

NOTICE OF EXEMPT SOLICITATION (VOLUNTARY)
Prepared in the format of Rule 14a-103

Name of the Registrant: The Home Depot, Inc.
Name of persons relying on exemption: National Legal and Policy Center
Address of persons relying on exemption: 107 Park Washington Court, Falls Church, VA 22046

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PROXY MEMORANDUM

TO: Shareholders of The Home Depot, Inc.
RE: The case to vote **FOR** Item 6 and **AGAINST** Item 7 on the 2026 Proxy Ballot

Photo credits follow at the end of the report.

I. Introduction

National Legal and Policy Center ("NLPC") has submitted a shareholder proposal to The Home Depot, Inc. ("Home Depot" or "Company"), appearing as Item 6 on Page 34 of the Company's 2026 Proxy Statement for the Annual Meeting scheduled for May 21, 2026.

NLPC requests the Board of Directors to commission and publish, by March 31, 2027, a report evaluating the Company's plastics packaging policies — one grounded in non-biased, scientifically accurate, and economically rigorous research, including quantifiable analysis of potential policy changes versus current practices as they affect the Company's financial position.¹ NLPC urges shareholders to vote FOR this proposal and to vote AGAINST Item 7, a competing plastics proposal submitted by As You Sow Foundation Fund, for the reasons set forth in Section IX of this memorandum.

Home Depot is the world's largest home improvement retailer, selling products ranging from power tools and lumber to appliances, plumbing fixtures, and electrical supplies across more than 2,300 stores in the United States and Canada. Plastic packaging is integral to how thousands of these products — from hardware and paint to lawn equipment and lighting — reach shelves safely and arrive at customer homes intact.



Beginning in 2019, the Company adopted a "Circularity" pillar as part of its sustainability strategy and has since set a series of plastic-related commitments that impose meaningful costs on its suppliers and, through them, on the Company's own cost structure. The most ambitious of these requires the Company's suppliers, by the end of 2028, to reduce or convert 200 million pounds of plastic used in products and packaging to recycled or alternative materials.² A second commitment requires that all new private-brand fiber packaging for new SKUs sold in U.S. and Canada stores be compostable, recyclable, or from recycled content by the start of fiscal year 2027.

These commitments were adopted not because objective, independent scientific or economic analysis supported them, but because doing so aligned with a circular economy framework promoted by environmental advocacy organizations. That framework has been subject to academic critique, including from peer-reviewed researchers who have described the circular economy itself as "theoretically, practically, and ideologically questionable."

The recycling infrastructure on which these commitments depend is demonstrably failing to deliver, as documented most recently by the state of California's own waste agency. And the antitrust environment surrounding industry coordination on plastics standards has shifted significantly, exposing companies whose supplier and trade group affiliations intersect with organizations under formal law enforcement scrutiny. NLPC's proposal would create the

accountability mechanism that shareholders deserve: an independent, objective evaluation of whether these policies serve the Company's financial interests, its suppliers, and its customers.

NLPC's proposal follows a broader campaign of shareholder advocacy the organization has undertaken in 2025 and 2026 to counter the wave of scientifically and economically unjustified plastics policies that have spread across corporate America.³ At the 2025 annual meetings of Walmart, Inc. and Colgate-Palmolive Company, NLPC presented similar proposals calling for objective, evidence-based analysis of plastic packaging policies.^{4 5} In 2026, NLPC has filed comparable proposals at Home Depot, The Coca-Cola Company, and Mondelez International, Inc. This memorandum explains why the proposal at Home Depot is warranted and why shareholders should support it.

II. Home Depot's Packaging Commitments and the Circularity Framework

Home Depot has described its approach to plastic packaging as part of a "Circularity" environmental pillar it formally adopted in 2019, defined by the Company as "safeguarding our natural resources by extending material lifespan and creating less waste."⁶ Under this framework, the Company completed a goal in 2023 to eliminate expanded polystyrene (EPS) foam and polyvinyl chloride (PVC) film from new private-brand packaging, affecting more than 1,280 stock-keeping units redesigned between 2017 and 2023.^{7 8} The Company acknowledges this effort required "a lot of conversations" with its merchant and supplier community, and that removing hard-to-recycle materials "without harming the product or the shipping of that product through our supply chain" was a constraint throughout.

