



Better. Together.

Lowe's 2010 Social Responsibility Report



CEO Message

At Lowe's, we value our role as a home improvement leader and the responsibilities that come with it. While leadership is always important, it's even more critical in challenging times.

That's why in 2010, we stepped up our efforts to support the needs of our customers, our communities and our employees.

To create a healthier work force and help control rising health-care costs, Lowe's has introduced some innovative employee benefits. We partnered with the Cleveland Clinic, the nation's top cardiac care hospital, to offer heart surgery at no cost to eligible full-time employees and their dependents. We also launched a national health screening tour, sending mobile health-screening buses across the country to provide free screenings to more than 70,000 Lowe's employees.

We believe that when we work together, we can build something even better. With the support of Lowe's Charitable and Educational Foundation and our nonprofit partners, we completed more than 3,000 public education and community improvement projects in 2010.

As students and schools continued to grapple with financial concerns, we expanded our commitment to K-12 public education through Lowe's Toolbox for Education grant program, which contributed more than \$4 million to improve nearly 1,000 schools in all 50 states.

At the same time, Lowe's Heroes were hard at work improving our communities. Raising hammers and hope, they teamed with Habitat for Humanity® and Rebuilding Together® to deliver safe and affordable housing to local families in every state. And they were often among the first volunteers to respond to local disasters, ranging from tornadoes in Ohio to floods in Tennessee and Mexico.

As Lowe's continues our global expansion, we remain focused on helping customers make environmentally responsible choices. Our efforts to promote energy and water conservation helped Lowe's receive unprecedented honors from the Environmental Protection Agency and the Department of Energy. We also installed recycling centers in nearly 1,700 stores to make it easier for everyone to make a difference.

We continue to challenge ourselves to work together to build a better future. This report reflects those efforts. We look forward to doing more, and we promise to update you on our progress.



Robert A. Niblock
Chairman, President and Chief Executive Officer

A handwritten signature in black ink, appearing to read 'R. Niblock', written in a cursive, flowing style.

Robert A. Niblock
Chairman, President and Chief Executive Officer

Our Vision and Values

Lowe's Vision: We will provide customer-valued solutions with the best prices, products and services to make Lowe's the first choice for home improvement.

At Lowe's, we take great pride in a culture built on more than 60 years of exceptional customer service. While we have grown from a small-town hardware store to a FORTUNE® 50 company, the commitment to our customers has not changed since our founding in 1946. As Lowe's continues to enter new markets, we are working harder than ever to preserve and enhance our customer-focused culture.

It is a culture shaped by more than 234,000 men and women who work for Lowe's. They are the foundation that unites us and drives our success, providing the competitive advantage that sets Lowe's apart from other retailers. At the same time, our employees' commitment to our vision and values — customer-focused, ownership, respect, teamwork, passion for execution and integrity — is what connects them with generations of Lowe's employees.

We are dedicated to clearly communicating our vision and values to ensure employees consistently maintain high standards and exceed customers' expectations in more than 1,750 Lowe's stores in the United States, Canada and Mexico. Employees who embody Lowe's Vision and Values are regularly featured in internal communications, and our top regional and divisional customer-focused stores are honored each year.

We are able to do what's right for our customers and our communities by doing what's right for our employees. In our workplaces, we strive to treat employees with respect and support, while maintaining a safe work environment, comprehensive benefits and opportunities for career development and community engagement.



More than 234,000 employees put Lowe's Vision and Values into action every day with a focus on building the trust and respect of our customers through exceptional service.

Ethics and Governance

Lowe's values our reputation for maintaining high ethical standards in our workplaces and around the world where we do business. Integrity, one of our core values, is demonstrated every day through interaction with customers, fellow employees, vendors, shareholders and nonprofit organizations, like the American Red Cross and Habitat for Humanity®. Every employee, while acting on behalf of the company, must comply with all applicable governmental laws, rules and regulations, and should avoid engaging in any conduct that, even though legally permissible, is inconsistent with the ethical principles to which Lowe's subscribes.

