

HOME DEPOT INC
Form PRE 14A
March 30, 2009
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

THE HOME DEPOT, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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Table of Contents

THE HOME DEPOT

PROXY STATEMENT

AND

NOTICE OF 2009 ANNUAL MEETING OF SHAREHOLDERS

Table of Contents

TO MY FELLOW SHAREHOLDERS:

It is my pleasure to invite you to attend our 2009 Annual Meeting of Shareholders on May 28, 2009 at 9:00 a.m. The meeting will be held at the Cobb Galleria Centre in Atlanta, Georgia.

The enclosed proxy statement and notice contain important information, including a description of the business that will be acted upon at the meeting, as well as the voting procedures and information on obtaining meeting tickets. At the meeting, we will also report on the Company's performance and operations and respond to your questions.

Shareholders will be seated on a first-come, first-served basis. We recommend that you arrive 20 to 30 minutes before the start of the meeting. If you will need special assistance or seating, please contact Audrey Davies at (770) 384-2700. We will provide an interpreter for the hearing-impaired.

Your vote is important. Whether or not you plan to attend the meeting, we urge you to vote and submit your proxy over the Internet, by telephone or by mail.

I hope you will be able to join us, and I look forward to seeing you.

Sincerely,

Francis S. Blake

Chairman and Chief Executive Officer

Table of Contents

THE HOME DEPOT, INC.
2455 Paces Ferry Road, N.W.
Atlanta, Georgia 30339

NOTICE OF 2009 ANNUAL MEETING OF SHAREHOLDERS

TIME: 9:00 a.m., Eastern Time, on May 28, 2009

PLACE: Cobb Galleria Centre
Two Galleria Parkway
Atlanta, Georgia

ITEMS OF BUSINESS:

- (1) To elect all of the members of the Board of Directors of the Company;
- (2) To ratify the appointment of KPMG LLP as the independent registered public accounting firm for the fiscal year ending January 31, 2010;
- (3) To amend the sixth article of the Company's Certificate of Incorporation;
- (4) To act on five shareholder proposals described in the Proxy Statement, if properly presented; and
- (5) To transact any other business properly brought before the meeting.

WHO MAY VOTE: You may vote if you were a shareholder of record as of the close of business on March 30, 2009.

ANNUAL MEETING MATERIALS: A copy of this Proxy Statement and our 2008 Annual Report are available at <http://ir.homedepot.com/reports.cfm>.

DATE OF MAILING: The Notice of Internet Availability of Proxy Materials and this Proxy Statement are first being mailed to shareholders on or about April 10, 2009.
By Order of the Board of Directors,

Jack A. VanWoerkom, Secretary

Table of Contents

TABLE OF CONTENTS

<u>About the 2009 Annual Meeting of Shareholders</u>	1
<u>Board of Directors Information</u>	4
<u>Election of Directors and Director Biographies</u>	8
<u>Proposal to Ratify the Appointment of KPMG LLP</u>	10
<u>Proposal to Amend the Sixth Article of the Company's Certificate of Incorporation</u>	11
<u>Shareholder Proposal Regarding Cumulative Voting</u>	12
<u>Company Response</u>	13
<u>Shareholder Proposal Regarding Special Shareholder Meetings</u>	14
<u>Company Response</u>	15
<u>Shareholder Proposal Regarding Employment Diversity Report</u>	16
<u>Company Response</u>	17
<u>Shareholder Proposal Regarding Executive Officer Compensation</u>	18
<u>Company Response</u>	19
<u>Shareholder Proposal Regarding Energy Usage</u>	20
<u>Company Response</u>	21
<u>Executive Compensation</u>	22
<u>Compensation Discussion & Analysis</u>	22
<u>Summary Compensation Table</u>	30
<u>Grants of Plan-Based Awards</u>	35
<u>Outstanding Equity Awards at Fiscal Year-End</u>	37
<u>Option Exercises and Stock Vested</u>	40
<u>Nonqualified Deferred Compensation</u>	41
<u>Payments Upon Termination or Change-in-Control</u>	42
<u>Equity Compensation Plan Information</u>	48
<u>Director Compensation</u>	49
<u>Compensation Committee Report</u>	53
<u>Audit Committee Report</u>	54
<u>Independent Registered Public Accounting Firm's Fees</u>	55
<u>Beneficial Ownership of Common Stock</u>	56
<u>General</u>	57
<u>Director Independence Standards</u>	A-1

Table of Contents

ABOUT THE 2009 ANNUAL MEETING OF SHAREHOLDERS

The Board of Directors (the **Board**) of The Home Depot, Inc. (the **Company**) is furnishing you this Proxy Statement to solicit proxies on its behalf to be voted at the 2009 Annual Meeting of Shareholders of the Company (the **Meeting**).

