

Home Depot Inc

Country: Unites States
 Meeting Type: AGM
 Meeting Date: 27 May 2004
 ISIN Code: US4370761029

Item	Description	Issue	TMF Vote	Mgmt Vote
1.1	Elect Director Gregory D. Brenneman	B. Directors and Remuneration	FOR	FOR
1.2	Elect Director Richard H. Brown	B. Directors and Remuneration	FOR	FOR
1.3	Elect Director John L. Clendenin	B. Directors and Remuneration	FOR	FOR
1.4	Elect Director Berry R. Cox	B. Directors and Remuneration	WITH-HOLD	FOR
	<i>Not independent as he served on the board for more than 26 years. If nominations go through as proposed, only 50% of the board will be independent non-executive directors (5 members) with 4 non-independent members and one executive. This is close to the recommended minimum threshold.</i>			
1.5	Elect Director Claudio X. Gonzalez	B. Directors and Remuneration	WITH-HOLD	FOR
	<i>Not independent as there are questions raised regarding the nomination process of the candidate. The candidate was nominated by the nomination committee, which is chaired by Mr. Langone who are board colleagues at GEC. If nominations go through as proposed, only 50% of the board will be independent non-executive directors (5 members) with 4 non-independent members and one executive. This is close to the recommended minimum threshold.</i>			
1.6	Elect Director Milledge A. Hart, III	B. Directors and Remuneration	WITH-HOLD	FOR
	<i>Not independent as he served on the board for more than 26 years and has business transactions with Home Depot. If nominations go through as proposed, only 50% of the board will be independent non-executive directors (5 members) with 4 non-independent members and one executive. This is close to the recommended minimum threshold.</i>			
1.7	Elect Director Bonnie G. Hill	B. Directors and Remuneration	FOR	FOR
1.8	Elect Director Kenneth G. Langone	B. Directors and Remuneration	WITH-HOLD	FOR
	<i>Not independent as he served on the board for more than 26 years. If nominations go through as proposed, only 50% of the board will be independent non-executive directors (5 members) with 4 non-independent members and one executive. This is close to the recommended minimum threshold.</i>			
1.9	Elect Director Robert L. Nardelli	B. Directors and Remuneration	FOR	FOR
1.10	Elect Director Roger S. Penske	B. Directors and	WITH-	FOR

		Remuneration	HOLD	
	<i>Not independent as there are questions raised regarding the nomination process of the candidate. The candidate was nominated by the nomination committee, which is chaired by Mr. Langone who are board colleagues at GEC. If nominations go through as proposed, only 50% of the board will be independent non-executive directors (5 members) with 4 non-independent members and one executive. This is close to the recommended minimum threshold.</i>			
2	Ratify Auditors	C. Auditors	FOR	FOR
3	Establish Term Limits for Directors	B. Directors and Remuneration	ABSTAIN	AGAINST
	<i>This is a shareholder proposal to limit the terms of non-executive directors to six years. Although in favour of limiting board terms, the 6-year term may be excessively short. Benefit of proposal is unclear.</i>			
4	Submit Shareholder Rights Plan (Poison Pill) to Shareholder Vote	E. Other	ABSTAIN	AGAINST
	<i>At the time of casting the votes, insufficient information was available to make an informed judgement on the proposal.</i>			
5	Performance- Based/Indexing Options	B. Directors and Remuneration	FOR	AGAINST
	<i>This is a shareholder proposal. Proponents are seeking shareholder support for a recommendation that the compensation committee introduces performance goals for the vesting of restricted and deferred stock awards. The company makes significant use of long-term incentive awards, which have no performance conditions attached to them. Over the last three years grants worth \$28,092,600 in restricted stock alone have been paid to Mr Nardelli, which will simply vest in full over time. The proposal will better align pay with actual performance and is in line with internal guidelines of on remuneration policies.</i>			
6	Adopt ILO Based Code of Conduct	II. Corporate Social Responsibility	FOR	AGAINST
	<i>This is a shareholder proposal. The resolution seeks to achieve the adoption by the company of recognised international standards for workplace rights. Although the company applies its own employee policies, processes and independent compliance structures to ethical labour concerns, Home Depot applies corporate standards or local regulations rather than those of the International Labour Standards. Notwithstanding current practice at Home Depot (which may well satisfactorily address the fundamental issues raised), the TMF supports adherence to recognized international standards as well as to independent monitoring of implementation. These strengthen transparency and accountability towards shareholders and other stakeholders of the company and thereby protect brand value.</i>			
7	Submit Severance Agreement (Change-in-Control) to Shareholder Vote	B. Directors and Remuneration	FOR	AGAINST
	<i>This is a shareholder proposal. The proposal urges the Board of Directors to seek shareholder approval of future severance agreements with senior executives that provide benefits in an amount exceeding 2.99 times the sum of the executives' base salary plus bonus. In its response, the company in essence states that these demands would make the recruitment of high calibre executives more difficult and is therefore not in the interest of shareholders.</i>			

	<i>The proposal promotes the alignment of actual pay with performance and avoids “rewards for failure” and is therefore in line with internal guidelines of the TMF on remuneration policies.</i>			
8	Require Affirmative Vote of the Majority of the Shares to Elect Directors	D. Share Capital and Shareholder Relations	FOR	AGAINST
	<p><i>Under this shareholder proposal, the board of directors of Home Depot is requested to initiate the appropriate process to amend the Company's governance documents to provide that nominees standing for election to the board of directors must receive the vote of a majority of the shares entitled to vote. Under the present system, a director can be re-elected even if a substantial majority of the votes cast is withheld from that director. For example, if there are 100 million votes represented at a meeting and eligible to be cast and 90 million of these votes are withheld from a given candidate, he or she would still be elected with a plurality of the vote despite the fact that 90% of the votes cast withheld support for that nominee's election to the board. In its response, the company states that this proposal would make the nomination process more complicated and would lead to vacant positions in case a candidate would not receive sufficient support.</i></p> <p><i>The proposal strengthens accountability of the board towards shareholders and other stakeholders and is therefore in line with the voting guidelines of the TMF.</i></p>			