UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended April 30, 2023
or
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to
Commission File Number: 1-8207

THE HOME DEPOT, INC.
(Exact name of registrant as specified in its charter)

Delaware	**95-3261426**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2455 Paces Ferry Road **Atlanta, Georgia**	**30339**
(Address of principal executive offices)	(Zip Code)

(770) 433-8211
(Registrant’s telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.05 Par Value Per Share	HD	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

1,005,376,130 shares of common stock, $0.05 par value, outstanding as of May 16, 2023

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COMMONLY USED OR DEFINED TERMS

Term	Definition
ASU	Accounting Standards Update
Comparable sales	As defined in the Results of Operations section of MD&A
Exchange Act	Securities Exchange Act of 1934, as amended
ESG	Environmental, social, and governance
FASB	Financial Accounting Standards Board
fiscal 2022	Fiscal year ended January 29, 2023
fiscal 2023	Fiscal year ending January 28, 2024
GAAP	U.S. generally accepted accounting principles
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
NOPAT	Net operating profit after tax
Restoration Plans	Home Depot FutureBuilder Restoration Plan and HD Supply Restoration Plan
ROIC	Return on invested capital
SEC	Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
SG&A	Selling, general and administrative
2022 Form 10-K	Annual Report on Form 10-K for fiscal 2022 as filed with the SEC on March 15, 2023

FORWARD-LOOKING STATEMENTS

Certain statements contained herein, as well as in other filings we make with the SEC and other written and oral information we release, regarding our performance or other events or developments in the future constitute “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements may relate to, among other things, the demand for our products and services; net sales growth; comparable sales; the effects of competition; our brand and reputation; implementation of store, interconnected retail, supply chain and technology initiatives; inventory and in-stock positions; the state of the economy; the state of the housing and home improvement markets; the state of the credit markets, including mortgages, home equity loans, and consumer credit; the impact of tariffs; issues related to the payment methods we accept; demand for credit offerings; management of relationships with our associates, potential associates, suppliers and service providers; cost and availability of labor; costs of fuel and other energy sources; international trade disputes, natural disasters, climate change, public health issues, cybersecurity events, military conflicts or acts of war, supply chain disruptions, and other business interruptions that could compromise data privacy or disrupt operation of our stores, distribution centers and other facilities, our ability to operate or access communications, financial or banking systems, or supply or delivery of, or demand for, our products or services; our ability to address expectations regarding ESG matters and meet ESG goals; continuation or suspension of share repurchases; net earnings performance; earnings per share; future dividends; capital allocation and expenditures; liquidity; return on invested capital; expense leverage; changes in interest rates; changes in foreign currency exchange rates; commodity or other price inflation and deflation; our ability to issue debt on terms and at rates acceptable to us; the impact and expected outcome of investigations, inquiries, claims, and litigation, including compliance with related settlements; the challenges of international operations; the adequacy of insurance coverage; the effect of accounting charges; the effect of adopting certain accounting standards; the impact of legal and regulatory changes, including changes to tax laws and regulations; store openings and closures; financial outlook; and the impact of acquired companies on our organization and the ability to recognize the anticipated benefits of any acquisitions.

Forward-looking statements are based on currently available information and our current assumptions, expectations and projections about future events. You should not rely on our forward-looking statements. These statements are not guarantees of future performance and are subject to future events, risks and uncertainties – many of which are beyond our control, dependent on the actions of third parties, or currently unknown to us – as well as potentially inaccurate assumptions that could cause actual results to differ materially from our historical experience and our expectations and projections. These risks and uncertainties include, but are not limited to, those described in Part II, Item 1A, Risk Factors and elsewhere in this report and also as may be described from time to time in future reports we file with the SEC. You should read such information in conjunction with our consolidated financial statements and related notes and Management’s Discussion and Analysis of Financial Condition and Results of Operations in this report. There also may be other factors that we cannot anticipate or that are not described herein, generally because we do not currently perceive them to be material. Such factors could cause results to differ materially from our expectations. Forward-looking statements speak only as of the date they are made, and we do not undertake to update these statements other than as required by law. You are advised, however, to review any further disclosures we make on related subjects in our filings with the SEC and in our other public statements.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

THE HOME DEPOT, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

in millions, except per share data	April 30, 2023	January 29, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 1,260	$ 2,757
Receivables, net	4,213	3,317
Merchandise inventories	25,371	24,886
Other current assets	1,579	1,511
Total current assets	32,423	32,471
Net property and equipment	25,674	25,631
Operating lease right-of-use assets	6,931	6,941
Goodwill	7,447	7,444
Other assets	3,911	3,958
Total assets	$ 76,386	$ 76,445
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 12,630	$ 11,443
Accrued salaries and related expenses	1,931	1,991
Sales taxes payable	683	528
Deferred revenue	3,119	3,064
Income taxes payable	1,054	50
Current installments of long-term debt	1,338	1,231
Current operating lease liabilities	966	945
Other accrued expenses	3,725	3,858
Total current liabilities	25,446	23,110
Long-term debt, excluding current installments	40,915	41,962
Long-term operating lease liabilities	6,209	6,226
Deferred income taxes	954	1,019
Other long-term liabilities	2,500	2,566
Total liabilities	76,024	74,883
Contingencies (Note 8)		
Common stock, par value $0.05; authorized: 10,000 shares; issued: 1,795 shares at April 30, 2023 and 1,794 shares at January 29, 2023; outstanding: 1,007 shares at April 30, 2023 and 1,016 shares at January 29, 2023	90	90
Paid-in capital	12,584	12,592
Retained earnings	78,651	76,896
Accumulated other comprehensive loss	(637)	(718)
Treasury stock, at cost, 788 shares at April 30, 2023 and 778 shares at January 29, 2023	(90,326)	(87,298)
Total stockholders’ equity	362	1,562
Total liabilities and stockholders’ equity	$ 76,386	$ 76,445

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See accompanying notes to consolidated financial statements.

THE HOME DEPOT, INC.
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

in millions, except per share data	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Net sales	$ 37,257	$ 38,908
Cost of sales	24,700	25,763
Gross profit	12,557	13,145
Operating expenses:		
Selling, general and administrative	6,355	6,610
Depreciation and amortization	651	606
Total operating expenses	7,006	7,216
Operating income	5,551	5,929
Interest and other (income) expense:		
Interest income and other, net	(33)	(3)
Interest expense	474	372
Interest and other, net	441	369
Earnings before provision for income taxes	5,110	5,560
Provision for income taxes	1,237	1,329
Net earnings	$ 3,873	$ 4,231
Basic weighted average common shares	1,010	1,030
Basic earnings per share	$ 3.83	$ 4.11
Diluted weighted average common shares	1,013	1,034
Diluted earnings per share	$ 3.82	$ 4.09

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See accompanying notes to consolidated financial statements.

THE HOME DEPOT, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

in millions	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Net earnings	$ 3,873	$ 4,231
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	79	20
Cash flow hedges	2	1
Total other comprehensive income (loss), net of tax	81	21
Comprehensive income	$ 3,954	$ 4,252

See accompanying notes to consolidated financial statements.

THE HOME DEPOT, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

in millions	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Common Stock:		
Balance at beginning of period	$ 90	$ 90
Shares issued under employee stock plans, net	—	—
Balance at end of period	90	90
Paid-in Capital:		
Balance at beginning of period	12,592	12,132
Shares issued under employee stock plans, net	(119)	(154)
Stock-based compensation expense	111	101
Balance at end of period	12,584	12,079
Retained Earnings:		
Balance at beginning of period	76,896	67,580
Net earnings	3,873	4,231
Cash dividends	(2,118)	(1,962)
Balance at end of period	78,651	69,849
Accumulated Other Comprehensive Income (Loss):		
Balance at beginning of period	(718)	(704)
Foreign currency translation adjustments, net of tax	79	20
Cash flow hedges, net of tax	2	1
Balance at end of period	(637)	(683)
Treasury Stock:		
Balance at beginning of period	(87,298)	(80,794)
Repurchases of common stock	(3,028)	(2,250)
Balance at end of period	(90,326)	(83,044)
Total stockholders' equity (deficit)	$ 362	$ (1,709)

See accompanying notes to consolidated financial statements.

THE HOME DEPOT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

in millions	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Cash Flows from Operating Activities:		
Net earnings	$ 3,873	$ 4,231
Reconciliation of net earnings to net cash provided by operating activities:		
Depreciation and amortization	793	727
Stock-based compensation expense	124	115
Changes in receivables, net	(893)	(489)
Changes in merchandise inventories	(457)	(3,226)
Changes in other current assets	(60)	(589)
Changes in accounts payable and accrued expenses	1,158	1,744
Changes in deferred revenue	57	79
Changes in income taxes payable	1,004	1,121
Changes in deferred income taxes	(59)	(44)
Other operating activities	74	120
Net cash provided by operating activities	5,614	3,789
Cash Flows from Investing Activities:		
Capital expenditures	(905)	(704)
Other investing activities	2	3
Net cash used in investing activities	(903)	(701)
Cash Flows from Financing Activities:		
Repayments of short-term debt, net	—	(1,035)
Proceeds from long-term debt, net of discounts	—	3,957
Repayments of long-term debt	(1,063)	(1,054)
Repurchases of common stock	(2,887)	(2,308)
Proceeds from sales of common stock	15	5
Cash dividends	(2,118)	(1,962)
Other financing activities	(135)	(182)
Net cash used in financing activities	(6,188)	(2,579)
Change in cash and cash equivalents	(1,477)	509
Effect of exchange rate changes on cash and cash equivalents	(20)	(8)
Cash and cash equivalents at beginning of period	2,757	2,343
Cash and cash equivalents at end of period	$ 1,260	$ 2,844
Supplemental Disclosures:		
Cash paid for interest, net of interest capitalized	$ 596	$ 415
Cash paid for income taxes	185	213

See accompanying notes to consolidated financial statements.

THE HOME DEPOT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business

The Home Depot, Inc., together with its subsidiaries (the "Company," "Home Depot," "we," "our" or "us"), is a home improvement retailer that sells a wide assortment of building materials, home improvement products, lawn and garden products, décor items, and facilities maintenance, repair and operations products, in stores and online. We also provide a number of services, including home improvement installation services and tool equipment rental. We operate in the U.S. (including the Commonwealth of Puerto Rico and the territories of the U.S. Virgin Islands and Guam), Canada, and Mexico, each representing one of our three operating segments, which we aggregate into one reportable segment due to the similar nature of their operations and economic characteristics.

Basis of Presentation

The accompanying consolidated financial statements of the Company have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results of operations for interim periods are not necessarily indicative of results for the entire year. As a result, these consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our 2022 Form 10-K.