WHAT AM I VOTING ON?

You will be voting on the following:

- To elect all members of the Board;
- To ratify the appointment of KPMG LLP as the independent registered public accounting firm of the Company for the fiscal year ending January 31, 2010 (**Fiscal 2009**);
- To amend the sixth article of the Company's Certificate of Incorporation to allow holders of shares representing at least 25% of the outstanding shares of common stock to call a special meeting of shareholders, subject to certain notice and information requirements;
- To act on shareholder proposals described in this Proxy Statement; and
- To transact any other business properly brought before the Meeting.

WHO IS ENTITLED TO VOTE?

You may vote if you owned shares of the Company's common stock as of the close of business on March 30, 2009. Each share of common stock is entitled to one vote. As of March 30, 2009, we had _____ shares of common stock outstanding.

HOW DO I VOTE BEFORE THE MEETING?

If you are a registered shareholder, meaning that you hold your shares in certificate form or through an account with our transfer agent, Computershare Trust Company, N.A., you have three options for voting before the Meeting:

- Over the Internet, at www.envisionreports.com/hd;
- By telephone, by dialing 1-800-652-8683; or
- By completing, signing and returning a proxy card by mail.

If you hold your shares through an account with a bank or broker, your ability to vote over the Internet or by telephone depends on the voting procedures of your bank or broker. Please follow the directions that your bank or broker provides.

MAY I VOTE AT THE MEETING?

Yes. You may vote your shares at the Meeting if you attend in person. If you hold your shares through an account with a bank or broker, you must obtain a legal proxy from the bank or broker in order to vote at the Meeting. A legal proxy is an authorization from your bank or broker to vote the shares it holds in its name. Even if you plan to attend the Meeting, we encourage you to vote your shares before the Meeting.

MAY I REVOKE MY PROXY AND/OR CHANGE MY VOTE?

Yes. You may revoke your proxy and/or change your vote at any time before the polls close at the conclusion of voting at the Meeting. You may do this by (1) signing another proxy card with a later date and delivering it to us before the Meeting, (2) voting again over the Internet or by telephone prior to 9:00 a.m., Eastern Time, on May 28, 2009, (3) voting at the Meeting if you are a registered shareholder or have obtained a legal proxy from your bank or broker or (4) notifying the Company's Secretary in writing before the Meeting.

WHAT IF I SIGN AND RETURN MY PROXY BUT DO NOT PROVIDE VOTING INSTRUCTIONS?

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Proxies that are signed and returned but do not contain voting instructions will be voted (1) For the election of director nominees, (2) For the ratification of KPMG LLP, (3) For the amendment of the sixth article of the Company's Certificate of Incorporation, (4) Against each shareholder proposal and (5) in accordance with the best judgment of the named proxies on any other matters properly brought before the Meeting. If your shares are held through an account with a bank or broker, see Will My Shares Be Voted If I Do Not Provide My Proxy or Instruction Form? below.

HOW DO I VOTE IF I PARTICIPATE IN ONE OF THE COMPANY'S RETIREMENT PLANS?

You may vote your shares over the Internet, by telephone or by mail, all as described in this Proxy Statement. By voting, you are instructing the trustee of your plan to vote all of your shares as directed. If you do not vote, the shares credited to your account will be voted by the trustee in the same proportion that it votes shares in other accounts for which it received timely instructions. If, however, you do not vote and you hold shares through the self-directed brokerage window of

Table of Contents

ABOUT THE 2009 ANNUAL MEETING OF SHAREHOLDERS

your plan, or you participate in one of the Company's Canada-based retirement plans, your shares will not be voted.

WILL MY SHARES BE VOTED IF I DO NOT PROVIDE MY PROXY OR INSTRUCTION FORM?

