Proposal (HD) blb

Mr. Chevedden – please see the attached letter regarding the proposal you submitted on behalf of Ms. Myra Young. Thank you.

**Stacy S. Ingram** | Associate General Counsel and Deputy Corporate Secretary  
**The Home Depot** | 2455 Paces Ferry Road, C20 | Atlanta, GA 30339  
Phone: 770.384.2858 | Cell: 404.797.7180 | Fax: 770.384.5842 | [stacy\\_ingram@homedepot.com](mailto:stacy_ingram@homedepot.com)





The Home Depot, Inc. • 2455 Paces Ferry Road • Atlanta, GA 30339-4024  
Email: [stacy\\_ingram@homedepot.com](mailto:stacy_ingram@homedepot.com)  
(770) 384-2858 • Fax: (770) 384-5842

December 1, 2020

**Stacy Ingram**  
**Associate General Counsel and Deputy Corporate Secretary**

**VIA UPS OVERNIGHT AND EMAIL**

John Chevedden

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Dear Mr. Chevedden

I am writing on behalf of The Home Depot, Inc. (the "Company"), which received on November 20, 2020, the shareholder proposal you submitted on behalf of Myra K. Young (the "Proponent") entitled "Advertising Policies and Social Media" pursuant to Securities and Exchange Commission ("SEC") Rule 14a-8 for inclusion in the proxy statement for the Company's 2021 Annual Meeting of Shareholders (the "Proposal").

The Proposal contains a procedural deficiency, which SEC regulations require us to bring to your attention. Rule 14a-8(d) of the Securities Exchange Act of 1934, as amended, requires that any shareholder proposal, including any accompanying supporting statement, not exceed 500 words. The Proposal, including the supporting statement, exceeds 500 words. To remedy this defect, the Proponent must revise the Proposal so that it does not exceed 500 words.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please send any response to me by email at [stacy\\_ingram@homedepot.com](mailto:stacy_ingram@homedepot.com). You may also send the response to me at The Home Depot, Inc., 2455 Paces Ferry Road, C20, Atlanta, GA 30339.

If you have any questions with respect to the foregoing, please contact me at (770) 384-2858. For your reference, I enclose a copy of Rule 14a-8.

Sincerely,

Stacy S. Ingram  
Associate General Counsel and Deputy Corporate  
Secretary

Enclosure

**From:** John Chevedden <\*\*\*>  
**Sent:** Thursday, December 3, 2020 7:26 PM  
**To:** Ingram, Stacy <[STACY\\_INGRAM@homedepot.com](mailto:STACY_INGRAM@homedepot.com)>  
**Cc:** Burton, Lyndsey M <[LYNDSEY\\_M\\_BURTON@homedepot.com](mailto:LYNDSEY_M_BURTON@homedepot.com)>  
**Subject:** [EXTERNAL] Rule 14a-8 Proposal (HD)`` revised

Dear Ms. Ingram,  
Please see the attached rule 14a-8 proposal to improve corporate governance and enhance long-term shareholder value at de minimis up-front cost – especially considering the substantial market capitalization of the company.

Sincerely,  
John Chevedden

Home Depot advertises heavily on social media platforms. The company was Facebook’s biggest 2019 advertiser, spending \$179 million,<sup>1</sup> plus \$40 million in the first half of 2020.<sup>2</sup>

There is widespread concern that platforms like Google and Facebook may be failing to protect civil and human rights by supporting government censorship,<sup>3</sup> facilitating white supremacist activity,<sup>4</sup> and enabling voter suppression.<sup>5</sup> Facebook itself noted, “One of the biggest issues social networks face is that, when left unchecked, people will engage disproportionately with more sensationalist and provocative content.”<sup>6</sup> In June 2020, a Home Depot spokeswoman said: “Like others, we’re disgusted by hate speech and discriminatory content we see on social media.”<sup>7</sup>

Home Depot faces reputational and business risk if it is perceived as contributing to the spread of racism, hate speech, and disinformation by facilitating advertising on social media platforms. Inadvertent promotion of harmful content threatens user safety and brand value. Seventy percent of millennials and Gen Xers “will not like, recommend, or purchase from a brand whose ads appear next to offensive, hateful, or derogatory content.”<sup>8</sup>