There were no significant changes to our significant accounting policies as disclosed in the 2022 Form 10-K.

Recently Adopted Accounting Pronouncements

ASU No. 2022-04. In September 2022, the FASB issued ASU No. 2022-04, "Liabilities—Supplier Finance Programs (Topic 405-50) - Disclosure of Supplier Finance Program Obligations," to enhance the transparency of supplier finance programs used by an entity in connection with the purchase of goods and services. The standard requires entities that use supplier finance programs to disclose the key terms, including a description of payment terms, the confirmed amount outstanding under the program at the end of each reporting period, a description of where those obligations are presented on the balance sheet, and an annual rollforward, including the amount of obligations confirmed and the amount paid during the period. The guidance does not affect the recognition, measurement, or financial statement presentation of obligations covered by supplier finance programs. ASU No. 2022-04 is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the required rollforward information, which is effective for fiscal years beginning after December 15, 2023. On January 30, 2023, we adopted ASU No. 2022-04 with no impact to our consolidated financial condition, results of operations, or cash flows.

We have a supplier finance program whereby we have entered into payment processing agreements with several financial institutions. Under these agreements, the financial institutions act as our paying agents with respect to accounts payable due to certain suppliers. Participating suppliers may, at their sole discretion, elect to receive payment for one or more of our payment obligations, prior to their scheduled due dates, at a discounted price from participating financial institutions. We are not a party to the agreements between the participating financial institutions and the suppliers in connection with the program, and our rights and obligations to our suppliers are not impacted. We do not reimburse suppliers for any costs they incur for participation in the program. We have not pledged any assets as security or provided any guarantees as part of the program. We have no economic interest in our suppliers' decision to participate in the program. Our responsibility is limited to making payment to the respective financial institution according to the terms originally negotiated with the supplier, regardless of whether the supplier elects to receive early payment from the financial institution.

The payment terms we negotiate with our suppliers are consistent, irrespective of whether a supplier participates in the program. Our current payment terms with a majority of our suppliers generally range from 30 to 60 days, which we deem to be commercially reasonable. Our outstanding payment obligations under our supplier finance program were $334 million at April 30, 2023, and $480 million at January 29, 2023 and are recorded within accounts payable on the consolidated balance sheets. The associated payments are included in operating activities within the consolidated statements of cash flows.

Recently Issued Accounting Pronouncements

There were no significant changes in recently issued accounting pronouncements pending adoption from those disclosed in the 2022 Form 10-K. Recent accounting pronouncements pending adoption not discussed in the 2022 Form 10-K are either not applicable or are not expected to have a material impact on our consolidated financial condition, results of operations or cash flows.

2. NET SALES

The following table presents net sales, classified by geography:

in millions	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Net sales – in the U.S.	$ 34,507	$ 36,006
Net sales – outside the U.S.	2,750	2,902
Net sales	$ 37,257	$ 38,908

The following table presents net sales by products and services:

in millions	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Net sales – products	$ 35,888	$ 37,465
Net sales – services	1,369	1,443
Net sales	$ 37,257	$ 38,908

The following table presents major product lines and the related merchandising departments (and related services):

Major Product Line	Merchandising Departments
Building Materials	Building Materials, Electrical/Lighting, Lumber, Millwork, and Plumbing
Décor	Appliances, Décor/Storage, Flooring, Kitchen and Bath, and Paint
Hardlines	Hardware, Indoor Garden, Outdoor Garden, and Tools

The following table presents net sales by major product line (and related services):

in millions	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Building Materials	$ 14,079	$ 14,869
Décor	12,251	12,874
Hardlines	10,927	11,165
Net sales	$ 37,257	$ 38,908

Deferred Revenue

For products and services sold in stores or online, payment is typically due at the point of sale. When we receive payment from customers before the customer has taken possession of the merchandise or the service has been performed, the amount received is recorded as deferred revenue until the sale or service is complete. Such performance obligations are part of contracts with expected original durations of typically three months or less. As of April 30, 2023 and January 29, 2023, deferred revenue for products and services was $2.1 billion and $2.0 billion, respectively.

We further record deferred revenue for the sale of gift cards and recognize the associated revenue upon the redemption of those gift cards, which generally occurs within six months of gift card issuance. As of April 30, 2023 and January 29, 2023, our performance obligations for unredeemed gift cards were $1.0 billion and $1.1 billion, respectively. Gift card breakage income, which is our estimate of the portion of our outstanding gift card balance not expected to be redeemed, was immaterial during the three months ended April 30, 2023 and May 1, 2022.

3. PROPERTY AND LEASES

Net Property and Equipment

Net property and equipment includes accumulated depreciation and finance lease amortization of $27.0 billion as of April 30, 2023 and $26.6 billion as of January 29, 2023.

Leases

The following table presents the consolidated balance sheet classification related to operating and finance leases:

in millions	Consolidated Balance Sheet Classification	April 30, 2023	January 29, 2023
Assets:			
Operating lease assets	Operating lease right-of-use assets	$ 6,931	$ 6,941
Finance lease assets [(1)]	Net property and equipment	2,879	2,899
Total lease assets		$ 9,810	$ 9,840
Liabilities:			
Current:			
Operating lease liabilities	Current operating lease liabilities	$ 966	$ 945
Finance lease liabilities	Current installments of long-term debt	239	231
Long-term:			
Operating lease liabilities	Long-term operating lease liabilities	6,209	6,226
Finance lease liabilities	Long-term debt, excluding current installments	3,060	3,054
Total lease liabilities		$ 10,474	$ 10,456

(1) Finance lease assets are recorded net of accumulated amortization of $1.1 billion as of April 30, 2023 and $1.2 billion as of January 29, 2023.

The following table presents supplemental non-cash information related to leases:

	Three Months Ended	
in millions	April 30, 2023	May 1, 2022
Lease assets obtained in exchange for new operating lease liabilities	$ 254	$ 256
Lease assets obtained in exchange for new finance lease liabilities	114	148

4. DEBT AND DERIVATIVE INSTRUMENTS

Short-Term Debt

We have a commercial paper program that allows for borrowings up to $5.0 billion. In connection with our program, we have back-up credit facilities with a consortium of banks for borrowings up to $5.0 billion, which consist of a five-year $3.5 billion credit facility scheduled to expire in July 2027 and a 364-day $1.5 billion credit facility scheduled to expire in July 2023. All of our short-term borrowings in the first three months of fiscal 2023 were under our commercial paper program, and the maximum amount outstanding at any time was $1.5 billion. At April 30, 2023 and January 29, 2023, there were no outstanding borrowings under our commercial paper program.

Long-Term Debt

We did not have any new issuances of senior notes during the first three months of fiscal 2023. In April 2023, we repaid our $1.0 billion 2.70% senior notes at maturity.

Derivative Instruments and Hedging Activities

We had outstanding interest rate swap agreements with combined notional amounts of $5.4 billion at both April 30, 2023 and January 29, 2023. These agreements are accounted for as fair value hedges that swap fixed for variable rate interest to hedge changes in the fair values of certain senior notes. At April 30, 2023 and January 29, 2023, the fair values of these agreements totaled $740 million and $778 million, respectively, all of which is recognized within other long-term liabilities on the consolidated balance sheets.

All of our interest rate swap agreements designated as fair value hedges meet the shortcut method requirements under GAAP. Accordingly, the changes in the fair values of these agreements offset the changes in the fair value of the hedged long-term debt.

There were no material changes to the other hedging arrangements disclosed in our 2022 Form 10-K, and all related activity was immaterial for the periods presented within this document.

Collateral. We generally enter into master netting arrangements, which are designed to reduce credit risk by permitting net settlement of transactions with the same counterparty. To further limit our credit risk, we enter into collateral security arrangements that provide for collateral to be received or posted when the net fair value of certain derivative instruments exceeds or falls below contractually established thresholds. The cash collateral posted by the Company related to derivative instruments under our collateral security arrangements was $637 million and $634 million as of April 30, 2023 and January 29, 2023, respectively, which was recorded in other current assets on the consolidated balance sheets. We did not hold any cash collateral as of April 30, 2023 or January 29, 2023.

5. STOCKHOLDERS' EQUITY

Stock Rollforward

The following table presents a reconciliation of the number of shares of our common stock outstanding and cash dividends per share:

	Three Months Ended	
shares in millions	**April 30, 2023**	**May 1, 2022**
Common stock:		
Shares at beginning of period	1,794	1,792
Shares issued under employee stock plans, net	1	1
Shares at end of period	1,795	1,793
Treasury stock:		
Shares at beginning of period	(778)	(757)
Repurchases of common stock	(10)	(7)
Shares at end of period	(788)	(764)
Shares outstanding at end of period	1,007	1,029
Cash dividends per share	$ 2.09	$ 1.90

Share Repurchases

In August 2022, our Board of Directors approved a $15.0 billion share repurchase authorization that replaced the previous authorization of $20.0 billion, which was approved in May 2021. The August 2022 authorization does not have a prescribed expiration date. As of April 30, 2023, $9.5 billion of the $15.0 billion share repurchase authorization remained available.

The following table presents information about our repurchases of common stock, all of which were completed through open market purchases:

in millions	Three Months Ended April 30, 2023	Three Months Ended May 1, 2022
Total number of shares repurchased	10	7
Total cost of shares repurchased (1)	$ 3,028	$ 2,250

(1) Effective January 1, 2023, the Company's share repurchases are subject to a 1% excise tax as a result of the Inflation Reduction Act of 2022. Excise taxes incurred on share repurchases represent direct costs of the repurchase and are recorded as a part of the cost basis of the shares within treasury stock.

The cost of shares repurchased may differ from the repurchases of common stock amounts in the consolidated statements of cash flows due to unsettled share repurchases at the end of a period and excise taxes incurred on share repurchases.

6. FAIR VALUE MEASUREMENTS

The fair value of an asset is considered to be the price at which the asset could be sold in an orderly transaction between unrelated knowledgeable and willing parties. A liability's fair value is defined as the amount that would be paid to transfer the liability to a new obligor, rather than the amount that would be paid to settle the liability with the creditor. Assets and liabilities recorded at fair value are measured using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The levels of the fair value hierarchy are:

- Level 1: observable inputs such as quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices in active markets in Level 1 that are either directly or indirectly observable; and
- Level 3: unobservable inputs for which little or no market data exists, therefore requiring management judgment to develop the Company's own models with estimates and assumptions.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table presents the assets and liabilities that are measured at fair value on a recurring basis:

in millions	April 30, 2023 Fair Value (Level 2)	January 29, 2023 Fair Value (Level 2)
Derivative agreements – assets	$ —	$ —
Derivative agreements – liabilities	(740)	(778)
Total	$ (740)	$ (778)

The fair values of our derivative instruments are determined using an income approach and Level 2 inputs, which include the respective interest rate or foreign currency forward curves and discount rates. Our derivative instruments are discussed further in Note 4.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Long-lived assets, goodwill, and other intangible assets are subject to nonrecurring fair value measurement for the assessment of impairment. We did not have any material assets or liabilities that were measured at fair value on a nonrecurring basis during the three months ended April 30, 2023 or May 1, 2022.