If you are a registered shareholder and do not provide a proxy, you must attend the Meeting in order to vote. If you hold shares through an account with a bank or broker, your shares may be voted by the bank or broker if you do not provide voting instructions. Banks and brokers have the authority under New York Stock Exchange (NYSE) rules to vote shares for which their customers do not provide voting instructions on routine matters. The election of directors and the ratification of KPMG LLP as the Company's Fiscal 2009 independent registered public accounting firm are considered routine matters. The other proposals are not considered routine, and banks and brokers cannot vote shares on those proposals. Shares that banks and brokers are not authorized to vote are counted as broker non-votes.

HOW CAN I ATTEND THE MEETING?

To attend the Meeting, you will need to bring an admission ticket (or legal proxy) and valid picture identification. If your shares are registered in your name and you received a Notice of Internet Availability of Proxy Materials (Notice), the Notice is your admission ticket. If your shares are registered in your name and you voted your shares via the Internet, you may also obtain an admission ticket after you vote by clicking on the Submit button at the bottom of the screen that provides a summary of your vote. Then click To print an Admission Ticket for the meeting on the next screen to print your ticket. If your shares are registered in your name and you received proxy materials by mail, your admission ticket is attached to your proxy card. If you hold shares through an account with a bank or broker, you will need to contact your bank or broker and request a legal proxy, which will serve as your admission ticket.

If you do not have an admission ticket (or legal proxy) and valid picture identification, you will not be admitted to the Meeting. In addition, note that for security reasons, attendees will be required to check all large bags, backpacks or similar items at the coat check prior to being admitted to the Meeting.

HOW MANY VOTES MUST BE PRESENT TO HOLD THE MEETING?

In order for us to conduct the Meeting, holders of a majority of our outstanding shares of common stock as of the close of business on March 30, 2009 must be present in person or by proxy. This is referred to as a quorum. Your shares are counted as present if you attend the Meeting and vote in person or if you properly return a proxy over the Internet, by telephone or by mail. Abstentions and broker non-votes will be counted for purposes of establishing a quorum.

HOW MANY VOTES ARE NEEDED TO APPROVE THE PROPOSALS?

Each director nominee receiving a majority of votes cast with respect to that director nominee's election will be elected as a director. The ratification of KPMG LLP as the Company's Fiscal 2009 independent registered public accounting firm and each shareholder proposal also requires a majority of votes cast to be ratified or approved.

The amendment of our Certificate of Incorporation to revise the sixth article requires a For vote of a majority of the outstanding shares of common stock as of the close of business on March 30, 2009. Accordingly, abstentions and broker non-votes will have the effect of a vote Against this proposal.

A majority of votes cast means the number of For votes exceeds the number of Against votes. A proxy marked Abstain with respect to any proposal will not be counted in determining the total number of votes cast. Broker non-votes will not be counted as votes cast with respect to any shareholder proposal presented at the Meeting.

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WHAT DOES IT MEAN IF I RECEIVE MORE THAN ONE NOTICE, PROXY CARD OR INSTRUCTION FORM?

This means that your shares are registered differently and are held in more than one account. To ensure that all shares are voted, please vote each account over the Internet or by telephone, or sign and return by mail all proxy cards and instruction forms. We encourage you to register all shares in the same name and address by contacting Computershare at 1-800-577-0177. If you

Table of Contents

ABOUT THE 2009 ANNUAL MEETING OF SHAREHOLDERS

hold your shares through an account with a bank or broker, you should contact your bank or broker and request consolidation.

AVAILABILITY OF ANNUAL REPORT AND PROXY STATEMENT TO SHAREHOLDERS

Only one copy of this Proxy Statement, the 2008 Annual Report and the Notice is being delivered to shareholders sharing an address unless the Company has received contrary instructions from one or more of the shareholders. Shareholders sharing an address who wish to receive separate copies of this Proxy Statement, the 2008 Annual Report, and/or the Notice, or who wish to begin receiving a single copy of such materials, may make such request as follows:

If you are a registered shareholder, by writing to Computershare Investor Services, P.O. Box 43078, Providence, RI 02940-3078, by calling 1-800-577-0177 or via the Internet at www.computershare.com/investor; or

If you are a beneficial owner, by contacting your broker, dealer, bank, voting trustee or other nominee to make such request.

