
Home Depot Destroying Ecuador's Rainforest for Plywood

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Friends of the Chocó, LLC

homedepot-deforestation.org • 05.16.2022

Home Depot's Sandeplay Background

Wood Used for Plywood Veneer
is Sourced Unsustainably from
Ecuador



What is Home Depot's Sandeply?

- Home Depot's Sandeply veneer plywood is **sold exclusively at Home Depot**, carried by its 2,200-plus stores.
- The top veneer of Home Depot's Sandeply is **made from old-growth tropical hardwood** called sande, or *Brosimum utile*.
- The top veneer is desirable for its consistent color and wide grain.

Home Depot's Sandeply is Sourced Unsustainably

- Sandeply pallets have a label claiming the wood is from sustainably managed forests and plantations—it's not.
- Home Depot sources its Sandeply from Ecuadorian manufacturer Endesa-Botrosa, which **extracts sande trees from high conservation value, primary rainforests** in the Chocó region of Ecuador.
- Endesa-Botrosa removes old-growth sande trees in large numbers from these forests, **not following a sustainable management plan.**





SANDEPLY


 HANDLE
WITH CARE


 AVOID
MOISTURE


 USE FORKLIFT


 THIS SIDE UP

PREMIUM QUALITY FOREST PRODUCTS MADE IN ECUADOR

BMH
Benchmark International

ENCHAPES DECORATIVOS S.A. - ENDESA

LOT NUMBER BA-CC

BMH EPA Certificate No:
TPC2/EPA/ 0721167

BMH CARB Certificate No:
TPC2/CARB/ 0721167

The manufacturer certifies this product conforms to the formaldehyde emission standards specified in U.S. EPA TSCA Title VI (40 C.F.R. Part 770.10) and CARB ATCM 93120-2(a) Phase 2.



"THIS PRODUCT CONTAINS FORMALDEHYDE, PHYSICAL AND HEALTH HAZARD INFORMATION IS READILY AVAILABLE FROM YOUR EMPLOYER AND FROM MATERIAL SAFETY DATA SHEETS (MSDS)." FOR FURTHER INFORMATION ON FORMALDEHYDE, WRITE FOR A BROCHURE TO:

INTERNATIONAL WOOD PRODUCTS ASSOCIATION
ALEXANDRIA, VIRGINIA 22302



INTERNATIONAL WOOD PRODUCTS ASSOCIATION



ISO 9001:2015
BUREAU VERITAS
Certification



This product has been manufactured under the controls established by the Quality Management System approved by Bureau Veritas, according to the ISO 9001:2015 (design excluded).

THE SHIPPING MATERIAL MUST BE REACHED BEFORE THE PRODUCT IS DELIVERED TO THE END USER.

- ONE PIECE FACE AND BACK
- CONSISTENT THICKNESS
- UNIFORM COLOR AND GRAIN
- EXCELLENT CORE CONSTRUCTION
- TRIPLE SANDED FOR PERFECT FINISHING
- SURFACE IDEAL FOR STAINING, PAINTING OR LAMINATING
- STABLE AND FLAT PANEL FOR EASE OF WORKING
- HIGHEST QUALITY TYPE II B/C GRADE (IWPA - STANDARDS)
- PLYWOOD COMES FROM SUSTAINABLY MANAGED FORESTS & PLANTATIONS

Home Depot's SandePLY is sold with false sustainability claims.

Documented Findings



Four Years of Inaction

- Austin real estate investor Brian Rodgers witnessed the deforestation in Ecuador on a birding expedition with **leading conservation biologist Stuart Pimm of Duke University** in 2018.
- Saw Endesa-Botrosa **trucks** hauling old-growth **sande trees** out of otherwise pristine rainforest areas—including **designated Indigenous areas**—bound for the company's plywood processing plant.



Rodgers Brings Concerns to Home Depot

- Four years ago, Rodgers reached out to Home Depot Chief Sustainability Officer Ron Jarvis, who requested specifics, including exact locations, dates, and maps pinpointing where he saw the trucks.
- Rodgers provided all this data and more but **never heard back**.



