

## **Sustainable Forestry and Wood Purchasing at The Home Depot**

As the world's largest home improvement retailer and an industry leader on sustainability issues, The Home Depot works to promote sustainability by enhancing our own operations and by purchasing from responsible suppliers across our global supply chain. We understand the critical role that global forests play in the sustainability of the planet's biodiversity and the potential impact of deforestation on climate change. Consistent with its values, The Home Depot's commitment to sustainable forestry is deep, longstanding, and durable.

### **History of Sustainable Forestry**

To help protect endangered forests and ensure that there will be healthy, productive forests for future generations, The Home Depot first issued its Wood Purchasing Policy in 1999. Since that time, we have conducted assessments of our wood sourcing to more fully understand the geographic origins of wood purchased across our product assortment, evaluate sustainable forestry challenges and opportunities, and improve our global supply chain for wood products. These assessments have informed—and will continue to inform—updates to our Wood Purchasing Policy. Our most recent assessment, the findings of which are reported in our Sustainable Forestry Report (published January 2024), reflects The Home Depot's enduring commitment to deepening our understanding of deforestation and biodiversity risk and making appropriate changes to mitigate those risks.

The vast majority of wood sourced by The Home Depot comes from regions with the most sustainable forests in the world. Nonetheless, we are committed to continuing to manage and mitigate, across our diverse and growing product assortment, the risk that products we sell or suppliers we select may contribute to deforestation. We are not alone in these efforts, as many of our supplier partners are industry leaders in developing and implementing best practices in sustainable forestry to ensure the forests they manage remain healthy and productive.

### **Third-Party Certification**

The Home Depot has long supported third-party certification of wood and wood products. Certified wood and wood products come from forests that are actively managed under strict guidelines developed by third parties that monitor compliance to ensure sustainable forest practices are followed. For this reason, we strive to select suppliers that have obtained one or more recognized certifications, including certifications from the Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI), Programme for the Endorsement of Forest Certification (PEFC), and others.

The Home Depot's historical commitment to FSC certification, in particular, is noteworthy. The Home Depot has stocked and sold FSC-certified wood since 1994 and began giving preferential treatment to FSC-certified products in 1999. We have worked closely with domestic and international suppliers to help develop a supply chain that enables consumers to purchase FSC-certified wood products. We currently offer FSC-certified products in numerous categories, including board lumber, plywood, doors, moulding, and patio furniture. The Home Depot continues to seek out opportunities to expand the availability of FSC-certified wood products as well as wood products bearing other recognized certifications.

Moreover, The Home Depot has—since 2018—required FSC certification for wood sourced from regions most at risk for deforestation: specifically, the Amazon basin, the Congo basin, Papua New Guinea, and the Solomon Islands. Taking a regional, risk-based approach to sustainable

forestry allows The Home Depot to closely monitor wood sourced from regions of the world where the risk of deforestation is greatest.

### **Expanding On Our Sustainable Forestry Practices**

Looking ahead, we are focused on ways to expand our regional, risk-based approach as we deepen our understanding of risks beyond the four regions we have previously identified as highest risk. We will continue to require FSC certification from the Amazon basin, the Congo basin, Papua New Guinea, and the Solomon Islands, while increasing due diligence and other mitigation measures to protect forests in regions that also are at risk of deforestation. Our decision to expand our existing commitments is the product of many factors, including a greater awareness of deforestation data and trends and an in-depth review of our growing product assortment.

Accordingly, in addition to requiring that all wood from the Amazon basin, the Congo basin, Papua New Guinea, and the Solomon Islands be FSC-certified, The Home Depot will require that, by the end of fiscal year 2026, all wood sourced from the Atlantic Forest, Cerrado, Choco Darien, Ecuador, Gran Chaco, East African and Miombo, Greater Mekong, Sumatra and Borneo, Eastern Australia, and Russian Far East Forest regions by our U.S. and Canadian Lumber, Building Materials, and Millwork departments—for which The Home Depot sources the vast majority of its wood—must either bear third-party certification as sustainably grown or be verified as plantation-grown. In addition, The Home Depot expects all of its wood suppliers to maintain a wood sourcing policy that supports sustainable forestry management and transparency.

The Home Depot also encourages its suppliers to enhance biodiversity considerations and support efforts to promote ecological balance. Further, The Home Depot encourages its suppliers to find alternatives to high-risk wood species and support the development and use of wood alternative products.

These efforts are not the end of our journey. To better understand and monitor risks connected to the global supply chain for our wood products, The Home Depot is committed to an ongoing risk-based assessment that ensures we maintain appropriate diligence requirements regarding the wood products we source. As has been the case since the initial publication of our Wood Purchasing Policy in 1999, we expect to draw on the expertise of and partner with not only our suppliers, but also the government agencies, intergovernmental organizations, and nongovernmental organizations that are committed to the continual development of best practices in sustainable forestry.

The Home Depot acknowledges that the global dialogue around sustainable forestry is ongoing and evolving, and that a range of issues—including impacts on and the involvement of Indigenous communities in sustainable forestry—are part of that global conversation. The Home Depot will continue to encourage meaningful consultation with Indigenous communities by relevant government authorities and forestry companies to advance sustainable forestry practices. The Home Depot will remain committed to leading with its values, supporting sustainable forestry, demonstrating respect for all people, and engaging in responsible wood sourcing consistent with these values. Accordingly, the policy outlined below may be supplemented as The Home Depot further refines its regional, risk-based approach and as additional data for enhanced sustainable forestry becomes available.

## Wood Purchasing Policy

The Home Depot has an ongoing commitment to responsible and sustainable use of the global forest resource as well as to promoting the efficient and responsible use of wood and wood products. In support of these commitments, this wood purchasing policy applies to the purchase of wood and products containing wood for resale.

The Home Depot and all of its suppliers offering wood and wood products for resale shall adhere to the following principles:

1. The Home Depot will give preference to the purchase of wood and wood products originating from third-party certified, well-managed forests.
2. The Home Depot will not purchase wood and wood products from regions around the world at greatest risk of deforestation unless responsible sourcing conditions are met.

Specifically:

- a. The Home Depot will not offer products for sale that contain wood from the Amazon basin, the Congo basin, Papua New Guinea, or the Solomon Islands unless it is Forest Stewardship Council (FSC) certified.
- b. By the end of fiscal year 2026, The Home Depot will not offer for sale any wood for its U.S. and Canadian Lumber, Building Materials, or Millwork departments from the following regions unless that wood is either third-party certified as sustainable or plantation-grown:

Atlantic Forest	East African and Miombo
Cerrado	Greater Mekong
Choco Darien	Sumatra and Borneo
Ecuador	Eastern Australia
Gran Chaco	Russian Far East Forest

3. The Home Depot requires that its suppliers of wood and wood products maintain detailed information regarding their wood sourcing and that they participate as requested in The Home Depot's wood sourcing surveys and any inquiries by the Company.
4. The Home Depot requires that its suppliers of wood and wood products maintain compliance with this policy as well as the laws and regulations pertaining to their operations and the products they manufacture.

Any concerns regarding supplier adherence to The Home Depot's wood purchasing policy should be submitted to the [Supplier AlertLine](#).