Registered shareholders sharing an address who elect to receive a single copy of this Proxy Statement, the 2008 Annual Report and the Notice will continue to receive separate proxy cards.

You may also elect to receive this Proxy Statement, the 2008 Annual Report and the Notice via e-mail by contacting Computershare, if you are a registered shareholder, or your bank or broker, if you are a beneficial owner, or by visiting our website at <http://ir.homedepot.com/reports.cfm>.

Additional copies of the 2008 Annual Report and this Proxy Statement will be provided without charge to shareholders upon written request to Investor Relations, The Home Depot, Inc., 2455 Paces Ferry Road, Atlanta, Georgia 30339, by calling (770) 384-4388 or via the Internet at www.homedepot.com.

Table of Contents

BOARD OF DIRECTORS INFORMATION

Our Board currently has nine members. Our current Board members are: F. Duane Ackerman, David H. Batchelder, Francis S. Blake, Ari Bousbib, Gregory D. Brenneman, Albert P. Carey, Armando Codina, Bonnie G. Hill and Karen L. Katen. Each director who served during the fiscal year ended February 1, 2009 (Fiscal 2008) was independent, other than Messrs. Blake and Milledge A. Hart. Mr. Blake is considered an inside director because of his employment as Chairman and Chief Executive Officer (CEO) of the Company and is therefore not independent. Mr. Hart served as director for part of Fiscal 2008 and did not stand for re-election at the 2008 Annual Meeting.

We believe that combining the roles of Chairman and Chief Executive Officer and having an independent Lead Director best accomplishes the goals of allowing the Board to provide independent oversight and hold management accountable, while ensuring that a corporate strategy is pursued which optimizes long-term shareholder value.

The Lead Director is an independent director who is elected annually by the independent members of the Board. Bonnie G. Hill currently serves as Lead Director.

Our Lead Director:

- Chairs executive sessions of the Board without management present at every regularly scheduled Board meeting;
- Approves Board meeting agendas with input from management;
- Works with management to determine the information and materials provided to Board members;
- Has the authority to call meetings of non-employee directors; and
- Consults with major shareholders upon request.

DIRECTOR INDEPENDENCE

The Director Independence Standards in the Company's Corporate Governance Guidelines (available at www.homedepot.com under Investor Relations and in print upon request) meet or exceed the independence standards adopted by the NYSE. Pursuant to such guidelines, the Board and the Nominating and Corporate Governance Committee reviewed the independence of each director in February 2009. During this review, the Board and the Nominating and Corporate Governance Committee considered all relevant facts and circumstances related to transactions and relationships between each director (and his or her immediate family and affiliates) and the Company and its management to determine whether any such relationships or transactions were inconsistent with a determination that the director is independent in light of applicable law, the NYSE listing standards and the Company's Director Independence Standards, attached as Appendix A.

Based on this review and the recommendation of the Nominating and Corporate Governance Committee, the Board affirmatively determined that all of the directors nominated for election at the Meeting except Francis S. Blake, our Chairman and CEO, are independent.

The Company has purchase, finance and other transactions and relationships in the normal course of business with companies with which certain Company directors or their relatives are associated, but which are not material to the Company, the directors or the companies with which the directors are associated. All such transactions were reviewed and considered by the Board and the Nominating and Corporate Governance Committee in determining the independence of Company directors. In particular, the Nominating and Corporate Governance Committee and the Board took into account the fact that during Fiscal 2008 Mr. Brenneman and Mr. Bousbib served as executive officers of entities with which the Company made purchases or sales. In all instances, the amount of payments made and received by each company represented less than two percent of the Company's and the other entity's revenues. The Board and the Nominating and Corporate Governance Committee believe that all of these transactions and relationships during Fiscal 2008 were on arm's-length terms that were reasonable and competitive, and the directors did not personally benefit from such transactions.

SELECTING NOMINEES TO THE BOARD OF DIRECTORS

The Nominating and Corporate Governance Committee is responsible for considering candidates for the Board

Table of Contents

BOARD OF DIRECTORS INFORMATION

and recommending director nominees to the Board. All members of the Nominating and Corporate Governance Committee have been determined to be independent by the Board pursuant to NYSE listing standards and the Company's Director Independence Standards. The Nominating and Corporate Governance Committee's charter, as well as the charters of the Audit Committee, the Leadership Development and Compensation Committee and the Infrastructure Committee, are available on the Company's website at www.homedepot.com under "Investor Relations" and in print upon request.