The 200-million-pound supplier reduction target announced in 2023 is Home Depot's most consequential plastics commitment to date, and it operates fundamentally differently from how plastic commitments function at consumer-packaged goods companies.⁹

Home Depot does not manufacture products — it retails them. The 200-million-pound target is a mandate that flows downstream to the Company's supplier and vendor community: plastics reductions, conversions to recycled content, or substitutions with alternative materials are requirements that suppliers must fulfill. The costs those changes generate — higher input prices for recycled resin over virgin resin, product redesign expenses, testing and qualification costs, supply chain disruption during material transitions — do not disappear. They are embedded in the prices suppliers charge Home Depot for the products it sells.

Shareholders should understand that Home Depot's plastics agenda functions as a cost-plus mandate on its own supply chain, with every dollar of added supplier cost ultimately flowing back toward shelf prices and margins.

Home Depot itself has acknowledged in its sustainability disclosures that sourcing recycled content requires supply chain development, stating that it has been "ensuring that we're able to achieve our goal" by expanding sources of recycled content — an implicit acknowledgment of supply constraints.

The Company has also not disclosed its total plastic footprint, meaning that shareholders cannot independently assess what 200 million pounds represents as a share of Home Depot's total plastic use, nor whether that target is ambitious, trivial, or achievable relative to the total scope of the problem the Company claims it is addressing. An independent, objective evaluation of the kind NLPC's proposal requests would require both disclosures as a starting point.

III. The Scientific Case for Plastic Packaging

The foundational assumption of Home Depot's plastics strategy — that replacing plastic with alternative materials produces environmental benefits — is challenged by peer-reviewed scientific literature on lifecycle analysis. A 2024 meta-analysis published in *Environmental Science & Technology* by Meng, Brandao, and Cullen examined 53 lifecycle assessment studies across 16 product categories and found that in 15 of those 16 categories, plastic products produce fewer greenhouse gas emissions than substitute materials over their full lifecycle.¹⁰ Plastics also require less energy for production, transport, and disposal in the majority of use cases studied. The alternatives — paper, glass, metal, bio-based materials — are heavier, more energy-intensive to produce, and generate more total waste per unit of product protected.

Industry-sponsored but methodologically rigorous lifecycle studies confirm this finding. A 2020 study by the Association of Postconsumer Plastic Recyclers found that recycled plastic resin incurs substantially lower energy use and greenhouse gas emissions than virgin alternatives, and that shifting to heavier alternative materials introduces lifecycle burdens that are frequently greater than those of the plastic being replaced.¹¹ A parallel 2018 study by the American Chemistry Council, examining the full lifecycle of plastic versus alternative packaging across six major categories in the United States and Canada, found that replacing plastic packaging with alternative materials would increase total weight by 4.5 times, generate 69 percent higher greenhouse gas emissions, require 90 percent more energy, and produce 390 percent more solid waste by weight.¹²

For a company like Home Depot, which sells products spanning every major home improvement category, the weight and durability properties of plastic packaging are not peripheral concerns. Power tools, plumbing fixtures, electrical components, lighting hardware, and paint supplies require packaging that can absorb shipping stress, prevent moisture ingress, and protect irregular shapes through a supply chain that stretches from overseas manufacturing to last-mile delivery. Paper and fiber alternatives, while appropriate for some applications, offer less structural protection, absorb moisture, and add weight per shipment — which increases transportation costs and emissions. The Company has itself acknowledged that packaging transitions must be undertaken "without harming the product or the shipping of that product through our supply chain," recognizing the functional constraints that plastic currently fulfills.¹³

A further dimension that warrants scrutiny is the scientific validity of the microplastics health narrative that has amplified activist pressure on companies like Home Depot to accelerate plastic elimination. In January 2026, *The Guardian* published a major investigative report finding that numerous high-profile studies claiming to detect microplastics throughout the human body — in brains, testes, placentas, and arteries — have been "thrown into doubt by scientists who say the discoveries are probably the result of contamination and false positives."¹⁴