Documented Findings

- Since Home Depot took no action, Rodgers **worked to report and document** the relevant facts himself.
- He has visited the Chocó region several times since 2018 and verified that **Home Depot continues to source Sandeplly from Endesa-Botrosa**, which is still extracting sande unsustainably from the Chocó forest.



Documentary Film

- Most recently, Rodgers visited the Chocó in April 2022, accompanied by documentary filmmaker Steve Mims.
- For three days, Rodgers and Mims **shot footage of Endesa-Botrosa trucks carrying giant old-growth sande logs from deep within the forest to the company's plywood mill.** They used drones to document lumber yard activity.
- The old-growth logs are clearly distinguishable from plantation grown trees due to their large diameters and color variations.
- Rodgers and Mims also **recorded stakeholder interviews, including in Quito with academics, forestry and sustainability experts, tourism industry representatives, and activists, and in the Chocó with eyewitnesses and local sources.**

Home Depot is Driving Endangered Rainforest Destruction



Key Observations

- Endesa-Botrosa extracts timber from several locations in the area, but **not from the company's own 22,331-hectare (55,827-acre) FSC-certified forest.**
- A local source familiar with Endesa Botrosa's practices informed Rodgers and Mims that **Endesa-Botrosa has not taken any wood from its own property in ten years.**
- Instead, it is bulldozing roads into intact forests east of its holdings, **deep into the Indigenous Chachi Reserve** and southwest of the Canandé river, and removing the old-growth sande.
- **These forests are not sustainably managed and should not be logged.**

Home Depot is Complicit

- Home Depot is not only complicit in deforesting the Chocó, **but is actually driving the deforestation** by using Sandepliy to meet the market demand.
- It's estimated Endesa-Botrosa has **cut between 107,000 and 140,000 trees in the Chocó over the past four years** based on FSC documents and logging truck counts.
- Mims shot on-location footage clearly showing large stockpiles of old-growth sande logs at Endesa-Botroso's plywood manufacturing plant.



One of Most Endangered Rainforests

- The Chocó is **one of the most biodiverse places** on earth.
- The area where Rodgers and Mims filmed has an astonishing 373 tree species on just 2.4 acres.
- **The Chocó** has the highest number of unique bird species of any region in the world.
- Mammals found here **include** the endemic brown-headed spider monkey. With only 500 of these monkeys remaining in the world, the brown-headed spider is **one of the 25 most threatened primates**.
- To survive, brown-headed spider monkeys rely on the sande tree, which Home Depot is sourcing sande for plywood.

**Only 3% of original
forest in Western
Ecuador remains.**

Exposure to Risk



Sandeplay Sourcing Conflicts With Home Depot Policy and Values

- Rodgers observed the deforestation one year *after* Home Depot announced its new policy in 2017 adopting stricter protections for endangered forests.
- Sourcing Sandeplay conflicts with Home Depot Values of RESPECT FOR ALL PEOPLE and DOING THE RIGHT THING.



DOING THE RIGHT THING?

Contributing to GHG Emissions

- Protecting old-growth tropical forests like the Chocó is one of the most efficient ways to sequester carbon.
- Old-growth forests store carbon gasses and once trees are felled, stored gasses are released into the atmosphere, significantly contributing to climate change.
- Emissions from deforestation undermines Home Depot's successful efforts to reduce emissions in other areas.



Endesa-Botrosa's Reputation

- Based on documented observations over the last four years, **the company is not practicing sustainable forestry or selective logging in the Chocó.**
- Endesa-Botrosa is part of the Durini Group (DG), one of the oldest and largest vertically integrated timber group in Ecuador.
- DG has been publicly accused **of using illegal tactics to destroy Ecuador's forests and has allegedly used violence and intimidation** to silence those who would stand up to them.