The Nominating and Corporate Governance Committee considers candidates for nomination to the Board from a number of sources. Current members of the Board are considered for re-election unless they have notified the Company that they do not wish to stand for re-election and provided they have not reached age 72 by the calendar year-end immediately preceding the Company's next annual meeting of shareholders.

The Nominating and Corporate Governance Committee also considers candidates recommended by current members of the Board, members of management or shareholders. From time to time, the Nominating and Corporate Governance Committee may, in its sole discretion, engage independent search firms to assist in identifying potential Board candidates. Services provided by the search firms include identifying and assessing potential director candidates meeting criteria established by the Nominating and Corporate Governance Committee, verifying information about the prospective candidate's credentials, and obtaining a preliminary indication of interest and willingness to serve as a Board member. The Nominating and Corporate Governance Committee will also use reasonable efforts to engage LENS Governance Advisors, or an alternative governance consultant, to assist in evaluating all director candidates. Each director nominee was elected by shareholders at the 2008 Annual Meeting of Shareholders.

The Nominating and Corporate Governance Committee evaluates all candidates for director, regardless of the person or firm recommending such candidate, on the basis of the length and quality of their business experience, the applicability of such candidate's experience to the Company and its business, the skills and perspectives such candidate would bring to the Board and the personality or fit of such candidate with existing members of the Board and management. All Board members must possess the following minimum qualifications as determined by the Nominating and Corporate Governance Committee:

- A director must demonstrate integrity, accountability, informed judgment, financial literacy, creativity and vision;

- A director must be prepared to represent the best interests of all Company shareholders, and not just one particular constituency;

- A director must have a record of professional accomplishment in his or her chosen field; and

- A director must be prepared and able to participate fully in Board activities, including membership on at least two committees.

The Nominating and Corporate Governance Committee believes it is important to have directors from various backgrounds and professions in order to ensure that the Board has a wealth of experiences to inform its decisions. Consistent with this philosophy, in addition to the minimum standards set forth above, business and managerial experience and an understanding of financial statements and financial matters are important.

DIRECTOR CANDIDATES RECOMMENDED BY SHAREHOLDERS

The Nominating and Corporate Governance Committee will consider all candidates recommended by a shareholder (or group of shareholders) who owns at least 1% of the Company's outstanding shares of common stock and who has held such shares for at least one year as of the date of the recommendation. A shareholder (or shareholders) meeting these requirements is known as an Eligible Shareholder. The Nominating and Corporate Governance Committee may also, in its discretion, consider candidates recommended by a shareholder owning less than 1% of the Company's outstanding shares of common stock. A shareholder wishing to recommend a candidate must submit the following documents to the Corporate Secretary, The Home Depot, Inc., 2455 Paces Ferry Road, Atlanta, Georgia 30339 not less than 120 calendar days prior to the date the Company's proxy

Table of Contents

BOARD OF DIRECTORS INFORMATION

statement was released to shareholders in connection with the previous year's annual meeting of shareholders:

A recommendation that identifies the candidate and provides contact information for such candidate;

The written consent of the candidate to serve as a director of the Company, if elected; and

Documentation establishing that the shareholder making the recommendation is an Eligible Shareholder.

Upon timely receipt of the required documents, the Corporate Secretary will determine if the shareholder submitting the recommendation is an Eligible Shareholder based on such documents. If the shareholder is not an Eligible Shareholder, the Nominating and Corporate Governance Committee may, but is not obligated to, evaluate the candidate and consider such candidate for nomination to the Board.

If the candidate is to be evaluated by the Nominating and Corporate Governance Committee, the Corporate Secretary will request a detailed resume, an autobiographical statement explaining the candidate's interest in serving as a director of the Company, a completed statement regarding conflicts of interest, and a waiver of liability for background check from the candidate. Such documents must be received from the candidate before the first day of February preceding the annual meeting of shareholders.