The investigation identified seven such studies formally challenged in scientific journals and a separate analysis flagging 18 more that had not properly accounted for the fact that certain human tissues generate chemical signals that mimic the signatures of common plastics. The widely cited 2025 Nature Medicine study reporting microplastic accumulation in human brain tissue was itself challenged in a formal "Matters Arising" published in the same journal, which identified "limited contamination controls and lack of validation steps" as factors that "may affect the reliability of the reported concentrations."¹⁵ If the scientific premise of the microplastics health crisis is considerably weaker than the advocacy literature has claimed — as a growing body of scientific opinion now indicates — then the urgency of the plastic elimination agenda derived from it is correspondingly overstated.

The report NLPC's proposal would commission would require Home Depot to engage with this evidence directly — subjecting its packaging strategy to the kind of rigorous, non-biased analysis that its own disclosures do not apply. A company that mandates millions of dollars in plastic conversion costs across its supply chain without interrogating the scientific basis for those mandates is not serving shareholders with the diligence their investments require.

IV. The Economic Cost of Activist-Driven Packaging Mandates

Home Depot's plastic packaging commitments impose real and measurable costs that have not been disclosed to shareholders in a transparent, quantified form. The Company's own acknowledgment that achieving its recycled content targets requires "ensuring that we're able to achieve our goal" by expanding sourcing reflects the well-documented premium that recycled plastic commands over virgin resin in commodity markets — a premium that inflates supplier input costs and ultimately flows back into the price structure of the products Home Depot sells.¹⁶ Beyond recycled content premiums, the Company is also exposed to growing Extended Producer Responsibility (EPR) obligations.

EPR packaging laws are now in force in seven U.S. states — Maine, Oregon, Colorado, California, Minnesota, Maryland, and Washington — with Oregon's program entering enforcement in July 2025.¹⁷ These laws require producers to register with Producer Responsibility Organizations, report packaging volumes by material type, and pay fees assessed on the basis of packaging weight and recyclability.

For a retailer of Home Depot's scale — operating more than 2,300 stores and selling products from thousands of manufacturers across every major product category — the compliance and reporting burden of EPR programs is substantial. Each state operates under its own schedule, fee structure, and reporting requirements. The Company has not disclosed to shareholders the current or projected annual cost of EPR compliance across these seven states, nor what the expansion of EPR to additional states would cost as legislation moves forward in other jurisdictions.

The additional cost burden from these policies lands on a Company that is already navigating a genuinely difficult operating environment. Home Depot Chair, President, and Chief Executive Officer Edward "Ted" Decker cited a housing market at "truly a 40-year low as a percentage of housing stock" during the Company's third quarter 2025 earnings call, noting that housing



turnover had fallen to 2.9 percent and that the Company had anticipated a demand acceleration that did not materialize.¹⁸ Home Depot missed Wall Street earnings estimates in three consecutive quarters during fiscal 2025, before narrowly topping reduced expectations in the fourth quarter. For the full fiscal year 2025, operating income declined 3.0 percent to \$20.9 billion; net earnings declined 4.4 percent to \$14.2

billion; and adjusted diluted earnings per share declined 3.6 percent to \$14.69.¹⁹ CEO Decker cited the persistently high interest rate environment, suppressed home improvement demand, weak consumer sentiment, and a lack of storm activity as the primary drivers of underperformance.

These are genuine external pressures that no executive can fully control. But the point is that Home Depot's management has spent significant time explaining macroeconomic headwinds to shareholders while simultaneously operating a plastics compliance posture that piles self-imposed costs on top of those headwinds — supplier conversion mandates, EPR fee obligations, compliance infrastructure, and the product damage and customer return risk that accompanies packaging material changes in categories like tools, appliances, and hardware.