Other Fair Value Disclosures

The carrying amounts of cash and cash equivalents, receivables, and accounts payable approximate fair value due to their short-term nature. The following table presents the aggregate fair values and carrying values of our senior notes:

in millions	April 30, 2023 Fair Value (Level 1)	April 30, 2023 Carrying Value	January 29, 2023 Fair Value (Level 1)	January 29, 2023 Carrying Value
Senior notes	$ 36,992	$ 38,954	$ 38,537	$ 39,908

7. WEIGHTED AVERAGE COMMON SHARES

The following table presents the reconciliation of our basic to diluted weighted average common shares:

	Three Months Ended	
in millions	April 30, 2023	May 1, 2022
Basic weighted average common shares	1,010	1,030
Effect of potentially dilutive securities [(1)]	3	4
Diluted weighted average common shares	1,013	1,034
Anti-dilutive securities excluded from diluted weighted average common shares	1	1

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(1) Represents the dilutive impact of stock-based awards.

8. CONTINGENCIES

We are involved in litigation arising in the normal course of business. In management's opinion, any such litigation is not expected to have a material adverse effect on our consolidated financial condition, results of operations or cash flows.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
The Home Depot, Inc.:

Results of Review of Interim Financial Information

We have reviewed the consolidated balance sheet of The Home Depot, Inc. and its subsidiaries (the "Company") as of April 30, 2023, the related consolidated statements of earnings, comprehensive income, stockholders' equity, and cash flows for the three-month periods ended April 30, 2023 and May 1, 2022, and the related notes (collectively, the "consolidated interim financial information"). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial information for it to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheet of the Company as of January 29, 2023, and the related consolidated statements of earnings, comprehensive income, stockholders' equity, and cash flows for the fiscal year then ended (not presented herein); and in our report dated March 15, 2023, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of January 29, 2023, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

This consolidated interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with the standards of the PCAOB. A review of consolidated interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ KPMG LLP

Atlanta, Georgia
May 22, 2023

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion provides an analysis of the Company’s financial condition and results of operations from management's perspective and should be read in conjunction with the consolidated financial statements and related notes included in this report and in the 2022 Form 10-K and with our MD&A included in the 2022 Form 10-K.

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EXECUTIVE SUMMARY

The following table presents quarter-to-date highlights of our financial performance:

	Three Months Ended	
dollars in millions, except per share data	**April 30, 2023**	**May 1, 2022**
Net sales	$ 37,257	$ 38,908
Net earnings	3,873	4,231
Diluted earnings per share	$ 3.82	$ 4.09
Net cash provided by operating activities	$ 5,614	$ 3,789
Proceeds from long-term debt, net of discounts	—	3,957
Repayments of long-term debt	1,063	1,054

We reported net sales of $37.3 billion in the first quarter of fiscal 2023. Net earnings were $3.9 billion, or $3.82 per diluted share.

We opened two new stores in Mexico during the first quarter of fiscal 2023, resulting in a total store count of 2,324 at April 30, 2023. A total of 317 stores, or 13.6%, were located in Canada and Mexico. For the first quarter of fiscal 2023, sales per retail square foot were $592.94. Our inventory turnover ratio was 3.9 times at the end of the first quarter of fiscal 2023, compared to 4.4 times at the end of the first quarter of fiscal 2022. The decrease in our inventory turnover ratio was primarily driven by lower sales on higher average inventory levels during the first quarter of fiscal 2023.

We generated $5.6 billion of cash flow from operations during the first three months of fiscal 2023. This cash flow, together with cash on hand, was used to fund cash payments of $2.9 billion for share repurchases and $2.1 billion for dividends. In addition, we repaid $1.1 billion of long-term debt and funded $905 million in capital expenditures during the first three months of fiscal 2023. In February 2023, we announced a 10% increase in our quarterly cash dividend to $2.09 per share.

Our ROIC for the trailing twelve-month period was 43.6% at the end of the first quarter of fiscal 2023 and 45.3% at the end of the first quarter of fiscal 2022. See the “Non-GAAP Financial Measures” section below for our definition and calculation of ROIC, as well as a reconciliation of NOPAT, a non-GAAP financial measure, to net earnings (the most comparable GAAP financial measure).

RESULTS OF OPERATIONS

The following table presents the percentage relationship between net sales and major categories in our consolidated statements of earnings.

FISCAL 2023 AND FISCAL 2022 THREE MONTH COMPARISONS

	Three Months Ended			
	April 30, 2023		May 1, 2022	
dollars in millions	$	% of Net Sales	$	% of Net Sales
Net sales	$ 37,257		$ 38,908	
Gross profit	12,557	33.7 %	13,145	33.8 %
Operating expenses:				
Selling, general and administrative	6,355	17.1	6,610	17.0
Depreciation and amortization	651	1.7	606	1.6
Total operating expenses	7,006	18.8	7,216	18.5
Operating income	5,551	14.9	5,929	15.2
Interest and other (income) expense:				
Interest income and other, net	(33)	(0.1)	(3)	—
Interest expense	474	1.3	372	1.0
Interest and other, net	441	1.2	369	0.9
Earnings before provision for income taxes	5,110	13.7	5,560	14.3
Provision for income taxes	1,237	3.3	1,329	3.4
Net earnings	$ 3,873	10.4 %	$ 4,231	10.9 %

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Note: Certain percentages may not sum to totals due to rounding.

	Three Months Ended		
Selected financial and sales data:	April 30, 2023	May 1, 2022	% Change
Comparable sales (% change)	(4.5)%	2.2 %	N/A
Comparable customer transactions (% change) (1)	(5.0)%	(8.4)%	N/A
Comparable average ticket (% change) (1)	0.2 %	11.2 %	N/A
Customer transactions (in millions) (1)	390.9	410.7	(4.8)%
Average ticket (1) (2)	$ 91.92	$ 91.72	0.2 %
Sales per retail square foot (1) (3)	$ 592.94	$ 621.99	(4.7)%
Diluted earnings per share	$ 3.82	$ 4.09	(6.6)%

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(1) Does not include results for HD Supply.

(2) Average ticket represents the average price paid per transaction and is used by management to monitor the performance of the Company, as it represents a primary driver in measuring sales performance.

(3) Sales per retail square foot represents annualized sales divided by retail store square footage. Sales per retail square foot is a measure of the efficiency of sales based on the total square footage of our stores and is used by management to monitor the performance of the Company's retail operations as an indicator of the productivity of owned and leased square footage for these retail operations.

Sales

We assess our sales performance by evaluating both net sales and comparable sales.

Net Sales. Net sales for the first quarter of fiscal 2023 were $37.3 billion, a decrease of 4.2% from $38.9 billion for the first quarter of fiscal 2022. The decrease in net sales for the first quarter of fiscal 2023 reflects the impact of a negative comparable sales environment, primarily driven by a decrease in comparable customer transactions.

Online sales, which consist of sales generated through our websites and mobile applications for products picked up at our stores or delivered to customer locations, represented 14.5% of net sales during the first quarter of fiscal 2023 and decreased by 2.9% compared to the first quarter of fiscal 2022. A stronger U.S. dollar negatively impacted net sales by $25 million during the first quarter of fiscal 2023.

Comparable Sales. Comparable sales is a measure that highlights the performance of our existing locations and websites by measuring the change in net sales for a period over the comparable prior period of equivalent length. Comparable sales includes sales at all locations, physical and online, open greater than 52 weeks (including remodels and relocations) and excludes closed stores. Retail stores become comparable on the Monday following their 52nd week of operation. Acquisitions are typically included in comparable sales after they have been owned for more than 52 weeks. Comparable sales is intended only as supplemental information and is not a substitute for net sales presented in accordance with GAAP.

Total comparable sales for the first quarter of fiscal 2023 decreased 4.5%, reflecting a 5.0% decrease in comparable customer transactions, slightly offset by a 0.2% increase in comparable average ticket compared to the first quarter of fiscal 2022. The decrease in comparable customer transactions reflects the impact of macroeconomic factors including the broader inflationary environment and moderating demand, as well as unfavorable weather particularly in the western United States. The slight increase in comparable average ticket was primarily due to inflation across several product categories, offset by commodity price deflation which negatively impacted average ticket growth by approximately 335 basis points, driven primarily by lumber.

During the first quarter of fiscal 2023, four of our 14 merchandising departments—Building Materials, Hardware, Plumbing, and Millwork—posted positive comparable sales compared to the first quarter of fiscal 2022. All of our other merchandising departments posted negative comparable sales during the first quarter of fiscal 2023, with our Lumber department posting a double-digit comparable sales decline primarily resulting from lumber price deflation.

Gross Profit

Gross profit for the first quarter of fiscal 2023 decreased 4.5% to $12.6 billion from $13.1 billion for the first quarter of fiscal 2022. Gross profit as a percentage of net sales, or gross profit margin, was 33.7% for the first quarter of fiscal 2023 compared to 33.8% for the first quarter of fiscal 2022. The decrease in gross profit margin during the first quarter of fiscal 2023 was primarily driven by higher supply chain and product costs along with increased pressure from shrink, partially offset by the benefit from higher retail prices as well as favorable product mix.

Operating Expenses

Our operating expenses are composed of SG&A and depreciation and amortization.

Selling, General & Administrative. SG&A for the first quarter of fiscal 2023 decreased $255 million, or 3.9%, to $6.4 billion from $6.6 billion for the first quarter of fiscal 2022. As a percentage of net sales, SG&A was 17.1% for the first quarter of fiscal 2023 compared to 17.0% for the first quarter of fiscal 2022, primarily reflecting deleverage from a negative comparable sales environment and wage investments for hourly associates, partially offset by the one-time benefit from the favorable settlement of litigation with a vendor as well as lower incentive compensation.

Depreciation and Amortization. Depreciation and amortization for the first quarter of fiscal 2023 increased $45 million, or 7.4%, to $651 million from $606 million for the first quarter of fiscal 2022. As a percentage of net sales, depreciation and amortization was 1.7% for the first quarter of fiscal 2023 compared to 1.6% for fiscal 2022, primarily reflecting deleverage from a negative comparable sales environment.