AGREEMENTS TO NOMINATE A PERSON TO THE BOARD

In February 2007, Mr. Batchelder was appointed to the Board pursuant to an agreement between Relational Investors, L.L.C. (Relational) and the Company. The Company agreed to nominate Mr. Batchelder (or a substitute recommended by Relational in the event Mr. Batchelder is not available to serve) for election to the Board through the Meeting, provided Relational continues as a significant shareholder of the Company. In addition, the Company agreed to appoint Mr. Batchelder to the Audit Committee and Leadership Development and Compensation Committee. Relational agreed to support each slate of directors nominated by the Board, not to support or participate in any withhold the vote or similar campaign, not to nominate any candidates for election to the Board, and not to submit proxy resolutions or conduct any proxy solicitations. Relational also agreed to withdraw a resolution it had submitted in December 2006 seeking establishment of an independent committee to evaluate strategy and to elect nominees of Relational to the Board.

COMMUNICATING WITH THE BOARD

Shareholders and others who are interested in communicating directly with members of the Board, including concerns relating to accounting, internal accounting controls, audit matters, fraud or unethical behavior, may do so by e-mail, at HD_Directors@homedepot.com, or by writing to the directors at the following address:

Name of Director or Directors

c/o Secretary to the Board of Directors

The Home Depot, Inc.

2455 Paces Ferry Road

Atlanta, Georgia 30339

The Corporate Secretary reviews and provides the Board and the Nominating and Corporate Governance Committee with a summary of all such communications and a copy of any correspondence that, in the opinion of the Corporate Secretary, deals with the functions of the Board or the standing committees of the Board or that otherwise requires the attention of the Board and the Nominating and Corporate Governance Committee. Correspondence relating to accounting, internal controls or auditing matters is brought to the attention of the Company's internal audit department and, if appropriate, to the Audit Committee. All communications are treated confidentially.

Table of Contents**BOARD OF DIRECTORS INFORMATION****MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS**

The Board met six times during Fiscal 2008. The number of times that each standing committee of the Board met in Fiscal 2008 is shown below. Unless otherwise noted below, each incumbent director attended at least 75% of the meetings of the Board and of the standing committees of which he or she was a member during Fiscal 2008. Company policy provides that all directors are expected to attend annual shareholder meetings, absent extraordinary circumstances. All of our current directors attended the 2008 Annual Meeting of Shareholders.

During Fiscal 2008, the Board had standing Audit, Nominating and Corporate Governance, Leadership Development and Compensation, and Infrastructure Committees. The members of each Committee as of the end of Fiscal 2008, their principal functions and the number of meetings held in Fiscal 2008 are shown below, and each member of each Committee was independent:

Name of Committee and Members	Committee Functions	Number of Meetings
AUDIT:		9
David H. Batchelder, Chair	Oversees internal systems of accounting and management control	
F. Duane Ackerman	Oversees auditing procedures	
Ari Bousbib	Selects the Company's independent registered public accounting firm	
Albert P. Carey	Receives and accepts the report of the independent registered public accounting firm	
Brian C. Cornell ⁽¹⁾	Oversees the Company's corporate governance practices and procedures	4
NOMINATING AND CORPORATE GOVERNANCE:⁽²⁾		
Bonnie G. Hill, Chair	Reviews and monitors activities of Board members	
Gregory D. Brenneman	Makes recommendations for nominees for director	
Armando Codina		
Karen L. Katen	Reviews and recommends policies, practices and procedures concerning human resource-related matters	11
LEADERSHIP DEVELOPMENT AND COMPENSATION:		
Gregory D. Brenneman, Chair	Oversees senior management succession planning policies and procedures	
David H. Batchelder		
Armando Codina	Reviews and recommends compensation of directors and executive officers	
Bonnie G. Hill		

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Karen L. Katen

Administers stock incentive and purchase plans

Makes grants of stock and option awards pursuant to stock incentive plans

INFRASTRUCTURE:

Reviews practices and procedures concerning supply chain, logistics and information technology and information security

4

Ari Bousbib, Chair

F. Duane Ackerman

Albert P. Carey

Brian C. Cornell ⁽¹⁾

⁽¹⁾ Mr. Cornell served as member of the Audit Committee and the Infrastructure Committee during Fiscal 2008 and until he resigned from the Board on March 9, 2009.

⁽²⁾ During Fiscal 2008, the Nominating and Corporate Governance Committee met four times, on February 28, May 21, August 21 and November 20. Mr. Codina's term on the Nominating and Corporate Governance Committee began on May 21, and he attended the August 21 and November 20 meetings, which was less than 75% of meetings held after he became a member of that committee.