Unlike housing market cycles and interest rates, these costs were voluntarily chosen, adopted not from rigorous financial and scientific analysis, but from alignment with activist-driven frameworks. Consumers facing a constrained housing market and reduced home improvement spending are not in an optimal position to absorb the cost pass-throughs that a plastics conversion mandate will generate. An independent evaluation of these trade-offs, of the kind NLPC's proposal would require, would allow shareholders to assess whether the Board has weighed costs against benefits with the rigor that fiduciary duty demands.

V. The True Source of Plastic Pollution: Waste Management, Not Production

The activist case for plastic reduction at companies like Home Depot rests on the premise that production volumes are the primary driver of environmental plastic pollution. The peer-reviewed scientific literature does not support this claim. A landmark 2015 study published in *Science* by Jambeck et al. found that the vast majority of plastic entering the world's oceans originates from countries with inadequate waste management infrastructure, principally in Asia and sub-Saharan Africa.²⁰

The United States — where the overwhelming majority of Home Depot's stores operate — ranked 20th globally in ocean plastic inputs. Reducing plastic content in packaging sold at Home Depot stores in North America does not meaningfully reduce the volume of plastic reaching the ocean because the leakage problem is a function of waste management capacity, not production volumes in markets with functioning collection and disposal infrastructure.

A 2021 follow-on study published in *Science Advances* by Meijer et al. refined this understanding further, finding that more than 1,000 rivers account for approximately 80 percent

of global riverine plastic emissions into the ocean, and that these rivers are concentrated overwhelmingly in Asia and Africa.²¹ The 1,000 highest-emitting rivers are responsible for more annual ocean plastic input than the rest of the world's rivers combined — and none of the highest-emitting systems flow through the United States, Canada, or Western Europe.²² The environmental case for mandating plastic reductions in North American retail supply chains, on the grounds that doing so addresses the ocean plastic pollution problem, is not supported by the geographic distribution of the actual pollution sources.

What these findings make clear is that the environmental problem Home Depot's plastics commitments purport to address is predominantly a waste management problem in the developing world, not a production problem in the developed world. The appropriate response to that problem is investment in waste collection and processing infrastructure in the relevant geographies, not mandating that American home improvement suppliers redesign their packaging. NLPC's proposal would require the Board to examine exactly this question: whether the Company's plastics policies are targeting the actual source of the pollution they claim to address, or whether they are responding to activist pressure without objective analysis of their environmental efficacy.

VI. The Circular Economy Framework and Its Academic Critics

Home Depot frames its plastics reduction program explicitly as an expression of "Circularity," one of its named sustainability pillars — a term drawn directly from the circular economy framework promoted by the Ellen MacArthur Foundation and adopted as policy language by environmental advocacy organizations worldwide. The Company's sustainability communications describe circularity as "rooted in the idea of safeguarding our natural resources by extending material lifespan and creating less waste." This framing treats the circular economy as an established, benign, and scientifically validated approach to environmental improvement. It is not.



A 2022 peer-reviewed analysis by researchers from Lancaster University, Lund University, and the KTH Royal Institute of Technology in Sweden, published in the *Journal of Industrial Ecology*, compiled a systematic review of critiques of the circular economy framework from academics and practitioners.²³ The researchers found that the circular economy concept has "diffused limits, unclear theoretical grounds," and that "its implementation faces structural obstacles." The study found that circular economy claims are "based on inconsistencies, an incomplete picture, hidden assumptions, agendas and unclear consequences." The researchers concluded that circularity is "a theoretically, practically, and ideologically questionable notion" and that calling it a panacea for environmental problems risks making it "counterproductive." They specifically found that some circular economy activities may only "delay, rather than eliminate, the negative environmental impact of the linear economy," and that the concept "tends

to be reduced to a debate about resource consumption" without connection to broader social or environmental objectives.