Interest and Other, net

Interest and other, net, for the first quarter of fiscal 2023 increased $72 million, or 19.5%, to $441 million from $369 million for the first quarter of fiscal 2022. As a percentage of net sales, interest and other, net was 1.2% for the first quarter of fiscal 2023 compared to 0.9% for the first quarter of fiscal 2022, primarily due to increased variable rate interest on floating rate debt resulting from interest rate swaps, higher debt balances, and deleverage from a negative comparable sales environment.

Provision for Income Taxes

Our combined effective income tax rate was 24.2% for the first quarter of fiscal 2023 compared to 23.9% for the first quarter of fiscal 2022.

Diluted Earnings per Share

Diluted earnings per share were $3.82 for the first quarter of fiscal 2023 compared to $4.09 for the first quarter of fiscal 2022. The decrease in diluted earnings per share was driven by lower net earnings during the first quarter of fiscal 2023, partially offset by lower diluted shares due to share repurchases.

NON-GAAP FINANCIAL MEASURES

To provide clarity on our operating performance, we supplement our reporting with certain non-GAAP financial measures. However, this supplemental information should not be considered in isolation or as a substitute for the related GAAP measures. Non-GAAP financial measures presented herein may differ from similar measures used by other companies.

Return on Invested Capital

We believe ROIC is meaningful for investors and management because it measures how effectively we deploy our capital base. We define ROIC as NOPAT, a non-GAAP financial measure, for the most recent twelve-month period, divided by average debt and equity. We define average debt and equity as the average of beginning and ending long-term debt (including current installments) and equity for the most recent twelve-month period.

The following table presents the calculation of ROIC, together with a reconciliation of NOPAT to net earnings (the most comparable GAAP measure):

	Twelve Months Ended	
dollars in millions	April 30, 2023	May 1, 2022
Net earnings	$ 16,747	$ 16,519
Interest and other, net	1,634	1,339
Provision for income taxes	5,280	5,330
Operating income	23,661	23,188
Income tax adjustment (1)	(5,671)	(5,628)
NOPAT	$ 17,990	$ 17,560
Average debt and equity	$ 41,264	$ 38,761
ROIC	43.6 %	45.3 %

(1) Income tax adjustment is defined as operating income multiplied by our effective tax rate for the trailing twelve months.

LIQUIDITY AND CAPITAL RESOURCES

At April 30, 2023, we had $1.3 billion in cash and cash equivalents, of which $678 million was held by our foreign subsidiaries. We believe that our current cash position, cash flow generated from operations, funds available from our commercial paper program, and access to the long-term debt capital markets should be sufficient not only for our operating requirements, any required debt payments, and satisfaction of other contractual obligations, but also to enable us to invest in the business, fund dividend payments, and fund any share repurchases through the next several fiscal years. In addition, we believe that we have the ability to obtain alternative sources of financing, if necessary.

Our material cash requirements include contractual and other obligations arising in the normal course of business. These obligations primarily include long-term debt and related interest payments, operating and finance lease obligations, and purchase obligations.

In addition to our cash requirements, we follow a disciplined approach to capital allocation. This approach first prioritizes investing in the business, followed by paying dividends, with the intent of then returning excess cash to shareholders in the form of share repurchases. For fiscal 2023, we plan to invest approximately $3 billion back into the business in the form of capital expenditures, in line with our expectation of approximately two percent of net sales on an annual basis. However, we may adjust our capital expenditures to support the operations of the business, to enhance long-term strategic positioning, or in response to the economic environment, as necessary or appropriate. Capital expenditures were $905 million for the first three months of fiscal 2023.

In February 2023, we announced a 10% increase in our quarterly cash dividend from $1.90 to $2.09 per share. During the first three months of fiscal 2023, we paid cash dividends of $2.1 billion to shareholders. We intend to pay a dividend in the future; however, any future dividend is subject to declaration by our Board of Directors based on our earnings, capital requirements, financial condition, and other factors considered relevant by our Board of Directors.

In August 2022, our Board of Directors approved a $15.0 billion share repurchase authorization that replaced the previous authorization of $20.0 billion, which was approved in May 2021. The August 2022 authorization does not have a prescribed expiration date. As of April 30, 2023, approximately $9.5 billion of the $15.0 billion share repurchase authorization remained available. During the first three months of fiscal 2023, we had cash payments of $2.9 billion for repurchases of our common stock through open market purchases.

DEBT

We have a commercial paper program that allows for borrowings up to $5.0 billion. In connection with our program, we have back-up credit facilities with a consortium of banks for borrowings of up to $5.0 billion, which consist of a five-year $3.5 billion credit facility scheduled to expire in July 2027 and a 364-day $1.5 billion credit facility scheduled to expire in July 2023. All of our short-term borrowings in the first three months of fiscal 2023 were under our commercial paper program, and the maximum amount outstanding at any time was $1.5 billion. At April 30, 2023, we had no outstanding borrowings under our commercial paper program, and we were in compliance with all of the covenants contained in our credit facilities, none of which are expected to impact our liquidity or capital resources.

We also issue senior notes from time to time as part of our capital management strategy. We did not have any issuances of senior notes during the first three months of fiscal 2023. In April 2023, we repaid $1.0 billion of senior notes at maturity.

The indentures governing our senior notes do not generally limit our ability to incur additional indebtedness or require us to maintain financial ratios or specified levels of net worth or liquidity. The indentures governing our notes contain various customary covenants; however, none are expected to impact our liquidity or capital resources. See Note 4 to our consolidated financial statements for further discussion of our debt arrangements.

CASH FLOWS SUMMARY

Operating Activities

Cash flow generated from operations provides us with a significant source of liquidity. Our operating cash flows result primarily from cash received from our customers, offset by cash payments we make for products and services, associate compensation, operations, occupancy costs, and income taxes. Cash provided by or used in operating activities is also subject to changes in working capital. Working capital at any point in time is subject to many variables, including seasonality, inventory management and category expansion, the timing of cash receipts and payments, vendor payment terms, and fluctuations in foreign exchange rates.

Net cash provided by operating activities increased by $1.8 billion in the first three months of fiscal 2023 compared to the first three months of fiscal 2022, primarily driven by changes in working capital, slightly offset by a decrease in net earnings. Changes in working capital were primarily driven by lower inventory purchases in the first quarter of fiscal 2023 relative to the first quarter of fiscal 2022.

Investing Activities

Cash used in investing activities increased by $202 million in the first three months of fiscal 2023 compared to the first three months of fiscal 2022, primarily resulting from increased capital expenditures.

Financing Activities

Cash used in financing activities in the first three months of fiscal 2023 primarily reflected $2.9 billion of share repurchases, $2.1 billion of cash dividends paid, and $1.1 billion of repayments of long-term debt. Cash used in financing activities in the first three months of fiscal 2022 primarily reflected $2.3 billion of share repurchases, $2.0 billion of cash dividends paid, $1.1 billion of repayments of long-term debt, and $1.0 billion of repayments for short-term debt, partially offset by $4.0 billion of net proceeds from long-term debt.

CRITICAL ACCOUNTING ESTIMATES

During the first three months of fiscal 2023, there were no changes to our critical accounting estimates or our significant accounting policies as disclosed in the 2022 Form 10-K. Our significant accounting policies are disclosed in Note 1 to our consolidated financial statements.

ADDITIONAL INFORMATION

For information on accounting pronouncements that have impacted or are expected to materially impact our consolidated financial condition, results of operations or cash flows, see Note 1 to our consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Our exposure to market risk results primarily from fluctuations in interest rates in connection with our long-term debt portfolio. We are also exposed to risks from foreign currency exchange rate fluctuations on the translation of our foreign operations into U.S. dollars and on the purchase of goods by these foreign operations that are not denominated in their local currencies. Additionally, we may experience inflation and deflation related to our purchase and sale of certain commodity products. There have been no material changes to our exposure to market risks, including the types of instruments we use to manage our exposure to such risks, from those disclosed in the 2022 Form 10-K.

Item 4. Controls and Procedures.

Under the direction and with the participation of our Chief Executive Officer and Chief Financial Officer, we evaluated our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) and concluded that our disclosure controls and procedures were effective as of April 30, 2023.

We are in the process of an ongoing business transformation initiative, which includes upgrading and migrating certain accounting and finance systems. We plan to continue to migrate additional business processes over the course of the next few years and have modified and will continue to modify the design and implementation of certain internal control processes as the transformation continues.

Except as described above, there were no other changes in our internal control over financial reporting during the fiscal quarter ended April 30, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

Except as set forth below, there were no material changes during the first quarter of fiscal 2023 to our disclosure in Part I, Item 3 of our 2022 Form 10-K.

SEC regulations require us to disclose certain information about proceedings arising under federal, state or local environmental provisions if we reasonably believe that such proceedings may result in monetary sanctions above a stated threshold. Pursuant to SEC regulations, the Company uses a threshold of $1 million for purposes of determining whether disclosure of any such proceedings is required.

As previously reported, in April 2021 we entered into a civil consent decree with the U.S. Department of Justice, the U.S. Environmental Protection Agency ("EPA"), and the states of Utah, Massachusetts, and Rhode Island. The decree required certain changes to lead-safe work practices in our installation services business and provided for stipulated penalties for failure to perform by our third-party installers. The EPA has informed us that it believes we owe certain penalties for violations by our third-party installers of documentation requirements under the decree. We are engaged in discussions with the EPA regarding the basis for the stipulated penalties we allegedly owe under the decree. While we cannot predict the amount of stipulated penalties we may ultimately owe to the EPA under the decree, we do not expect it to have a material adverse effect on our consolidated financial condition, results of operations or cash flows. Further, we expect to recoup any amount we ultimately owe from corresponding fines we levy against our third-party installers.

Item 1A. Risk Factors.