Independent Rating Risk

- Home Depot [prides \(and markets\) itself on its A/A- rating](#) from the independent climate watchdog CDP for its efforts to reduce emissions.
- Home Depot has successfully reduced its Scope 1 and 2 carbon emissions by more than 127,000 metric tons in 2020.
- On the other hand, it **drives GHG emissions up with unsustainable sourcing practices.**
- Home Depot **does not report to CDP deforestation impacts** like the ones Sandeplly is causing.



IS HOME DEPOT REALLY COMMITTED TO RESPONSIBLE FOREST MANAGEMENT?

While Home Depot first adopted a Wood Purchasing Policy in 1999 and has continued to update it, claiming they "know that responsible forest management is essential to the health of our ecosystems, as well as ensuring timber and forests remain available for future generations," why does Home Depot refuse to report on detailed risks in their supply chain?

Why did Home Depot's Board of Directors cite the "additional administrative burden" in response to Green Century Balance Fund's Item 9 Shareholder Proposal requesting additional reporting on deforestation and degradation practices?

Competitive Disadvantage

- Unlike Lowe's, Home Depot has **not committed to ensuring that its purchased wood is free of deforestation and forest degradation.**
- Home Depot **lacks comprehensive commitments to achieving third-party certification** for purchased wood products.
- Home Depot **only requires certification for wood products from a small subset** of the regions at highest risk for deforestation. The Chocó, which is adjacent to the Amazon basin, is not part of that small subset, so **Home Depot's policy is currently permitting and enabling its deforestation in a region that is just as critical and at risk.**
- Lowe's has committed to sourcing only wood that "does not come from deforestation or other ecosystem conversion." To date, **Home Depot has not made such a commitment.** An "**additional administrative burden**" is the negative response given by Home Depot's Board of Directors to Green Century Balanced Fund's Item 9 Shareholder Proposal requesting additional reporting on deforestation and degradation practices.

Recommendations

Home Depot's leadership can avoid climate, regulatory and reputational risk by immediately taking the following actions:

1. End Home Depot's supplier relationship with Endesa-Botrosa **immediately or insist the wood is 100% sourced from sustainably managed plantations.**
2. **Stop using sande from old-growth**, primary forest.
3. **Find sustainable alternatives** to products sourced from endangered rainforest.
4. **Drop the Home Depot board's opposition to the Shareholder Proposal Item 9 filed by Green Century Balanced Fund** and encourage shareholders to vote for it. (Passing the motion would commit Home Depot to issuing a report on how it could increase the scale, pace, and rigor of its efforts to eliminate deforestation and the degradation of primary forests from its supply chains.)
5. **Adopt sustainable sourcing standards** equal or superior in rigor to Lowe's.

Ted Decker, Craig Menear and Ron Jarvis,

You're invited.

Let's take a trip to Ecuador.

See for yourselves.

It's time to do the right thing and act on Home Depot's values.

Brian Rodgers

Friends of the Chocó LLC

Who Am I & Why Am I Doing This?

I am an Austin-based real estate investor, a Home Depot shareholder and a long-time company customer. I am also an avid bird watcher. I first visited Ecuador in 2018 when I saw firsthand the logging and destruction of the magnificent rainforest.

At that time, I discovered that these old-growth logs were sourced by Home Depot to manufacture the company's Sandeply. I brought my concerns to Home Depot's Sustainability VP Ron Jarvis. Despite my attempt to get Mr. Jarvis to investigate the situation, Home Depot did nothing.

It's been four years. The forest has continued to be decimated. I felt like I had to take action. If not now, when? If not me who? So with like-minded friends, I established Friends of the Chocó LLC and we launched this campaign at our own expense. We have no agenda other than getting Home Depot to stop the deforestation of old-growth forest.

Home Depot's Sandepley is leading to the devastation of an endangered rainforest in Ecuador. Put an end to this devastation, and help secure a sustainable future for all.

To learn more visit:

www.homedepot-deforestation.org

www.homedepot-deforestation.org

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Paid for by Friends of the Chocó, LLC