The intellectual foundation for the specific plastics sustainability commitments that Home Depot has adopted flows most directly from two widely cited advocacy reports: *Breaking the Plastic Wave*, produced by the Pew Charitable Trusts and SYSTEMIQ in 2020,²⁴ and *Plastics: The Costs to Society, the Environment, and the Economy*, produced by WWF in 2021.²⁵ Both reports were produced by organizations with stated environmental advocacy missions. Both estimate the costs of plastic comprehensively while treating the environmental costs of alternatives as negligible or secondary. Neither applies full lifecycle analysis to the question of what happens to total weight, emissions, energy use, and product damage rates when plastic packaging is replaced with paper, glass, or other materials — the very analysis that peer-reviewed science in Section III of this memorandum demonstrates often reaches the opposite conclusion from what these reports assume.

A board of directors that has adopted circularity as a named sustainability pillar, based on the intellectual framework produced by those advocacy reports, without commissioning an independent, peer-reviewed evaluation of whether that framework is scientifically or economically sound, has not met the standard of diligence that fiduciary duty requires. NLPC's proposal would create that evaluation.

VII. The California Recycling Failure: A Warning About Infrastructure Assumptions

Home Depot's packaging commitments assume the existence of a recycling infrastructure capable of processing the materials its suppliers and the Company itself use. That infrastructure does not currently exist at the scale the circular economy framework requires — a fact now documented in devastating detail by the state most aggressively committed to making it exist: California. NLPC has previously reported on these findings.²⁶

In January 2026, California's state waste management agency, CalRecycle, released initial recycling rate data under the framework of Senate Bill 54, the state's landmark 2022 plastics law. The data documented recycling rates that were, across nearly every plastic category, in the single digits.²⁷ Polypropylene — used in yogurt containers, margarine tubs, and microwavable trays — was being recycled at a rate of 2 percent. Colored HDPE bottles — the kind used for shampoo and detergent — were recycled at 5 percent. Clear PET bottles, which the recycling industry regularly promotes as among the most recyclable plastic formats, were recycled at 16 percent in the categories covered by the study. No plastic category in the report exceeded a recycling rate of 23 percent; the majority were in single digits.²⁸

These numbers are not the result of insufficient effort. California has spent years and billions of dollars building recycling infrastructure, passing enabling legislation, and pressuring producers through regulatory frameworks. It has the most ambitious plastics law in the United States, the most activist regulatory environment, and a political establishment uniformly committed to the circular economy vision.

The CalRecycle data is the result of that effort. It reveals that the plastics recycling infrastructure required to make the circular economy function is not presently capable of processing the materials being placed into it, even under the most favorable regulatory conditions in the country. Adding to this already sobering picture, CalRecycle withdrew its proposed SB 54 implementing regulations before they could be finalized, effectively pausing the regulatory framework that was supposed to compel improvement.

The implications for Home Depot are direct. The Company has committed, by the start of fiscal 2027, to ensuring that all new private-brand fiber packaging for new SKUs sold in U.S. and Canada stores is compostable, recyclable, or from recycled content. The Company has further committed, by the end of 2028, to requiring suppliers to reduce or convert 200 million pounds of plastic to "recycled or alternative materials."

Both commitments assume a recycling system capable of processing the resulting material. The California data — generated under the most advanced recycling program in the United States — raises questions about whether this assumption is currently supported in demonstrated infrastructure capability. EPR laws in seven states now require producers to pay into compliance systems designed to build that infrastructure over time,²⁹ but the timeline for achieving commercially relevant recycling rates for the materials at issue is measured in decades, not years. Shareholders are entitled to know whether the Board has assessed its packaging commitments against this infrastructure reality.

VIII. Antitrust and Legal Exposure from Industry Coordination

There is a legal dimension to Home Depot's participation in plastics advocacy organizations that has not been addressed in the Company's opposition to NLPC's proposal, and that shareholders may not be fully aware of. NLPC reported on this development as it unfolded.³⁰ A growing coalition of state attorneys general has formally scrutinized the three principal organizations driving the coordinated corporate plastics agenda.



In October 2025, Florida Attorney General James Uthmeier led a multistate coalition — including the attorneys general of Texas, Iowa, Nebraska, and Montana — in sending formal warning letters to three organizations: the U.S. Plastics Pact, the Consumer Goods Forum, and the Sustainable Packaging Coalition (“SPC,” operated through GreenBlue).³¹ The letters raised "grave concerns" that these organizations' policies, targets, and compliance

frameworks may violate the Sherman Antitrust Act and applicable state antitrust and consumer protection laws. The central allegation: by collectively dictating what packaging materials are deemed "recyclable" and setting uniform production and packaging targets across competing companies, these groups appear to have distorted product quality, reduced consumer choice, and driven up prices.

