

SOURCING RESPONSIBLY

SUPPLY CHAIN

By making our supply chain more efficient, we reduce business costs and the impact that our product distribution has on the environment.

Our One Supply Chain strategy drives efficiency and sustainability. It's supported by Project Sync, our multiyear, omnichannel initiative that identifies better ways to move our products. Our progress is driven by entrepreneurial ideas and innovation.

For example, we're employing predictive analytics to better forecast the future using data from sales, consumer trends, weather patterns, supply chain disruptors (like COVID-19) and more. We're shifting management of some product distribution from our suppliers to our own supply chain associates, gaining greater end-to-end visibility, control over transportation modes and efficiencies that reduce miles and emissions.



DID YOU KNOW

We participate in the U.S. Environmental Protection Agency's **SmartWay**® program to collect and report greenhouse gas emissions data from corporate supply chains. The Home Depot is a six-time recipient of the SmartWay Excellence Award.



Plug-In Rigs

Electric 18-wheelers are rolling into our supply chain on the West Coast, where one of our core transportation providers is piloting Freightliner eCascadias. The e-trucks have a 250-mile range and can be recharged to 80% capacity in 90 minutes.

Discover some of the ways we improved our supply chain in 2019:



More than 300 hydrogen fuel cells provided emissions-free fuel for forklifts at our facilities in Troy Township, Ohio, and Savannah, Georgia, **reducing energy use by nearly 4 million kilowatt hours** every year.



Predictive analytics enabled us to **shave 13% off the time it takes to move goods** from distribution centers to stores, decreasing emissions from trucks.



Optimizing Every Load

Products on pallets are easier to load and unload but don't use all available trailer space. By partnering with suppliers to forgo pallets, we can stack products to the top of the trailer, resulting in **as much as a 40% reduction in truck space** needed to transport some goods.

At our inbound freight consolidation facilities, we're using technology tools to optimize product storage and flow, reducing inventory, increasing our speed to market and **ensuring more trucks depart fully loaded**.

Maximizing Every Mile

Our technical fleet optimization team does a week-ahead, technology-assisted assessment of scheduled pickups and deliveries, then prescribes each driver's path to **reduce miles traveled, fuel consumed and trucks on the road**.

To ensure our fuller trucks are burning fuel efficiently, we use an artificial intelligence tool to set the engine utilization grind for **optimal truck performance based on load weight**.

We developed a way to use our order tracking technology to identify "orphan" products. Those goods **hitch a ride on a truck** already going to the right destination.

CHECK IT OUT: See how our new flatbed distribution center (FDC), for handling large items like bulk lumber and sheetrock, is driving supply chain efficiencies and making it easier for our Pro customers to get the supplies they need with fewer deliveries.



Applying advanced analytics to inventory calculations **decreased product storage time by 1.2 days**, even as customer demand grew. That reduced our facilities' energy consumption and emissions.



By optimizing how we loaded products into trailers, we maximized loads — **avoiding emissions from about 10,500 trucks traveling 15 million miles**.



We sold available space on our trucks and bought space from other companies, ensuring fewer underloaded trailers hit the road. That space sharing **saved about 1.8 million driven miles**.