In addition to the other information set forth in this report, you should carefully consider the factors discussed under Part I, Item 1A, "Risk Factors" and elsewhere in the 2022 Form 10-K. These risks and uncertainties could materially and adversely affect our business, consolidated financial condition, results of operations, or cash flows. Our operations could also be affected by additional factors that are not presently known to us or by factors that we currently do not consider material to our business. There have been no material changes in the risk factors discussed in the 2022 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

ISSUER PURCHASES OF EQUITY SECURITIES

The following table presents the number and average price of shares purchased in each fiscal month of the first quarter of fiscal 2023:

Period	Total Number of Shares Purchased(1)	Average Price Paid Per Share(1)(3)	Total Number of Shares Purchased as Part of Publicly Announced Program(2)	Dollar Value of Shares that May Yet Be Purchased Under the Program(2)(3)
January 30, 2023 – February 26, 2023	761,056	$ 297.20	752,155	$ 12,261,016,857
February 27, 2023 – March 26, 2023	5,036,836	290.08	4,886,377	10,842,617,132
March 27, 2023 – April 30, 2023	4,806,516	292.16	4,643,569	9,484,220,818
	10,604,408	291.53	10,282,101	

(1) These amounts include repurchases pursuant to our Omnibus Stock Incentive Plan, as Amended and Restated May 19, 2022, and our 1997 Omnibus Stock Incentive Plan (collectively, the "Plans"). Under the Plans, participants may surrender shares as payment of applicable tax withholding on the vesting of restricted stock. Participants in the Plans may also exercise stock options by surrendering shares of common stock that the participants already own as payment of the exercise price. Shares so surrendered by participants in the Plans are repurchased pursuant to the terms of the Plans and applicable award agreement and not pursuant to publicly announced share repurchase programs.

(2) On August 18, 2022, our Board of Directors approved a $15.0 billion share repurchase authorization that replaced the previous authorization of $20.0 billion, which was approved on May 20, 2021. The August 2022 authorization does not have a prescribed expiration date.

(3) Excludes excise taxes incurred on share repurchases.

SALES OF UNREGISTERED SECURITIES

During the first quarter of fiscal 2023, we issued 617 deferred stock units under The Home Depot, Inc. Nonemployee Directors' Deferred Stock Compensation Plan pursuant to the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of the SEC's Regulation D thereunder. The deferred stock units were credited during the first quarter of fiscal 2023 to the accounts of those non-employee directors who elected to receive all or a portion of board retainers in the form of deferred stock units instead of cash. The deferred stock units convert to shares of common stock on a one-for-one basis following a termination of service as described in this plan.

During the first quarter of fiscal 2023, we credited 12,845 deferred stock units to participant accounts under the Restoration Plans pursuant to an exemption from the registration requirements of the Securities Act for involuntary, non-contributory plans. The deferred stock units convert to shares of common stock on a one-for-one basis following a termination of service as described in these plans.

Item 6. Exhibits.

Exhibits marked with an asterisk (*) are incorporated by reference to exhibits or appendices previously filed with the SEC, as indicated by the references in brackets. All other exhibits are filed or furnished herewith.

Exhibit		Description
3.1	*	Amended and Restated Certificate of Incorporation of The Home Depot, Inc. [Form 10-Q filed on September 1, 2011, Exhibit 3.1]
3.2	*	By-Laws of The Home Depot, Inc. (As Amended and Restated Effective February 23, 2023) [Form 8-K filed on February 28, 2023, Exhibit 3.2]
10.1	*†	Form of Executive Officer Equity Award Agreement (Performance Shares, Performance-Based Restricted Stock and Nonqualified Stock Options) Pursuant to The Home Depot, Inc. Omnibus Stock Incentive Plan, as Amended and Restated May 19, 2022 [Form 8-K filed on February 28, 2023, Exhibit 10.1]
10.2	*†	Form of Executive Officer Equity Award Agreement (Restricted Stock and Nonqualified Stock Options) Pursuant to The Home Depot, Inc. Omnibus Stock Incentive Plan, as Amended and Restated May 19, 2022 [Form 8-K filed on February 28, 2023, Exhibit 10.2]
10.3	†	Separation Agreement between Jeffery G. Kinnaird and The Home Depot, Inc., dated April 17, 2023
15.1		Acknowledgement of Independent Registered Public Accounting Firm
31.1		Certification of the Chair, President and Chief Executive Officer pursuant to Rule 13a-14(a)
31.2		Certification of the Executive Vice President and Chief Financial Officer pursuant to Rule 13a-14(a)
32.1		Certification of the Chair, President and Chief Executive Officer furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2		Certification of the Executive Vice President and Chief Financial Officer furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS		XBRL Instance Document - the instance document does not appear in the Interactive Data file because its XBRL tags are embedded within the Inline XBRL document
101.SCH		Inline XBRL Taxonomy Extension Schema Document
101.CAL		Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF		Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB		Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE		Inline XBRL Taxonomy Extension Presentation Linkbase Document
104		Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

† *Management contract or compensatory plan or arrangement*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE HOME DEPOT, INC.

(Registrant)

By:	/s/ EDWARD P. DECKER
	Edward P. Decker, Chair, President and Chief Executive Officer (Principal Executive Officer)
	/s/ RICHARD V. MCPHAIL
	Richard V. McPhail, Executive Vice President and Chief Financial Officer (Principal Financial Officer)
	/s/ STEPHEN L. GIBBS
	Stephen L. Gibbs, Vice President, Chief Accounting Officer and Corporate Controller (Principal Accounting Officer)
Date:	May 22, 2023

SEPARATION AGREEMENT & RELEASE

This is a Separation Agreement ("Agreement") between The Home Depot, Inc. (the "Company" or "Home Depot") and Jeff Kinnaird (the "Executive").

WHEREAS, Company and Executive intend the terms and conditions of this Agreement to govern all issues related to Executive's employment and termination from Company and its subsidiaries and, except as otherwise expressly provided in the Agreement, to supersede and replace the provisions in any of the Executive's employment letters; and

WHEREAS, Executive acknowledges that Executive has been given a reasonable period of time, up to and including twenty-one (21) days, to consider the terms of this Agreement; and

WHEREAS, Company advises Executive to consult with a lawyer before signing this Agreement; and

WHEREAS, Executive acknowledges that the consideration provided to Executive under this Agreement is sufficient to support the release of claims Executive provides to Company in Paragraph 7 and confidentiality provision and restrictive covenants in Paragraphs 8 and 9 below; and

WHEREAS, Executive represents that Executive has not filed any charges, claims or lawsuits against Company involving any aspect of Executive's employment; and

WHEREAS, Executive understands that Company regards the above representations by the Executive as material terms of this Agreement and that Company is relying on these representations in entering into this Agreement,

NOW, THEREFORE, Company and Executive agree as follows:

1. Termination Date. Executive's Termination Date shall be March 31, 2023 ("Termination Date"), which shall be the Executive's last day of work. Executive hereby resigns, effective as of the Termination Date, from any and all positions as an officer or member of the board of directors, as applicable, of The Home Depot, Inc. and each of its subsidiaries and affiliated companies. Executive shall not accrue any vacation days or vacation credit subsequent to the Termination Date.

2. Separation Payment. Executive shall receive twenty-four (24) monthly separation payments of $62,500.00 each, subject to applicable tax withholding, commencing within thirty (30) days of the Termination Date. Payments under this section will cease if Executive secures employment during the 24-month period commencing with the Termination Date. If Executive's new employment results in base compensation that is less than $62,500 per month, Company will pay the difference, provided that Executive provides reasonable documentation satisfactory to the Company, for the applicable months that remain during the 24-month period referenced in the preceding sentence.

3. Bonuses. Executive will receive a cash payment of $2,000,000.00 (subject to applicable tax withholding), payable within thirty (30) days of the Effective Date. Beyond this cash payment and the Management Incentive Plan ("MIP'') for FY2022, Executive will not be eligible for bonus payments of any other kind.

4. Benefits.

(a) The Executive's benefits shall end on the Termination Date, pursuant to the terms of the applicable benefit plans and applicable law. Executive shall receive a lump sum payment of $12,000.00 (subject to applicable tax withholding) within thirty (30) days of the Effective Date as an off-set for the Executive's healthcare costs.

(b) Executive shall be provided with tax preparation services for annual income tax filing in the United States and Canada for a period of five (5) years through the 2026 tax year.

(c) Executive shall be provided the following repatriation benefits to assist in moving back to Canada from the United States: (a) packing and hauling of typical household belongings and the shipment of one automobile for moves between 500-1,500 miles and two automobiles if the move is over 1,500 miles; (b) if your automobile is not shipped and you choose to sell your automobile, the Company will reimburse you for the difference between the fair market value and the actual sales price for the make, model and year of the car. Fair market value will be determined by either the current N.A.D.A. Used Car Guide or the average of three (3) written appraisals if no guide value exists; (c) reimbursement for eligible travel expenses to new location; (d) to assist with the sale of your home purchased at [****][1], the Company will extend an Appraised Value Offer (guaranteed buy-out) utilizing a third party home purchase provider (some exclusions apply). You will also be reimbursed loss-on-sale based on the difference in the contract purchase price and the contract sale price. Contract purchase price to be adjusted to include cost of renovations of house located at [****][1] (receipts required). Appropriate taxes will be withheld from the loss-on-sale. Executive shall not list this home or contact a Realtor without express consent of the Company.

All requests for reimbursement of the foregoing relocation benefits must be submitted within 30 days of the expense being incurred and reimbursement will be made within 30 days thereafter. If you have questions regarding any of the relocation benefits, Executive may contact [****][1], Manager of Relocation, at [****][1].

Executive shall not be entitled to any other benefits except as expressly provided for in this Agreement.

[1] Redacted personal information pursuant to Item 601(a)(6) of Regulation S-K.

5. Stock Options/Restricted Stock Units/Performance Shares:

(a) All of Executive's options to purchase Company's common stock ("Options") that vested before or vest on the Termination Date will be cancelled and forfeited unless exercised by the earlier of: (a) twelve (12) months after the Termination Date; or (b) the expiration of the Options. Pursuant to the schedule set forth in Attachment A to this Agreement, 9,086 of Executive's outstanding, unvested Options will be accelerated to vest on the Termination Date. Notwithstanding the foregoing, all Options are subject to forfeiture for any breach as provided in the paragraph titled Breach/Misconduct by Executive.

(b) Pursuant to the schedule set forth in Attachment A to this Agreement, the restrictions on Executive's 2,873.1355 outstanding restricted stock units ("Restricted Stock Units") are hereby amended to continue vesting as described below and these Restricted Stock Units will not be forfeited on the Termination Date. The 2,873.1355 Restricted Stock Units will be "Delivered" on the following dates: 760.2779 Restricted Stock Units will be Delivered as of November 19, 2023; 1,432.3879 Restricted Stock Units will be Delivered as of March 24, 2024; and 680.4697 Restricted Stock Units will be Delivered as of March 23, 2025. For purposes of this section 5(b), Delivered means transferred to Executive not later than ninety (90) days following the dates set forth above, which are the original vesting dates for these Restricted Stock Units. Executive and Company agree that Company shall not be required to issue any shares to Executive before the date the shares may be Delivered, as set forth in this Paragraph 5(b). All other of Executive's Restricted Stock Units shall be forfeited on the Termination Date. Notwithstanding the foregoing, all 2,873.1355 Restricted Stock Units are subject to forfeiture for any breach as provided in the paragraph titled Breach/Misconduct by Executive.