Our expectations are contained in the Lowe's Code of Business Conduct and Ethics, which confirms our commitment to maintaining an environment in which all of our employees work together with respect. Every new employee is asked to read, review and understand the Code of Conduct, which is available to them on our intranet site and to the general public on Lowe's.com. Lowe's also offers a companywide ethics course online to give employees the information they need to use the Code of Conduct as a guide to conducting business. The course also educates employees about the specifics of Lowe's reporting procedures and compliance resources. Additionally, each year employees are asked to certify their compliance with the Code of Conduct by reviewing the code and responding to an online certification request. This certification allows employees to disclose any work-related situations in the event they feel unsure of their compliance with the Code of Conduct.



Employee expectations are outlined in Lowe's Code of Business Conduct and Ethics, and employees certify their compliance each year.

At Lowe's, we encourage honest communication and support our employees by providing multiple channels through which they can seek answers to work-related questions or report illegal and / or unethical conduct without fear of retribution. Lowe's Open Door program provides employees access to managers, starting with their direct supervisor. Employees who become aware of conduct that potentially violates the Code of Conduct can call Lowe's confidential 24-hour Open Door hotline.

Governance

Lowe's commitment to responsible corporate citizenship and the long-term growth of our business starts at the top. Our board of directors oversees the sound governance practices that have guided our success for decades. Through constructive engagement with management and shareholders, and informed by our core values, the board provides oversight and counsel that strengthens our culture of integrity, accountability and responsible business practices.

Lowe's board of directors consists of 12 members, 11 of whom are independent. Robert A. Niblock, chief executive officer of Lowe's since 2005, is chairman of the board of directors. The fundamental role of the board of directors is to exercise business judgment to act in what they reasonably believe to be the best interests of Lowe's

and its shareholders. Directors must disclose to each other any potential conflicts of interest they might have with respect to any matter under discussion and, if appropriate, refrain from voting on a matter in which they might have a conflict.

The board of directors has a standing Audit Committee, Compensation Committee, Executive Committee and Governance Committee. Nominations for board membership are determined by Lowe's 11-member Governance Committee, which is also responsible for developing Lowe's Corporate Governance Guidelines and for overseeing the evaluation of the board and management of the company. Lowe's Corporate Governance Guidelines, including our policy on board compensation and membership criteria and other matters that are fundamental to shareholders' interests, are available at Lowe.com.

Global Sourcing

We hold ourselves to high ethical standards everywhere we do business, and we expect the same from those who manufacture and supply our products. Lowe's sources products from all over the world through LG Sourcing (LGS), a wholly owned subsidiary of Lowe's. LGS works with more than 500 vendors in 21 countries, with the largest concentration in Asia, and provides clear guidelines for product quality, safety and social responsibility by manufacturers.

Our global sourcing policies prohibit the use of child or prison labor in the production of material we sell. All vendors and suppliers are expected to comply with all applicable laws and regulations in the conduct of their business with Lowe's, and their products must meet regulatory and industry standards. Lowe's Code of Business Conduct and Ethics prohibits conflicts of interest in our dealings with vendors and holds vendors to conduct expectations similar to those of Lowe's employees.

With nearly 800 factories producing products for Lowe's, LGS ensures compliance with these standards with the help of operations in the United States, China, Hong Kong, Taiwan, Mexico and India. LGS uses internal and third-party Quality Assurance teams to help validate that our vendor partners operate safe and ethical factory environments that produce reliable and high-quality products.

In 2010, LGS performed more than 800 factory certifications and nearly 600 random social compliance audits. In addition, more than 17,000 product tests were conducted at independent third-party testing facilities, with many of our products pulled from production lines for testing during random production audits. LGS also inspects orders at facilities before approving them for shipping. In 2010, LGS conducted more than 12,000 pre-shipment inspections.

Driven to provide high-quality products produced by socially responsible vendors, we will continue to review our sourcing policies to ensure we continue to have the best practices in place.



Lowe's sources products from 21 countries and performs factory certifications, random social compliance audits, product tests and pre-shipment inspections to help ensure that our vendor partners operate safe and ethical factory environments and produce high-quality products.

Government and Political Engagement

Lowe's has a long history of community involvement and engaging in issues of importance to our company, shareholders and industry. We believe it's our responsibility as a good corporate citizen to work with public officials on issues and policies impacting our business environment. To this end, we engage in governmental outreach and lobbying activities. Lowe's vice president of government affairs provides oversight and coordinates these efforts while ensuring compliance with the numerous rules and guidelines governing corporate involvement.