That inquiry escalated in February 2026, when a coalition that had grown to ten attorneys general sent formal warning letters directly to nearly 80 corporations identified as members of the organizations under scrutiny.³² The letters warned each company that "membership in, or guidance from, an industry association does not immunize anticompetitive conduct or consumer harm from enforcement scrutiny," that continued participation could expose companies to antitrust liability, and that companies "should reasonably anticipate" follow-up investigation "including through formal investigative demands, subpoenas, or other compulsory legal process."³³

Home Depot is a member of the SPC — one of the three organizations that were the primary subjects of the attorneys general's October 2025 warning letters. The SPC sets standards for what qualifies as recyclable packaging, produces guidance that influences corporate packaging decisions across the industry, and operates member working groups that facilitate coordination among competing companies on packaging materials, design, and end-of-life standards.

The SPC is also the organization that has actively shaped the EPR legislative and compliance architecture that Home Depot must now pay into across seven states — publishing the industry's primary guide to EPR bills and policy positions, providing member companies with EPR fee compliance frameworks, and explicitly guiding its members to treat EPR fee obligations as a cost of doing business under what it calls the transition to a circular economy.

Home Depot's membership in the SPC means the Company has financially supported and participated in the organization that helped design the very regulatory burden it now bears — which could be interpreted as companies that lobbied for their own regulators.

These are precisely the activities that the multistate AG coalition has characterized as potentially constituting unlawful restraints of trade. The Board's opposition statement to NLPC's proposal does not mention the Company's SPC membership; does not address whether the Company has received or responded to AG inquiries; and does not disclose any antitrust risk assessment conducted in connection with the Company's participation in this organization. Shareholders deserve to know whether such an assessment has occurred.

The legal exposure here is not hypothetical. The attorneys general have stated explicitly that they may pursue "formal investigative demands" and "subpoenas" against companies whose participation in coordinated packaging initiatives cannot be justified under antitrust law.

For a company already managing three consecutive quarters of missed earnings expectations, the prospect of antitrust investigation costs, litigation expenses, and potential liability from its sustainability organization memberships is not a risk disclosure shareholders should have to discover on their own. NLPC's proposal would require the Board to address it.

IX. Response to the Board's Statement, and NLPC's Opposition to Item 7

The Board of Directors has recommended a vote against NLPC's proposal, contending that the report sought would be "unnecessary and would require additional costs without adding

meaningfully to our ongoing efforts in this area or to our current disclosures."³⁴ This argument does not withstand scrutiny.

First, the Board argues that its existing sustainability disclosures already address the substance of what NLPC's proposal requests. But the Company's sustainability reporting discloses progress toward targets the Company itself chose, based on a circular economy framework developed by advocacy organizations, without subjecting those targets or that framework to independent scientific or economic challenge.

NLPC's proposal specifically requests an evaluation "grounded in non-biased, scientifically accurate, and economically rigorous research" that quantifies the financial position implications of current and alternative policies. That is fundamentally different from self-reported progress tracking. The Board cannot credibly argue that its own sustainability communications satisfy shareholders' need for independent, evidence-based analysis.

Second, the Board states that the Company has made meaningful progress on packaging sustainability since redesigning more than 1,280 packages to eliminate EPS foam and PVC film.³⁵ This is accurate but irrelevant to NLPC's proposal.

The elimination of specific materials is not in dispute. The question NLPC raises is whether the Company's forward-looking commitments — the 200-million-pound supplier reduction target and the fiscal 2027 fiber packaging goal — are based on rigorous analysis of scientific trade-offs, economic costs, and infrastructure reality, or whether they were adopted because activist organizations and peer companies were adopting them. The completion of a prior goal does not establish that future goals are economically justified.