(c) Executive and Company acknowledge that the Restricted Stock Units referenced in Paragraph 5(b) shall constitute taxable income to Executive when Delivered, provided, however, that the Restricted Stock Units may be taxable to Executive for purposes of Social Security and Medicare taxes at the time of lapse of risk of forfeiture; and that the Options referenced in Paragraph 5(a) shall be taxable to Executive when such Options are exercised. Accordingly, Executive acknowledges the Executive's obligations to pay all related applicable federal, state and local income and employment taxes, and that Company is required to withhold applicable taxes with respect to these Restricted Stock Units and vested Options. Accordingly, Executive hereby authorizes Company to withhold and surrenders to Company a sufficient number of shares necessary to satisfy said withholding obligations.

(d) Executive will forfeit all Performance Shares earned under the terms of Executive's FY2021-FY2023 and FY2022-FY2024 Performance Share Award Agreements.

(e) Executive will not be eligible to receive any other equity or equity-based awards, other than as provided in Paragraphs 5(a) and 5(b).

(f) Executive is solely responsible for ensuring that the Executive’s equity or equity-based awards are properly credited, exercised and handled as provided by the terms of the awards as modified by this Agreement. Executive acknowledges that the Executive may not rely on the Merrill Lynch website to determine the exercise or expiration dates of the Executive’s equity or equity-based awards. Executive should direct any inquiries to the Atlanta Branch of Merrill Lynch at 404-264-7274; however, Company is not responsible for any incorrect information Executive might receive from Merrill Lynch.

6. Outplacement Services. Executive is eligible for Company-provided outplacement services for a period not to exceed twelve (12) months. The outplacement service will end the earlier of either (a) the last day of the 12-month period, or (b) Executive's acceptance of other employment. Such services shall be provided through an agency selected by the Company. Executive will be contacted by the outplacement agency after their executed Agreement is received by the Company.

7. Release of Claims. Executive and the Executive’s heirs, assigns, and agents release, waive and discharge Company, its past and present subsidiaries, affiliates and related entities (including but not limited to Home Depot of Canada Inc.), and their respective past and present predecessors, successors, assigns, representatives, directors, officers, employees, and agents (collectively “Releasees”) from each and every claim, action or right of any sort, known or unknown, arising on or before the date Executive signs this Agreement. The claims that are released, waived and discharged include, but are not limited to, any claim of discrimination on the basis of race, sex, religion, sexual orientation, national origin, disability, genetic information, age, or citizenship status; any other claim based on any local, provincial, state, or federal prohibition, including but not limited to claims under Title VII of the Civil Rights Act of 1964, as amended, the WARN Act, GINA, the Age Discrimination in Employment Act of 1967, as amended, or the Americans With Disabilities Act; any claim arising out of or related to any alleged express or implied employment contract, any other alleged contract affecting terms and conditions of employment, or a claim alleging a breach of a covenant of good faith and fair dealing; or any claim for back pay, front pay, severance pay, termination pay/pay in lieu of notice, bonus, salary, sick leave, stocks, attorneys’ fees, holiday pay, vacation pay, life insurance, workers’ compensation benefits, health, disability or medical insurance, or any other employee or fringe benefit. Notwithstanding the foregoing, this Paragraph 7 expressly does not include a release of any claim that cannot be released hereunder by law. The payments, equity, equity awards and other benefits that are provided to Executive in this Agreement shall be the sole relief (i.e., monetary payment or other remedy) provided to Executive from Company, or from any of the other Releasees, for the claims that are released by the Executive in this Agreement.

8. Confidential Information and Trade Secrets.

(a) Executive acknowledges that through the Executive's employment with Company the Executive was a key employee who acquired and had access to Confidential Information of Company, its subsidiaries, affiliates or related entities, including but not limited to Home Depot of Canada Inc.. Hereinafter, the Company and its subsidiaries, affiliates and related entities, including but not limited to Home Depot of Canada, Inc., are referred to collectively as the "Company-Related Parties." Executive agrees that the Company may prevent the use or disclosure of its Confidential Information through use of an injunction or other means and acknowledges that the Company-Related Parties have taken all reasonable steps necessary to protect the secrecy of the Confidential Information. Executive further acknowledges that the Executive has not published, disclosed or used any of this Confidential Information except in accordance with the Executive's duties for Company. Executive agrees that Executive will hold in confidence all Confidential Information of the Company-Related Parties and will not disclose, publish or make use of such Confidential Information. Executive further agrees to return to Company, on or before the Effective Date, all documents, electronic storage devices, or any other item or source containing Confidential Information, or any other property, of the Company-Related Parties. "Confidential Information" shall include any data or information that is valuable to the Company-Related Parties and not generally known to competitors or other outsiders, regardless of whether the Confidential Information is in printed, written, or electronic form, retained in Executive's memory, or has been compiled or created by Executive. This includes, but is not limited to information related to the Company-Related Parties': operations, services, information technology, computer systems, marketing, advertising, e-commerce, interconnected retail, technical, financial, human resources, personnel, staffing, payroll, information about employee compensation and performance, merchandising, pricing, strategic planning, product, vendor, supplier, customer or store planning data, construction, data security information, private brands, supply chain, and/or other business processes.

(b) Executive acknowledges and agrees that any work product, including without limitation concepts, designs, notes, reports, documentation, drawings, computer programs (source code, object code, and listings), ideas, inventions (whether or not patentable), trade secrets, improvements, creations, scientific and mathematical models, writings, works, works of authorship (whether or not copyrightable), theses, books, lectures, illustrations, devices, masks, models, work-in-process, photographs, pictorial, graphical or audiovisual works or sound recordings or video recordings, prints, and deliverables, and any other subject matter which is or may become legally protectable or recognized as a form of property, and all materials contained therein and prepared in connection therewith and/or therefrom, whether in draft or final form (collectively, "Work Product"), which were designed, created, conceived, developed or reduced to practice, writing or publication by Executive, either solely or jointly with others, during Executive's employment with Home Depot, which relate to or are useful in the Company-Related Parties' business, or which derive in any way from using the Company-Related Parties' property, are considered works made for hire and are owned by, and deemed the exclusive property of, Home Depot. Without in any way limiting the foregoing, and without any further compensation, in the event that it is determined that any Work Product does not qualify as a work made for hire or that it is not otherwise owned by Home Depot, you agree to assign and do hereby assign to Home Depot your right, title, and interest in and to any Work Product, whether now existing or created in the future, that arose from your employment with Home Depot, or that derives in any way from using the Company-Related Parties' property. You further agree to execute any additional documents that Home Depot deems, in its sole discretion, necessary to vest ownership of Work Product with Home Depot or perfect such intellectual property rights in the United States and any other jurisdiction worldwide.

(c) Executive also acknowledges that through the Executive's employment with Company the Executive has acquired and had access to Trade Secrets of the Company-Related Parties. Executive agrees that the Company may prevent the use or disclosure of Trade Secrets of the Company-Related Parties through use of an injunction or other means and acknowledges that the Company-Related Parties have taken all reasonable steps necessary to protect the secrecy of the Trade Secrets. Executive agrees to hold in confidence all Trade Secrets of the Company-Related Parties that came into the Executive's knowledge during employment by Company and shall not disclose, publish, or make use of at any time such Trade Secrets for so long as the information remains a Trade Secret. "Trade Secret" means that information defined by the Georgia Trade Secrets Act, O.C.G.A. Sec. 10-1-761, or other applicable trade secrets statute or act. Executive further acknowledges that the Executive has not published, disclosed or used any Trade Secrets of the Company-Related Parties except in accordance with the Executive's duties for Company.

(d) If after the Termination Date Executive works or provides services for a vendor supplying product or services to the Company, Executive acknowledges that the Company will not conduct business with Executive before March 31, 2024 ("cooling period"). During the cooling period, Executive will not have any access to Company facilities for business purposes, and Executive will not be allowed to participate in any meetings with current Company associates while Executive is working for the vendor.

(e) Nothing in this Paragraph 8 prohibits Executive from exercising any of the rights specified in Paragraph 15 (Non-Interference and Right to Participate in Agency Proceedings).

9. Non-Competition and Non-Solicitation.

(a) Non-Competition.

Executive acknowledges that during the Executive's employment and at the time of Executive's termination, the Executive received training and Confidential Information regarding, among other things, the Company-Related Parties' operations, services, information technology, computer systems, marketing, advertising, e-commerce, interconnected retail, technical, financial, human resources, personnel, staffing, payroll, information about employee compensation and performance, merchandising, pricing, strategic planning, product, vendor, supplier, customer or store planning data, construction, data security information, private brands, supply chain, and/or other business processes, and that Executive has been provided and entrusted with access to the Company-Related Parties' customer and employee relationships and goodwill. Executive further acknowledges that such Confidential Information, including Trade Secrets and other business processes, are utilized by the Company-Related Parties throughout the entire United States and in other locations in which it conducts business. Executive further acknowledges and agrees that the Company-Related Parties' Confidential Information, customer, service provider, vendor and employee relationships, and goodwill are valuable assets of the Company-Related Parties and are legitimate business interests that are properly subject to protection through the covenants contained in this Agreement. In exchange for the consideration set forth in this Agreement, which Executive would not receive and to which Executive is not entitled in the absence of this Agreement, Executive's post-employment obligations with regard to unfair competition and solicitation are set forth in this Paragraph 9. Consequently, Executive shall not, during the Restricted Period, directly or indirectly, enter into or maintain an employment, contractual or other business relationship in the United States or Canada in which (A) Executive owns an equity interest in a Competitor greater than one percent (1%) of its outstanding equity, or manages, operates, finances, or controls a Competitor; or (B) Executive provides services or performs duties for a Competitor that (i) are the same as or similar to the services or job duties Executive performed for the Company at any point during the two-year period prior to the Termination Date, or (ii) involve executive, managerial, financial, or other significant leadership responsibilities.

"Competitor" shall mean:

(X) the following companies or entities, including their successors, subsidiaries, affiliates, franchisees, or business units: Lowe's Companies, Inc.; Amazon.com, Inc.; Menard, Inc.; Floor & Decor Holdings, Inc.; Canadian Tire Corporation; Lowe's Canada; RONA; Home Hardware; Wayfair Inc.; and Walmart Inc.;

(Y) any company or entity that sells or offers Competitive Products or Services that, in combination with its subsidiaries, affiliates, franchisees, or business units (a) operates more than 100 retail outlets across the United States and Canada or (b) generates more than $500 million in annual revenue in the United States or more than $50 million CAD in annual revenue in Canada; or

(Z) any company or entity that is formed through, or as a result of, a sale, merger, combination, renaming, restructuring, spin-off, or other corporate transaction involving a business or entity defined in clause (X) or (Y) of this definition, and which sells Competitive Products or Services.