Trade organizations

Lowe's maintains memberships in national and state trade associations specific to business and retail industry interests, such as the Retail Industry Leaders Association (RILA) and various state retail organizations. These groups provide significant benefits to Lowe's and our shareholders by giving Lowe's access to their business, technical and industry expertise, by providing a forum for their members and by lobbying on our behalf on various public issues and policies.

Political action committee

Lowe's sponsors a political action committee (LOWPAC) to contribute to candidates and other political committees supportive of our business interests. LOWPAC is funded by voluntary employee contributions. Before making contributions, LOWPAC undergoes a process to ensure the contribution will serve as an effective means of advancing the company's public policy position. This determination is made by LOWPAC's board of directors, including Lowe's vice president of government affairs, senior management and general counsel.

Factors the LOWPAC board considers when making contributions:

- Does the company have significant economic interests (stores, distribution centers, etc.) in the candidate's district?
- What is the candidate's position or voting record on issues important to Lowe's?
- Does the elected official sit on a committee with oversight of issues of importance to Lowe's?
- Do other national retail trade associations or business groups also support the candidate?

Compliance

Lowe's is fully committed to complying with all applicable laws regarding political contributions and expenditures, including laws requiring public disclosure. All contributions are reviewed and approved in advance by Lowe's vice president of government affairs and Lowe's general counsel, when necessary. As required, these activities are reported quarterly on various public websites, including www.fec.gov, www.house.gov, www.senate.gov and www.secretary.state.nc.us/corporations.



Lowe's works with public officials in Washington, D.C., and around the country on issues and policies impacting our business environment.

Diversity and Inclusion

Lowe's dedication to diversity and inclusion grows from the steadfast values of our employees and extends to every corner of our company. We draw upon the strength of collaboration, bringing together many unique individuals in the workplace and the community to better meet the needs of our employees and our customers. Recruiting, developing and retaining a diverse work force ensures a welcoming customer experience, enhances partnerships and strengthens community involvement.

At Lowe's, inclusion means creating a place where everyone has the opportunity to grow and succeed. Lowe's is committed to treating each customer, employee, community, investor and vendor with respect and dignity. Our Diversity Advisory Council and Diversity Leadership Teams, co-chaired by Robert A. Niblock, Lowe's chairman and chief executive officer, and Larry D. Stone, president and chief operating officer, regularly meet to provide direction and review progress of diversity and inclusion initiatives.

We focus on diversity and inclusion in four areas:

- Work Force
- Customers
- Suppliers
- Community

An inclusive work force helps provide our diverse customer base with the products and services they need from a home improvement retailer. Providing all employees the opportunity to raise awareness and strengthen their understanding of diversity and inclusion forms the solid foundation of Lowe's. Lowe's training and development programs are designed to foster open communication, inclusion and equal employment opportunities for all.

Lowe's remains focused on investing in programs that create value for our customers and our company. Our supplier diversity program is part of our overall commitment to enhance economic development in the diverse communities we serve.

Lowe's is a member of 15 regional supplier diversity councils, as well as the following organizations and associations: Catalyst, Executive Leadership Council, National Black MBA Association, National Organization on Disability, National Society of Hispanic MBAs, National Minority Supplier Development Council, Students in Free Enterprise, United Negro College Fund, Hispanic Scholarship Fund, Urban League and United States Business Leadership Network.



This spring, Lowe's hosted the Carolinas Minority Supplier Development Council's annual forum. Lowe's is a member of 15 regional supplier diversity councils.

Engaging Employees

Employee engagement has long been a priority at Lowe's. We define engagement as the extent to which our employees are truly committed to company goals, speak out positively for the company, go above and beyond each day and intend to stay with Lowe's as their employer of choice.

Focused and dedicated employees build and strengthen Lowe's reputation with our customers and our communities and help make Lowe's a great place to work. They are our everyday difference-makers, and we are dedicated to fostering a culture that provides every employee the opportunity to participate fully in helping the company build success and generate sustained growth.

In addition to feedback generated through our Bright Ideas suggestion program and employee focus groups, our annual Employee Opinion Survey gives all regular full- and part-time employees across the United States, Canada, Mexico and Asia a chance to voice their opinions about their work experience. The survey helps Lowe's identify trends and create new initiatives to drive the engagement and growth of our employees.

Lowe's 2010 Employee Opinion Survey showed employee engagement remains strong. Last year marked the fourth year in a row of an upward trend for Lowe's. Our employee engagement score also rates well when compared to the benchmark for best-performing companies.