Table of Contents

ELECTION OF DIRECTORS AND DIRECTOR BIOGRAPHIES

(ITEM 1 ON THE PROXY CARD)

Directors are elected by shareholders every year. The nominees named below are standing for election to hold office until the Meeting and until his or her successor is elected and qualified. The Board and the Nominating and Corporate Governance Committee have recommended all nominees for election. Each nominee is currently a member of the Board and has agreed to serve as a director, if elected. If for some unforeseen reason a nominee becomes unwilling or unable to serve, proxies will be voted for a substitute nominee selected by the Board.

F. DUANE ACKERMAN, 66, Director since 2007

Served as Chairman and Chief Executive Officer of BellSouth Corporation, a communications company, until December 2006; retired as Chairman Emeritus in March 2007

Member of the boards of The Allstate Corporation and United Parcel Service, Inc.

DAVID H. BATCHELDER, 59, Director since 2007

Principal of Relational Investors LLC, an investment advisory firm, since 1996

FRANCIS S. BLAKE, 59, Director since 2006

Chairman of The Home Depot, Inc. since January 2007 and Vice Chairman from October 2006 to January 2007

Chief Executive Officer of The Home Depot, Inc. since January 2007

Executive Vice President Business Development and Corporate Operations of The Home Depot, Inc. from March 2002 to January 2007

Member of the board of The Southern Company

ARI BOUSBIB, 47, Director since 2007

President of Commercial Companies and Executive Vice President of United Technologies Corporation, a diversified company, since May 2008

President of Otis Elevator Company, a vertical transportation systems manufacturer and a subsidiary of United Technologies Corporation, from 2002 to May 2008

GREGORY D. BRENNEMAN, 47, Director since 2000

Chairman of CCMP Capital, a private equity firm, since September 2008

President and Chief Executive Officer of Quiznos, a national quick-service restaurant, from January 2007 to September 2008, and Executive Chairman of the board of Quiznos, since September 2008

Chairman and Chief Executive Officer of TurnWorks, Inc., a private equity firm, since November 1994

Chairman of Burger King Corporation, a fast food restaurant franchise company, from February 2005 to April 2006 and Chief Executive Officer and member of the board of Burger King from August 2004 to April 2006

President and Chief Executive Officer of PwC Consulting, the global business and consulting unit of PricewaterhouseCoopers, from June 2002 to October 2002

President of Continental Airlines, Inc., a major U.S. air transportation company, from 1996 to 2001 and member of the board and Chief Operating Officer of Continental Airlines from 1995 to 2001

Member of the boards of Quiznos and Automatic Data Processing, Inc.

ALBERT P. CAREY, 57, Director since 2008

President and Chief Executive Officer of Frito-Lay North America, a snack food company, since July 2006

President of PepsiCo Sales, the sales division of Pepsico, Inc., a consumer products company, from March 2003 to July 2006

Chief Operating Officer of PepsiCo Beverages & Foods North America from July 2001 to March 2003

ARMANDO CODINA, 62, Director since 2007

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Chairman of Flagler Development Group, a real estate development company, since 2006

Chief Executive Officer and President of Flagler Development Group, from 2006 to September 2008

Chairman and Chief Executive Officer of Codina Group, a real estate development company, from 1979 to 2006

Member of the boards of AMR Corporation and General Motors Corporation

8

Table of Contents

ELECTION OF DIRECTORS AND DIRECTOR BIOGRAPHIES

(ITEM 1 ON THE PROXY CARD)

BONNIE G. HILL, 67, Director since 1999

President of B. Hill Enterprises, LLC, a consulting firm specializing in corporate governance and board organizational and public policy issues, since 2001

Co-founder of Icon Blue, Inc., a brand marketing company, and Chief Operating Officer since 1998

President and Chief Executive Officer of The Times Mirror Foundation, a charitable foundation affiliated with Tribune Company, from 1997 to 2001

Senior Vice President, Communications and Public Affairs of the Los Angeles Times, a daily newspaper and subsidiary of Tribune Company, from 1998 to 2001

Member of the boards of AK Steel Holding Corporation, California Water Service Group and YUM! Brands, Inc.