"Competitive Products or Services" means anything of commercial value of the type offered, provided, or sold by the Company-Related Parties in the United States or Canada within two (2) years prior to the Termination Date and during the Restricted Period, including, without limitation: goods; personal, real, or intangible property; services; financial products; business opportunities or assistance; or any other object or aspect of business conducted or provided by the Company-Related Parties.

"Restricted Period" shall mean the period during which Executive is employed with the Company and for a period of twenty-four (24) months following the Termination Date, regardless of the reason for such termination.

In the event Executive wishes to enter into any relationship or employment on or before the end of the Restricted Period that would violate the above non-compete provision, Executive agrees to request written permission from Company's Executive Vice President, Human Resources before entering any such relationship or employment. Company may approve or not approve of the relationship or employment at its absolute discretion.

(b) Non-Solicitation of Company Employees.

Executive acknowledges that through Executive's employment with the Company, Executive acquired and had access to Confidential Information concerning the performance and qualifications of employees of the Company-Related Parties. Accordingly, Executive agrees that on or before March 31, 2025, Executive will not directly or indirectly, on Executive's own behalf or on behalf of any other entity or person, Solicit any person who is or, during the last twelve (12) months of Executive's employment with the Company was an employee of any of the Company-Related Parties, with whom Executive had material contact during Executive's employment with the Company, or with respect to whom Executive obtained or had authorized access to Confidential Information while employed with the Company, to terminate his or her employment or other relationship with any of the Company-Related Parties, or to refer any such employee without prior written approval from Company's Executive Vice President, Human Resources. For purposes of this paragraph, "Solicit" shall include any solicitation, enticement, or encouragement whatsoever, regardless of which party initiated the initial contact, as well as any direct or indirect involvement in the recruitment, referral, interviewing, hiring, or setting of the initial terms and conditions of employment.

(c) Reasonableness of Restrictions.

Executive acknowledges that the covenants in this paragraph: (i) are reasonable, appropriate, necessary, and narrowly tailored to protect the legitimate business interests of the Company-Related Parties, including but not limited to their legitimate interest in protecting valuable Confidential Information, Trade Secrets, customer goodwill, and specialized training provided to Executive; (ii) are reasonable in terms of time, geographic scope, and activities restricted; (iii) are sufficiently described; (iv) are designed to prevent unfair competition and not to stifle the inherent skill and experience of Executive; (v) that Executive's full compliance with such restrictions will not unduly or unreasonably interfere with Executive's ability to obtain and undertake other gainful future employment; and (vi) do not confer a benefit upon the Company that is disproportionate to the detriment to Executive. Executive and the Company acknowledge and agree that there are a number of unique circumstances that provide the Company with protectable interests that justify and necessitate the 24-month non-competition and non-solicitation restrictions in this Paragraph 9. As one of the Company's senior-most officers, Executive has been involved in developing, and has had unique access to, the Company's Confidential Information, including its plans and strategies for the business, personnel leadership, talent management, and succession. This involvement and access has enabled Executive to learn information about the skills, capabilities, strengths, and development opportunities of Company personnel, as well as information about their compensation, bonuses, and performance, and Company plans and strategies for same. In addition, Executive's senior position at the Company has provided Executive with a unique and special access to the Company's non-public business plans, strategies, and methods. Furthermore, Executive's role with the Company has enabled Executive to utilize the Company's goodwill to develop relationships with subordinate employees throughout the Company. Executive further acknowledges that Executive had a full and free choice as to whether to accept the terms of this Agreement, including the terms of this Paragraph 9, and that by accepting the consideration contained herein, Executive consents to be bound by all terms of this Agreement.

10. Breach/Misconduct by Executive. The Company's obligations to Executive under this Agreement are expressly contingent on Executive's performance of Executive's obligations under this Agreement, including but not limited to the terms of Paragraphs 8 and 9.

(a) Forfeiture, Clawback, and Liquidated Damages. Executive acknowledges that it may be difficult to quantify monetary damages in the event of a breach of this Agreement. Accordingly, Executive agrees that any breach of this Agreement will result in the immediate cessation of any payments set forth in Paragraphs 2 and 3, the immediate forfeiture and cancellation of any outstanding equity or equity awards held by Executive, including but not limited to the equity or equity awards identified in Paragraphs 5(a), 5(b) and 5(d) and will entitle the Company to all its remedies allowed in law or equity, including but not limited to the return of any shares of common stock and/or the proceeds Executive received from the sale of any such shares (except for $1,000 which amount shall constitute the consideration for the release of claims in Paragraph 7). If Executive breaches any provisions of this Agreement, including Paragraphs 8 or 9, or the Company discovers after the termination of Executive's employment that grounds existed for Cause at the time of Executive's termination, then, in addition to any other remedy available (on a non-exclusive basis), Executive shall pay to the Company, within thirty (30) days of the Company's written request, an amount, specified by the Company, up to the sum of the then-current market value of the shares of the Company's common stock that Executive holds that were granted by any awards issued by the Company and the aggregate after-tax proceeds Executive received upon the sale or other disposition of any shares of common stock on or after Termination Date. Executive also agrees that the then-current market value of any remaining shares of the common stock that Executive holds that were granted by the Company, and any after-tax proceeds Executive received from the sale of any such shares on or after Termination Date, to the extent Executive has not already remitted such amounts to the Company pursuant to the terms of this Paragraph 10, shall be a fair and reasonable measure of the Company's damages for Executive's material breach and does not constitute a penalty.

(b) Injunctive Relief. Executive further agrees that any breach by Executive of Paragraphs 8 or 9 of this Agreement will cause the Company irreparable harm and shall entitle the Company to an injunction to prevent a further breach of this Agreement by Executive, in addition to any and all remedies available to the Company. Executive acknowledges and agrees that quantifying the damages suffered by the Company for Executive's breach of any portion of Paragraphs 8 or 9 might not be possible or feasible or provide adequate compensation to the Company at law and that the balance of the hardships tips in favor of enforcing this Agreement. Accordingly, Executive agrees that the Company shall be entitled, if any such breach shall occur or be either threatened or attempted, if it so elects, to seek from a court a temporary, preliminary, and permanent injunction, without being required to post a bond, enjoining and restraining such breach or threatened or attempted breach.

(c) Attorney Fees and Tolling. In addition to any other remedies available to the Company in the event Executive breaches any portion of Paragraphs 8 or 9 of this Agreement, the Company shall be entitled to recover its reasonable attorney fees if it succeeds in obtaining an injunction against Executive for breach or threatened breach of Paragraphs 8 or 9 or otherwise proving in court that Executive violated any provision of Paragraphs 8 or 9. Should legal proceedings be initiated by the Company to enforce the restrictive covenants contained in Paragraphs 8 or 9 of this Agreement, the commencement of the Restricted Period will begin on the date of the entry of an order granting the Company injunctive, monetary or other relief from Executive's actual or threatened breach of this Agreement. Executive acknowledges that the purpose and effect of Paragraphs 8 and 9 would be frustrated by measuring the duration of the Restricted Period from the termination of Executive's employment where Executive failed to honor Executive's obligations until directed to do so by court order.

(d) Definition of "Cause." For purposes of Paragraph 10, "Cause" means a finding by the Company that Executive has (i) committed any felony or committed a misdemeanor involving theft or moral turpitude, (ii) committed any act or omission that constitutes neglect or misconduct with respect to Executive's employment duties which results in economic harm to the Company, (iii) violated the Company's code of conduct (including, but not limited to, policies prohibiting sexual harassment, discrimination, workplace violence, or threatened violence), (iv) violated any of the Company's substance abuse, compliance or any other policies applicable to Executive, which may be in effect at the time of the occurrence, or (v) breached any material provision of any offer letter, award agreement, employment, non-competition, intellectual property or other agreement, in effect at the time of the breach, between Executive and the Company.

11. Executive Availability. Executive agrees to make themself reasonably available to Company and to respond promptly to any requests by Company for information pertaining to or relating to Company-Related Parties, agents, officers, directors or employees which may be within the knowledge of Executive. Executive agrees to cooperate fully with the retention and collection of any documents or data in connection with any and all existing or future litigation, charges, or investigations, including collection of documents or data in Executive's personal custody or control. Executive also agrees to assist and fully cooperate with, and to direct their counsel to assist and fully cooperate with, Company and its attorney(s) in connection with any and all existing or future litigation, charges, or investigations brought by or against Company or any of its past or present affiliates, agents, officers, directors or employees, whether administrative, civil or criminal in nature (collectively "proceedings"), including, but not limited to, agreeing to be interviewed as requested by the Company and providing to Company's attorneys, without restriction or limitation, any information relating to Executive's knowledge of the facts concerning the issues encompassed by such proceedings. Executive acknowledges that Executive has informed the Executive Vice President, Human Resources of any conduct within Executive's knowledge that constitutes a violation of the Company's

compliance policies, its code of conduct, or of any law, including but not limited to policies prohibiting discrimination or harassment. Executive agrees that if Executive becomes aware of any such conduct in the future that Executive will inform the Executive Vice President, Human Resources within ten (10) days. However, Executive is not required to report information or disclose Executive's participation in matters subject to Paragraph 15 (Non-Interference and Right to Participate in Agency Proceedings) or otherwise protected from disclosure by applicable law. In conjunction with Executive's commitments under this paragraph, Company will reimburse Executive for reasonable out-of-pocket expenses incurred as a result of such cooperation.

12. Non-Disparagement. Executive agrees that Executive will not directly or indirectly publish, communicate, make or cause to be made any statements or opinions that disparage, criticize or that would be derogatory to or otherwise harm the business or reputation of Company-Related Parties, and their respective past and present predecessors, successors, assigns, representatives, directors, officers, employees, and agents to anyone, including but not limited to the media, internet blogs, social media, public interest groups and publishing companies.

Nothing in this Paragraph 12 prohibits Executive from exercising any of the rights specified in Paragraph 15 (Non-Interference and Right to Participate in Agency Proceedings).