We are increasingly focused on helping employees build their talents and skills through extensive training and development programs, while we remain committed to helping them maintain a work / life balance through our health and wellness programs that reward participation. We rely on our engaged employees to help us continuously improve our work environment. And with the support of engaged employees who contribute to the Lowe's Employee Relief Fund, Employee Giving Campaign and Lowe's Heroes program, we are able to enhance the quality of life in our communities.

The most recent survey asked our employees about their perspectives related to our social responsibility efforts and goals. More than 95% of our employees are aware of our community service and charitable giving efforts and are very proud of Lowe's involvement in their communities.



Lowe's overall employee engagement score on our annual Employee Opinion Survey improved for the fourth consecutive year, as Lowe's employees continue to make a positive impact — both in our facilities and communities.

Developing Careers

Lowe's success at meeting the needs of each customer starts with our ability to acquire, train, develop and retain a strong and engaged work force. Our employees are a strategic advantage. Lowe's is fully dedicated to helping our talented and committed employees build rewarding careers.

Our training and leadership development programs prepare employees for every level of advancement. From our stores and distribution centers to our corporate offices, we offer a variety of learning paths, including online courses, instructor-led classroom training, experiential learning, lectures and peer mentoring.

Our strategic investment in our employees continued throughout 2010. Our primary focus areas were store leadership development, solutions-selling readiness and professional skills development. We believe this focus enhances our ability to serve our customers while creating employees who are lifelong learners.

We remained dedicated to developing well-rounded leaders by delivering a leadership-focused training program to Lowe's future store managers. We continue to develop current store leadership in support of Lowe's business.

We helped more than 3,500 store managers and sales managers transition to solutions selling through targeted sales training. Throughout the year, we continued to strengthen our professional skills development instruction and provided career management education and direction to Lowe's employees.

For employees wishing to develop their skills in a formal academic setting, Lowe's continues to partner with three universities — Kaplan University, Capella University and Strayer University — that offer a discounted tuition rate for all Lowe's employees. Full-time employees with one year of service may use the discounted rate in conjunction with Lowe's tuition reimbursement program, which is available for any accredited college or university course leading to a degree.



Lowe's offers a variety of learning paths to help employees build rewarding careers in our stores, distribution centers and corporate offices.

Benefits/Life Track

At Lowe's, we are proud of the employee family we have built and the partnership we share in creating a healthier future together. With more than 234,000 team members, we are focused on meeting a variety of needs, while providing the protection, peace of mind and flexibility to help all of our employees build a better life at home and at work.

We offer a comprehensive benefits program, including health and life insurance plans, a critical illness plan, health and wellness programs, a 401(k) and a discount stock purchase plan. While we have earned recognition for improving the health of our employees and their families, Lowe's is committed to continuously exploring innovative strategies to meet their needs.

In 2010, Lowe's launched several precedent-setting benefits. First, we introduced a partnership with the Cleveland Clinic in Ohio to offer approved heart surgery procedures at no cost to full-time employees and dependents enrolled in our self-insured medical plan. Lowe's covers all medical deductibles and coinsurance amounts, as well as travel and lodging expenses for the patient and a companion, plus concierge services to make the arrangements. The program, the first of its kind in the nation, helps Lowe's control health-care costs and improves our employees' access to quality treatment. U.S. News and World Report has ranked the Cleveland Clinic first in the nation for cardiac care every year since 1995.

Lowe's also introduced a program that expanded access to Cleveland Clinic specialists beyond heart care. Eligible Lowe's employees and their dependents who have been diagnosed with a life-altering or a life-threatening condition can go online to receive a free second opinion from top physicians at the Cleveland Clinic. Diagnostic expertise is available for more than 1,000 medical conditions.

Last year, we also launched the first national, mobile health-screening tour conducted by an employer exclusively for its employees. Our two mobile-health units began a 2½-year, 100,000-mile tour crisscrossing the United States to provide more than 70,000 Lowe's employees with free basic health screenings and guidance about how to improve their health. Each custom-built unit is equipped with a staff of trained medical professionals who screen for blood pressure, total cholesterol, body mass index (BMI) and other key health indicators.