KAREN L. KATEN, 60, Director since 2007

Chairman of the Pfizer Foundation, a charitable foundation affiliated with Pfizer Inc., a global pharmaceutical company, since 2006

Vice Chairman of Pfizer Inc. and President of Pfizer Human Health from 2005 to 2007

President of Pfizer Global Pharmaceuticals and Executive Vice President of Pfizer Inc. from 2001 to 2005

Senior Advisor of Essex Woodlands Health Ventures, a healthcare venture capital firm, since October 2007

Member of the boards of General Motors Corporation, Harris Corporation and Air Liquide

WE RECOMMEND THAT YOU VOTE

FOR THE ELECTION OF EACH

NOMINEE TO

THE BOARD OF DIRECTORS.

Table of Contents

PROPOSAL TO RATIFY THE APPOINTMENT OF KPMG LLP

(ITEM 2 ON THE PROXY CARD)

The Audit Committee has appointed KPMG LLP to serve as the Company's Fiscal 2009 independent registered public accounting firm. Although the Company's governing documents do not require the submission of this matter to shareholders, the Board considers it desirable that the appointment of KPMG LLP be ratified by shareholders. If the appointment of KPMG LLP is not ratified, the Audit Committee will reconsider the appointment.

Audit services provided by KPMG LLP for Fiscal 2008 included the examination of the consolidated financial statements of the Company, audit of the Company's internal control over financial reporting, and services related to periodic filings made with the Securities and Exchange Commission (SEC). Additionally, KPMG LLP provided certain services relating to the consolidated quarterly reports and annual and other periodic reports at international locations and tax and other services as described on page 55 of this Proxy Statement.

One or more representatives of KPMG LLP will be present at the Meeting. The representatives will have an opportunity to make a statement if they desire and will be available to respond to questions from shareholders.

**WE RECOMMEND THAT YOU
VOTE FOR THE RATIFICATION OF
KPMG LLP AS THE COMPANY'S
FISCAL 2009 INDEPENDENT
REGISTERED PUBLIC
ACCOUNTING FIRM.**

Table of Contents

COMPANY S PROPOSAL TO AMEND THE SIXTH ARTICLE OF THE COMPANY S CERTIFICATE OF INCORPORATION

(ITEM 3 ON THE PROXY CARD)

The Company s shareholders are asked to approve a proposal to amend the Company s Certificate of Incorporation to allow holders of shares representing at least 25% of the outstanding shares of the Company s common stock to call a special meeting of shareholders. The proposed amendment would delete section 5 of the sixth article of the Certificate of Incorporation, which provides that a special meeting of the shareholders of the Company may be called only by the Chairman of the Board, the President or the Board.

On August 21, 2008, the Board approved an amendment to Section 2 of the Company s By-Laws to provide shareholders with the ability to call a special meeting. Specifically, subject to certain notice and information requirements, a special meeting of shareholders may be called upon receipt of written requests from holders of shares representing at least 25% of the outstanding shares of the Company s common stock. The amendment to Section 2 of the Company s By-Laws will be effective upon the approval of this proposed amendment to the sixth article of the Company s Certificate of Incorporation.

The Board has unanimously authorized the proposed amendment of the Company s Certificate of Incorporation and voted to recommend it to the Company s shareholders. The proposed amendment would become effective upon filing of an appropriate certificate with the Secretary of State of the State of Delaware. It is anticipated that such filing would be made shortly after the Meeting.

**WE RECOMMEND THAT YOU VOTE FOR
APPROVAL OF THE AMENDMENT OF
THE COMPANY S CERTIFICATE OF INCORPORATION.**

Table of Contents

SHAREHOLDER PROPOSAL REGARDING CUMULATIVE VOTING

(ITEM 4 ON THE PROXY CARD)

Mrs. Evelyn Y. Davis, located at Watergate Office Building, Suite 215, 2600 Virginia Avenue, N.W., Washington, D.C. 20037, is the beneficial owner of 300 shares of the Company's common stock and has submitted the following resolution:

RESOLVED: That the stockholders of Home Depot, assembled in Annual Meeting in person and by proxy, hereby request the Board of Directors to take the necessary steps to provide for cumulative voting in the election of directors, which means each stockholder shall be entitled to as many votes as shall equal the number of shares he or she owns multiplied by the number of directors to be elected, and he or she may cast all of such votes for a single candidate, or any two or more of them as he or she may see fit.