In 2018, after CNN found YouTube ads from major brands on extremist channels, one analyst said, “If brands want to make sure this stops, the only way for that to happen is for them to stop spending [on YouTube] until it’s fixed.” Advertisers are not bystanders when they inadvertently finance harm. Their spending influences what appears online. For instance, Omnicom found some advertisers excluding content like “News and Current Events” from ad buys;<sup>9</sup> journalism groups have asked that advertisers not block ads from financing credible journalism.<sup>10</sup>

According to House Speaker Nancy Pelosi, advertisers “have power to discourage platforms from amplifying dangerous and even life-threatening disinformation.” However, steps taken to date are insufficient. For instance, the Global Alliance for Responsible Media announced shared recommendations between social media platforms and advertisers, including common definitions for hate speech. Critics question its efficacy. The president of Color Of Change called the recommendations, “another reminder that the incentives are broken and government regulation is still needed.” WIRED magazine observed: “It’s fair to wonder whether a consortium that includes Facebook and Google—the two dominant digital advertising companies—will produce any meaningful change to the status quo.”<sup>11</sup>

**Resolved:** Shareholders request the Board commission an independent third-party report, at reasonable cost and omitting proprietary information, assessing how and whether Home Depot ensures its advertising policies are not contributing to violations of civil or human rights. The report should consider whether the policies contribute to the spread of hate speech, disinformation, white supremacist activity, or voter

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<sup>1</sup> <https://fortune.com/2020/06/29/facebook-ad-boycott-top-advertisers-silent-which-companies/>

<sup>2</sup> <https://www.marketingcharts.com/digital/social-media-114732>

<sup>3</sup> <https://impactpolicies.org/en/news/30>

<sup>4</sup> <https://www.techtransparencyproject.org/sites/default/files/Facebook-White-Supremacy-Report.pdf>

<sup>5</sup> <https://int.nyt.com/data/documenthelper/533-read-report-internet-research-agency/7871ea6d5b7bedafb19/optimized/full.pdf#page=1>

<sup>6</sup> <https://www.facebook.com/notes/mark-zuckerberg/a-blueprint-for-content-governance-and-enforcement/10156443129621634/>

<sup>7</sup> <https://fortune.com/2020/06/29/facebook-ad-boycott-top-advertisers-silent-which-companies/>

<sup>8</sup> <https://venturebeat.com/2018/07/25/adc-olony-brands-are-worried-about-unsafe-content-and-fake-news-on-facebook-social-media/>

<sup>9</sup> [https://www.omnicommediagroup.com/wp-content/uploads/2020/05/OMG\\_COVID-19\\_SocialMediaPricingPOV\\_22April20.pdf](https://www.omnicommediagroup.com/wp-content/uploads/2020/05/OMG_COVID-19_SocialMediaPricingPOV_22April20.pdf)

<sup>10</sup> <https://gfmf.info/emergency-appeal-for-journalism-and-media-support-2/>

<sup>11</sup> <https://www.wired.com/story/she-helped-wreck-the-news-business-heres-her-plan-to-fix-it/>

suppression efforts, and whether policies undermine efforts to defend civil and human rights, such as through the demonetization of content that seeks to advance and promote such rights.

Vote for: Advertising Policies and Social Media – Proposal [4\*]



[This line and any below are *not* for publication]

Number 4\* to be assigned by the Company

The graphic above is intended to be published with the rule 14a-8 proposal.

The graphic would be the same size as the largest management graphic (and accompanying bold or highlighted management text with a graphic) or any highlighted management executive summary used in conjunction with a management proposal or a rule 14a-8 shareholder proposal in the 2021 proxy.

The proponent is willing to discuss the in unison elimination of both shareholder graphic and management graphic in the proxy in regard to specific proposals.

Reference SEC Staff Legal Bulletin No. 14I (CF)

[16] Companies should not minimize or otherwise diminish the appearance of a shareholder's graphic. For example, if the company includes its own graphics in its proxy statement, it should give similar prominence to a shareholder's graphics. If a company's proxy statement appears in black and white, however, the shareholder proposal and accompanying graphics may also appear in black and white.

Notes: This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(i)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

**We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.**

See also Sun Microsystems, Inc. (July 21, 2005)

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email \*\*\*