13. Insider Trading. Executive acknowledges that for a period of six (6) months beginning with the Termination Date, Executive will remain subject to the restrictions of Company's Securities Laws Policy applicable to Directors, Officers, and Designated Associates, which permits trading only during designated window periods. After expiration of said six (6) month period, the Securities Law Policy will no longer apply to Executive. However, Executive acknowledges that through the Executive's employment with Company the Executive may have learned material, non-public information regarding Company. The federal securities laws prohibit trading by persons while aware of material, non-public information. Executive should seek advice of the Executive's legal counsel before conducting any transactions in Company's stock if Executive thinks the Executive may possess such information.

14. Future Employment. The payments in this Agreement are in consideration for Executive's release of claims, including claims for lost future earnings. Accordingly, Executive hereby understands and agrees that the Executive will not be re-employed by Company or its current (as of the Effective Date) subsidiaries, affiliates, or related entities in the future and that Executive will never knowingly apply to Company or its current (as of the Effective Date) subsidiaries, affiliates, or related entities in the future for any job or position.

15. Non-Interference and Right to Participate in Agency Proceedings.

(a) Notwithstanding anything to the contrary in this Agreement, or any other agreement between Executive and the Company, or any provision of any Company code of conduct, employee manual, confidentiality policy, or similar Company document, Executive has the right to: (i) report, file a charge, or otherwise respond to or cooperate with an investigation into possible violations of state or federal laws or regulations within the jurisdiction of any governmental agency or entity, including but not limited to the U.S. Congress, the Department of Justice, the SEC and/or its Office of the Whistleblower (www.sec.gov/whistleblower; Office of the Whistleblower Hotline at 202-551-4790), any other similar office of a federal or state agency, the Equal Employment Opportunity Commission or any other governmental agency that investigates or enforces employment discrimination laws; (ii) report (either with or without a lawyer) possible violations of the federal securities laws or regulations to any governmental agency or entity, either anonymously or otherwise; (iii) make disclosures that are protected or required under the whistleblower provisions or other provisions of any relevant federal, state or local law or regulation; (iv) cooperate voluntarily with, or respond to any inquiry from, or provide testimony before, the SEC, or any other federal, state or local regulatory or law enforcement authority; (v) make reports or disclosures to law enforcement or regulatory authorities without prior authorization of, or notice to, the Company; or (vi) receive a whistleblower award or other monetary payment from a federal government agency for reporting information to such agency.

(b) Pursuant to 18 U.S.C. § 1833(b), nothing in this Agreement, nor any other agreement or Company policy, shall be interpreted to expose Executive to criminal or civil liability under federal or state trade secret law for disclosure, in confidence, of Trade Secrets (i) to federal, state, and local government officials, directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, provided the filing is made under seal and otherwise protected from disclosure except pursuant to court order. If Executive files a lawsuit for retaliation for reporting a suspected violation of the law, Executive may disclose Trade Secrets to their attorney and use the Trade Secret information in a court proceeding, provided that Executive files any document containing the Trade Secret under seal and Executive does not otherwise disclose the Trade Secret except pursuant to court order.

16. Severability and Modification of Provisions. If any of the provisions of this Agreement involving Executive's post-employment activities should ever be held by a court of competent jurisdiction to exceed the scope permitted by applicable law, or otherwise be deemed to be legally invalid or unenforceable, such provision or provisions shall be automatically modified to such lesser scope as such court may deem just and proper for the reasonable protection of the Company's legitimate business interests. In the event such provision or provisions cannot be modified to be enforceable, the affected provision shall be stricken from the Agreement, and the remaining terms, provisions, covenants, and restrictions contained in this Agreement shall remain unaffected and will in no way be affected, impaired, or invalidated.

17. Right to Revoke This Agreement. Executive may revoke this Agreement in writing within seven (7) days of signing it by sending written notice of revocation to Company's Executive Vice President, Human Resources. The Agreement will not take effect until the

Effective Date. If Executive revokes this Agreement, all of its provisions shall be void and unenforceable.

18. Effective Date. The Effective Date shall be the day after the end of the seven-day period for revocation described in the paragraph titled Right to Revoke This Agreement.

19. Non-Assignment by Executive; Successor and Assigns. Executive represents and warrants that as of the date of this Agreement the Executive has not assigned or transferred, or purported to assign or transfer, to any person, firm, corporation, association or entity whatsoever any released claim. Executive hereby agrees to indemnify and hold Company harmless against, without any limitation, any and all rights, claims, warranties, demands, debts, obligations, liabilities, costs, court costs, expenses, including attorney fees, causes of action or judgments based on or arising out of any such assignment or transfer. The terms of this Agreement shall be binding on, and in favor of, the Company's successors in interest and assigns.

20. Confidentiality. The Executive shall keep strictly confidential all the terms and conditions, including amounts, in this Agreement and shall not disclose them to any person other than the Executive's spouse and the Executive's legal or financial advisor, unless compelled by law to do so. If a person not a party to this Agreement requests or demands, by subpoena or otherwise, that the Executive disclose or produce this Agreement or any terms or conditions thereof, the Executive shall immediately provide written notice to the Executive Vice President, Human Resources of the Company and shall give the Company an opportunity to respond to such notice before taking any action or making any decision in connection with such request or subpoena.

21. Taxes and Section 409A. To the extent applicable, it is intended that this Agreement comply with or be exempt from the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations and guidance promulgated thereunder ("Section 409A"). Executive's Termination shall constitute a "separation from service" pursuant to Section 409A. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following Executive's Termination Date shall instead be paid on the first business day after the date that is six months following Executive's separation from service (or upon Executive's death, if earlier). In addition, for purposes of the Agreement, each amount to be paid or benefit to be provided to Executive pursuant to the Agreement shall be construed as a separate identified payment for purposes of the Code, including Section 409A. With respect to expenses eligible for reimbursement and in-kind benefits under the terms of this Agreement, (i) the amount of such expenses eligible for reimbursement and in-kind benefits in any taxable year shall not affect the expenses eligible for reimbursement in another taxable year, (ii) the rights to reimbursement or in-kind benefits are not subject to liquidation or exchange for any other benefit, and (iii) any reimbursements of such expenses shall be made no later than the end of the calendar year following the calendar year in which the related expenses were incurred, except, in each case, to the extent that the right to reimbursement does not provide for a "deferral of

compensation" within the meaning of Section 409A. Company makes no representation or warranty to Executive or other person regarding compliance with, or exemption from, Section 409A with respect to any payment or benefit provided by this Agreement. Executive agrees that the Executive shall bear sole and exclusive responsibility for any and all federal, state, local or other tax consequences (including, without limitation, any and all tax liability under Section 409A) of this Agreement, and fully indemnifies and holds the Company harmless therefore. Executive should consult with the Executive's own tax advisor in connection with this Agreement and its tax consequences.

22. Entire Agreement. This Agreement constitutes the entire understanding between the parties, except that this Agreement, unless it specifically states otherwise, does not supersede or limit Executive's post-employment restrictions or obligations to the Company-Related Parties, that may be contained in any other agreement between Executive and the Company-Related Parties, such as an offer letter, equity award agreement, 401(k) Plan or similar document. The parties have not relied on any oral statements that are not included in this Agreement. Any modifications to this Agreement must be in writing and signed by Company's Executive Vice President, Human Resources.

23. Governing Law. This Agreement shall be construed, interpreted and applied in accordance with the law of the State of Georgia, without giving effect to any choice of law provisions thereof that would require the application of any other jurisdiction's laws. Executive hereby irrevocably submits any dispute arising out of or relating to this Agreement to the exclusive jurisdiction of the Atlanta Division of the U.S. District Court for the Northern District of Georgia, or, if federal jurisdiction is not available, the Superior Court of Cobb County, Georgia. Executive also irrevocably waives, to the fullest extent permitted by applicable law, any objection Executive may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute, and both parties agree to personal jurisdiction and to accept service of legal process from the courts of Georgia. Executive agrees to accept service of process by mail or by any other means sufficient to ensure that Executive receives a copy of the items served.

Executive understands and acknowledges the significance and consequences of this Agreement, that the consideration provided herein is fair and adequate, and represents that the terms of this Agreement are fully understood and voluntarily accepted.

The Home Depot, Inc.

By: /s/ Tim Hourigan
Tim Hourigan
Executive Vice President - Human Resources

Date Signed: 4/17/23

Executive

By: __/s/ Jeff Kinnaird____
Jeff Kinnaird

Date Signed: __April 17th, 2023__

Exhibit 15.1

ACKNOWLEDGEMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
The Home Depot, Inc.:

We acknowledge our awareness of the use of our report dated May 22, 2023 related to our review of interim financial information included within the Quarterly Report on Form 10-Q of The Home Depot, Inc. for the three-month period ended April 30, 2023, and incorporated by reference in the following Registration Statements:

Description	Registration Statement Number
Form S-3	
Depot Direct stock purchase program	333-249732
Debt securities	333-259121
Form S-8	
The Home Depot, Inc. 1997 Omnibus Stock Incentive Plan	333-61733
The Home Depot Canada Registered Retirement Savings Plan	333-38946
The Home Depot, Inc. Restated and Amended Employee Stock Purchase Plan	333-151849
The Home Depot, Inc. Amended and Restated Employee Stock Purchase Plan	333-182374
The Home Depot, Inc. Non-Qualified Stock Option and Deferred Stock Units Plan and Agreement	333-56722
The Home Depot, Inc. 2005 Omnibus Stock Incentive Plan	333-125331
The Home Depot, Inc. 2005 Omnibus Stock Incentive Plan	333-153171
The Home Depot FutureBuilder and The Home Depot FutureBuilder for Puerto Rico	333-125332

Pursuant to Rule 436 under the Securities Act of 1933 (“the Act”), such report is not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of Sections 7 and 11 of the Act.

/s/ KPMG LLP

Atlanta, Georgia
May 22, 2023

Exhibit 31.1

CERTIFICATION

I, Edward P. Decker, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Home Depot, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 22, 2023

/s/ Edward P. Decker
Edward P. Decker
Chair, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Richard V. McPhail, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Home Depot, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 22, 2023

/s/ Richard V. McPhail

Richard V. McPhail
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of The Home Depot, Inc. (the “Company”) on Form 10-Q (“Form 10-Q”) for the period ended April 30, 2023 as filed with the Securities and Exchange Commission, I, Edward P. Decker, Chair, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Form 10-Q fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Edward P. Decker

Edward P. Decker
Chair, President and Chief Executive Officer
May 22, 2023

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of The Home Depot, Inc. (the “Company”) on Form 10-Q (“Form 10-Q”) for the period ended April 30, 2023 as filed with the Securities and Exchange Commission, I, Richard V. McPhail, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Form 10-Q fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard V. McPhail
Richard V. McPhail
Executive Vice President and Chief Financial Officer
May 22, 2023