

# INVESTOR FACT SHEET

As of February 3, 2023



## GENERAL

- Fortune® 50 company and the world's second-largest home improvement retailer
- Operates 1,738 home improvement stores in the United States
- Approximately 195 million square feet of retail selling space
- Approximately 17 million customer transactions served each week in the United States
- On February 3, 2023 completed the sale of the Canadian retail business
  - › Operated 232 stores and serviced 210 dealer-owned stores in Canada
  - › Accounted for approximately 5% of consolidated sales in fiscal 2022
- Employs approximately 182,000 full-time and 125,000 part-time associates
- Headquartered in Mooresville, N.C.
- Lowe's supports the communities it serves through programs focused on creating safe, affordable housing, helping to develop the next generation of skilled trade experts, and through disaster relief efforts

## HISTORY

- Opened its first store in 1921
- Incorporated in North Carolina in 1952 and publicly held since 1961
- Listed on the New York Stock Exchange—ticker symbol "LOW"
- Reached one million customer transactions in 1964
- Opened first 100,000 square foot store opened in 1990
- Opened first regional distribution center in 1994
- Launched first Lowe's website in 1995
- Reached one billion customer transactions in 2020
- Lowe's has paid a cash dividend every quarter since going public in 1961, and it has increased the dividend for more than 25 consecutive years



## CUSTOMERS

**We serve retail and professional (Pro) customers.**

- Retail customers include individual homeowners and renters who complete a wide array of projects and vary along the spectrum of do-it-yourself (DIY) and do-it-for-me (DIFM)
- Pro customers shop at Lowe's to support their business activities and represent approximately 25% of total sales. Pro customers consist of three broad categories:
  - › Tradespeople
  - › Repair and Remodelers
  - › Property Managers

## MARKET AND COMPETITION

- Lowe's monitors key home improvement market indicators including home price appreciation, age of the housing stock, real disposable personal income, and housing turnover. We also monitor demographic and societal trends that shape home improvement industry growth, notably strong millennial household formation, and the widespread adoption of remote work
- The home improvement industry is highly fragmented across national and regional home improvement warehouse chains, lumber yards, and many other specialty dealers and mass market retailers

## PRODUCTS

**We offer a complete line of products for maintenance, repair, remodeling, and decorating, including the following categories:**

Appliances	Flooring	Lumber	Seasonal & Outdoor Living
Building Materials	Hardware	Millwork	Tools
Décor	Kitchens & Bath	Paint	
Electrical	Lawn & Garden	Rough Plumbing	

A typical Lowe's store stocks approximately 40,000 items, with nearly two million additional items available through our online selling channels.

## BRANDS

A wide selection of national brand-name merchandise complemented by our selection of private brands, including the following:

allen + roth® home décor products	ORIGIN 21™ home décor products	STAINMASTER® flooring & paint
Harbor Breeze® ceiling fans	Project Source® high-value project completers	Style Selections® home décor products
Holiday Living® seasonal products	Reliabl® doors, windows, and hardware	Utilitech® electrical and utility product
Kobalt® tools	Severe Weather® pressure treated lumber	
Moxie® cleaning products	Sta-Green® lawn and garden products	

## SERVICES

**We provide services that address customer needs through various steps in the home improvement process. These services include:**

### Installed Sales:

We offer installation services provided through independent contractors, in many product categories, with Flooring, Kitchens & Bath, Millwork, Appliances, and Lumber accounting for the majority of installed sales.

- Our sales associates focus on project selling, while project managers ensure that the details related to installing the products are efficiently executed

### Lowe's Protection Plans and Repair Services:

Extended protection plans for certain products offered in Appliances, Kitchen & Bath, Décor, Millwork, Rough Plumbing, Electrical, Seasonal & Outdoor Living, Tools, and Hardware categories. These protection plans provide customers with product protection that enhances or extends the manufacturer's warranty and provide additional benefits and repair services that extend beyond the manufacturer's warranty.

## OMNICHANNEL RETAILING

**Allowing our customer to move from channel to channel with simple and seamless transitions even within the same transaction.**

### In-store:

- 1,738 home improvement stores
  - Generally open seven days per week and average approximately 112,000 square feet of retail selling space

### Online:

- Accounted for approximately 10% of total sales in fiscal 2022
- Through our websites and mobile applications, we empower customers by providing 24/7 shopping experience, online product information, customer ratings and reviews, buying guides, and how-to videos and other information
- In-store and curbside pickup, as well as home delivery and parcel shipment

### On-site:

- Pro sales managers meet with Pro customers at their place of business or at job sites and leverage stores within the area to ensure customer needs for products and resources are met
- Our In-Home Sales program is available in the majority of stores to discuss exterior projects whose characteristics lend themselves to an in-home consultative sales approach

### Contact centers:

- Direct phone sales and customer support
- Operates contact centers in a virtual workplace

## SUPPLY CHAIN

**We source our products from vendors worldwide and, whenever possible, we purchase directly from manufacturers to provide savings for our customers.**

To efficiently serve our stores and meet our customers' expectations for fast fulfillment and delivery, we own and operate more than 100 supply chain facilities in our network. These facilities include regional distribution centers, flatbed distribution centers, import distribution centers, bulk distribution centers, and cross-dock terminals. We also operate standalone fulfillment centers, which along with many of our stores, ship product directly to our customers.

In addition, we are establishing a Pro fulfillment network across the country which will leverage a combination of our existing supply

chain as well as new facilities, including our first Pro fulfillment center that opened in 2022. Our new delivery model, the market-based delivery model, is at the center of our supply chain transformation, enabling us to further consolidate our industry-leading position in appliances and positioning us for profitable growth in other big and bulky categories like grills, riding lawn mowers, stock cabinets and vanities. Each one of these distribution nodes plays a critical role in our Total Home strategy, and collectively, enable our products to get to their destination as efficiently as possible.