Third, the Board argues the proposed report would require "additional costs." This is almost certainly true, but it must be weighed against the costs the Company is already incurring — and has not fully disclosed — through its existing commitments: supplier transition costs embedded in product pricing, EPR fee obligations across seven states, compliance infrastructure, and the packaging redesign costs across an estimated hundreds of millions of pounds of product packaging.³⁶

The Board has not disclosed a quantified estimate of those ongoing costs. An independent evaluation of plastics policies seems modest in comparison to the undisclosed ongoing cost of the policies themselves.

Fourth, and most revealingly, the Board employs virtually identical boilerplate language in recommending against both NLPC's proposal (Item 6) and As You Sow's competing proposal (Item 7), describing each as "unnecessary" and requiring "additional costs without adding meaningfully to our ongoing efforts."^{37 38} Item 6 argues the Company's current plastics policies lack scientific and economic grounding and should be subjected to objective evaluation. Item 7 argues the Company has not gone far enough and should commit to additional plastics targets. These are opposite positions.

A Board that responds to both with the same dismissive language has not engaged substantively with either challenge. What NLPC's proposal asks for is the mechanism the Board is clearly not applying on its own: a rigorous, independent, objective evaluation of whether its current approach is right.

NLPC also urges shareholders to vote AGAINST Item 7, the competing plastics proposal submitted by As You Sow Foundation Fund. That proposal asks the Board to issue a report describing how the Company could commit to making "all its packaging curbside recyclable, reusable, or compostable" and to set a time-bound goal to that end.

As You Sow's whereas clause rests explicitly on *Breaking the Plastic Wave*, the 2020 Pew Charitable Trusts advocacy report that NLPC has identified in this memorandum as a principal example of biased research that distorts environmental trade-offs by treating recycling and alternative materials as viable plastic substitutes without subjecting that assumption to rigorous assessment, such as full lifecycle analysis. The Item 7 proposal would push Home Depot to deepen precisely the kind of commitments that lack objective scientific and economic grounding — the same commitments that, as this report documents, are costing the Company's supply chain real money without delivering the environmental benefits their proponents claim.

NLPC's objection to Item 7 is not that environmental stewardship is unimportant. It is that committing to 100 percent curbside recyclability across all packaging — for a retailer whose product mix spans power tools, lumber, plumbing fixtures, electrical components, and appliances — is not a goal tethered to infrastructure reality, product protection requirements, or verified environmental benefit.

California's own waste agency has just documented that the most recyclable plastics in the most recycling-committed state in the country are being recycled at rates of 2 to 16 percent. Committing Home Depot to 100 percent curbside recyclability under those infrastructure conditions is not environmental leadership — it is the imposition of costs without accountability for outcomes.

Shareholders face a clear choice at this meeting: Item 7 asks for more commitments without analysis; Item 6 asks for the analysis that should precede any commitments at all. The correct answer is to vote **FOR** Item 6 and **AGAINST** Item 7.

X. Conclusion

The Home Depot has adopted a circularity pillar, a supplier plastic reduction mandate, and a packaging sustainability framework that were derived not from independent scientific and economic analysis, but from alignment with the advocacy-driven circular economy agenda.

The peer-reviewed scientific literature on lifecycle analysis shows that replacing plastic with alternative materials typically generates higher lifecycle emissions, higher weight, and more total waste. The same literature documents that plastic pollution is a waste management problem concentrated in Asia and Africa — not a production problem in North American retail supply chains.

The circular economy framework itself has been described by academics as "theoretically, practically, and ideologically questionable," with "diffused limits" and "unclear theoretical grounds." The recycling infrastructure that would make these commitments meaningful does not exist at scale: California, the most committed state in the country, is recycling most plastics at rates in the single digits.

And the antitrust environment surrounding industry coordination on plastics standards has shifted materially, with a multistate coalition of attorneys general formally scrutinizing the Sustainable Packaging Coalition — an organization of which Home Depot is a member.

