

Demonstrating ROI and Communicating Value

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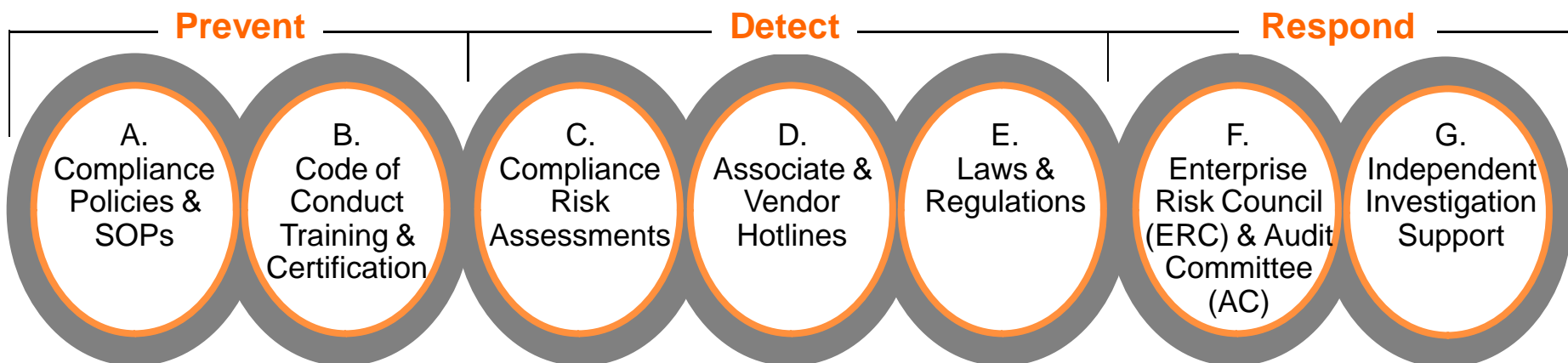


COMPLIANCE WEEK 2010

Demonstrating ROI and Communicating Value

Corporate Compliance at THD: Background & Reporting

The compliance function reports directly to the CFO with a dotted line to the Audit Committee. Our objective is to prevent, detect and respond to business practices that may impair The Home Depot's reputation or financial condition. We accomplish this through the key compliance imperatives below:



Compliance activity is reported to the following functions:

	Board	C-Suite	Business
B. Code of Conduct - # of associates trained/certified; review of disclosures and/or waivers (i.e., conflicts of interest, gift and entertainment)	X	X	
C. Compliance Risk Assessments (integrated with Internal Audit)	X	X	X
D. Associate & Vendor Hotline monitoring, reporting and trending	X	X	
F. Enterprise Risk Management	X	X	X
G. Compliance & Ethics Investigations	X	X	

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Why communicating value is important at THD:

1. We sell hammers...
2. Heal old wounds & dispel myths
3. Bad doesn't seem good until worse happens

Why is calculating ROI an issue at THD:

1. Everyone asks for it
2. Essential in demonstrating our “value proposition”
3. The cost of failure can be material
4. Mix between quantitative and qualitative

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Monthly compliance “basics” tracked at THD:

1. Store and business partner voice of customer
2. Number of associates trained & certified
3. Number and nature of compliance disclosures made
4. Number of field compliance inquires & response times
5. Internal communications & new hire orientations
6. Internal investigations: volume & time to close
7. Records management: inflow, destruction, offsite storage
8. Departmental budget