



THE HOME DEPOT CASE SUMMARY

Building Sustainability

Home Depot, the world's largest home improvement retailer, is committed to sustainability. In 1998, the company created an Environmental Council, comprised of senior executives whose directive is to strategize and drive the company's goal of achieving sustainable business practices.

Creating a Sustainability Vision and Action Plan

As one of the council's first experiences, The Natural Step held an intensive training for Home Depot's senior management team which explained the science and principles behind sustainability, making a clear argument for why sustainability is the way to go if cost savings and a healthy brand are major priorities.

In a follow-up session, we helped executives create a vision for the company and a strategic plan for achieving it. This involved tracing the environmental and social impacts of the company's operations and the 40,000 different products it sells. The outcome - a broader and more realistic picture of the influence it is having in the world.

This process, which The Natural Step calls "systems mapping," gave the senior team a richer understanding of the life cycle of their products, from supplier to customer, and their role and accountability for the impact their products have on the planet. Armed with this awareness and The Natural Step's scientifically based set of decision making criteria, Home Depot's senior team created an ambitious 10-year sustainability plan designed to simultaneously reduce the environmental and social harms posed by the company's business practices, while strengthening their reputation and saving money.

Top to Bottom Commitment to a Balanced World

A key to the plan's success is ongoing education about the value and practice of sustainability from senior management on down. Home Depot's merchandising group has conducted road shows with every division, and the company frequently conducts awareness trainings for its store associates.

As a result of guidance from The Natural Step, the company is currently examining its store construction and land use policies and exploring more sustainable ways to transport products and manage waste. Additionally, Home Depot has established a procurement policy for its merchants based on set guidelines for certified wood, a standard that has since been widely adopted by the industry. It is also conducting product line reviews and actively selecting vendors that are also working toward sustainability.

Building out the Vision

Among its other environmentally-minded initiatives, Home Depot has recently announced a new wood purchasing policy, which states they will give preference to wood originating from certified, well-managed forests wherever feasible and will eliminate purchases from endangered regions. With 78 percent of the world's original frontier forests destroyed or degraded and 95 percent of old-growth forests in the U.S. lost, Home Depot is now on the vanguard of corporations working to seed a new approach to resource use that minimizes the impact on the world's forests.