At the same time, CEO Ted Decker is managing a company facing a 40-year housing market low, three consecutive quarters of missed earnings expectations, declining operating income, and a significant drop in return on invested capital. In that environment, self-imposed costs from activist-aligned packaging mandates are a burden the Company has accepted without the quantifiable, evidence-based justification that shareholders deserve to see.



NLPC's proposal does not ask Home Depot to abandon environmental stewardship. It asks the Board to commission and publish — by March 31, 2027, at reasonable cost — an independent, objective evaluation of its plastics packaging policies grounded in non-biased science and rigorous economics. That is the kind of analysis the Board should have conducted before making the commitments it is now asking its suppliers and shareholders to live with. It is the analysis shareholders deserve before the Company deepens those commitments further.

NLPC has previously made this case in SEC-registered exempt solicitation reports at Walmart, Inc. and Colgate-Palmolive Company in 2025.^{39 40} In each instance, the argument was the same: companies that adopt plastics policies under activist pressure, without independent scientific and economic analysis, impose costs on shareholders that have not been justified by the evidence. Home Depot is no different.

The National Legal and Policy Center urges shareholders of The Home Depot, Inc. to vote **FOR** Item 6 on Page 34 of the 2026 Proxy Statement and to vote **AGAINST** Item 7 on Page 37.

ENDNOTES

¹ National Legal and Policy Center, "Report on Objective Evaluation of Recycling-Related Plastics Targets," shareholder proposal submitted to The Home Depot, Inc., October 2025. See <https://nlpc.org/wp-content/uploads/2025/10/Home-Depot-Proposal-Plastic-packaging-2026.pdf>

2. The Home Depot, Inc., "Reducing Plastics, Packaging and PFAS: New Goals from The Home Depot," (accessed April 15, 2026).
See <https://ecoactions.homedepot.com/blog/product-goals-packaging/>
3. Paul Chesser, "NLPC to Continue Truth-in-Plastics Policy Proposals in 2026," National Legal and Policy Center, October 27, 2025.
See <https://nlpc.org/corporate-integrity-project/nlpc-to-continue-truth-in-plastics-policy-proposals-in-2026/>
4. National Legal and Policy Center, Exempt Solicitation Report in Support of Shareholder Proposal at Walmart, Inc., filed with the U.S. Securities and Exchange Commission, March 2025. See
https://www.sec.gov/Archives/edgar/data/104169/000109690625000838/nlpc_px14a6g.htm
5. National Legal and Policy Center, Exempt Solicitation Report in Support of Shareholder Proposal at Colgate-Palmolive Company, filed with the U.S. Securities and Exchange Commission, February 2025. See
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6. *Supra*, Note 2.
7. The Home Depot, Inc., "The Home Depot's Gains in Reducing Plastic" (viewed April 15, 2026). See <https://ecoactions.homedepot.com/blog/plastic-reduction-2025/>
8. Maria Rachal, "Home Depot Phases Out EPS, PVC in Fiber Packaging Overhaul," Packaging Dive, September 20, 2024.
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9. *Supra*, note 2.
10. Fangyue Meng, Miguel Brandao, and Julian M. Cullen, "Replacing Plastics with Alternatives Is Worse for Greenhouse Gas Emissions in Most Cases," *Environmental Science & Technology* 58(6), January 30, 2024, pp. 2716-2724. See <https://pubs.acs.org/doi/10.1021/acs.est.3c05191>
11. Association of Postconsumer Plastic Recyclers (APR), "Virgin vs. Recycled Plastic Life Cycle Assessment Energy Profile and Life Cycle Assessment Environmental Burdens," May 12, 2020. See
<https://plasticsrecycling.org/wp-content/uploads/2024/08/APR-Recycled-vs-Virgin-LCA-May2020.pdf>
12. American Chemistry Council, "Life Cycle Impacts of Plastic Packaging Compared to Substitutes in the United States and Canada," April 18, 2018. See
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For questions regarding The Home Depot, Inc. (**Item 6 on the 2026 Proxy Statement**), submitted by National Legal and Policy Center – please contact Paul Chesser, director of NLPC’s Corporate Integrity Project, via email at pchesser@nlpc.org.