The health-screening units are part of Lowe's Life Track program. Our innovative health and wellness program addresses all aspects of a healthier lifestyle, from diet and nutrition to exercise and stress management. Lowe's pays the entire cost of the program, and participating employees receive points that can be redeemed for prizes. Participation is growing, as is the employee success rate. The Quit For Life® program, which provides free and unlimited access to trained tobacco treatment specialists, drew more than 14,000 participants last year, approximately 800 more than in 2009. With a 56% smoking cessation rate since 2007, the program is delivering results: More than 10,000 employees and dependents stopped smoking. Our weight-loss awareness program had a similar impact in 2010 as our employees collectively lost more than 46,000 pounds.



Nicknamed Louie and Louise, Lowe's mobile health-screening units are visiting more than 1,300 Lowe's locations. In 2010, the units provided free screenings for more than 23,000 Lowe's employees.

Focusing on Safety

Lowe's is committed to providing a safe environment for our customers, employees and vendors, while complying with safety and health standards established by law, the Occupational Safety and Health Administration, the Environmental Protection Agency and other regulatory agencies.

We strive to sustain a safety culture that integrates safety into all parts of our business. Safety is a core value of our company. We hold our leadership teams accountable for creating and maintaining a safe environment to work and shop. Safety practices are incorporated into each job task, and we believe training is critical to ensuring safety awareness and knowledge are maintained at the highest level.

Lowe's has taken training to the sales floor by developing impactful training materials to enhance classroom, computer and other means of training our employees to work safely every day. In 2010, our store employees voluntarily took more than 3.7 million Employee Awareness Safety, Shrink and Customer Service quizzes. The quizzes, training and consistent communication of our safety expectations continue to improve our safety record. During the past seven years, our stores and supply chain locations have consistently reduced their number of claims and improved their level of commitment to a safe work environment.



The STOP™ For Each Other Program being rolled out to all of Lowe's distribution centers helps participants improve their safety awareness.

We continued to implement the safety program we piloted in the Regional Distribution Centers and some Flatbed Distribution Centers in 2009. The STOP™ For Each Other Program, developed by DuPont and adopted by Lowe's, helps participants improve their safety awareness by integrating safety into every action they take at work and away from work. The program is scheduled to be active in all Regional and Flatbed Distribution Centers by the end of 2011.

Lowe's also continued to enhance our Integrated Safety Leadership system by rolling out key programs and processes to support the execution of the distribution network's safety vision statement and sustain Lowe's safety culture for future generations. These processes and programs include daily safety reviews and monthly safety committee meetings in which team members teach and train each other to increase safety awareness.

We are committed to maintaining a culture in which everyone is responsible for safety. It is a daily focus and way of conducting business.

Lowe's Heroes

Lowe's embraces teamwork as a core value and a key ingredient in maintaining an engaged work force. We believe that by working together we can build something better — for our company, our customers and our communities. Transforming lives one community at a time — that's been the mission of Lowe's Heroes since the volunteer program began in our stores more than 10 years ago. The program encourages employees in a location to team together, adopt a volunteer project with a local nonprofit organization or K–12 public school and make a difference.

Our store teams are proud of the thousands of hours they volunteer each year to improve the communities we serve, and that circle of pride continues to grow. In 2010, our two new stores in Mexico launched their Lowe's Heroes program, joining participating Lowe's facilities in the United States and Canada. Whether it was helping to rebuild a tornado-battered school or rebuilding a low-income homeowner's pride alongside one of our national partners, Lowe's Heroes assisted our neighbors across North America. Lowe's Heroes participated in more than 1,300 projects, and Lowe's contributed more than \$1.3 million in materials.

Each year, many Lowe's stores collaborate on a group project so they can make a larger difference. In 2010, with the support of Lowe's Charitable and Educational Foundation, Lowe's gave employees a chance to make even more of an impact in the communities where we work and live. Lowe's Foundation contributed more than \$1 million to support larger Heroes projects. Lowe's Heroes' grants, up to \$50,000, brought together groups of Lowe's stores to benefit public schools and nonprofit organizations in the United States and Canada.



Each year, thousands of Lowe's employees embrace the opportunity to improve our communities through the Lowe's Heroes program.

Lowe's Employee Relief Fund

The Lowe's Employee Relief Fund exists so Lowe's employees can help each other in times of need. The fund, which was created in 1999, has contributed \$12 million in assistance to more than 11,000 employees and their immediate family members. Making employee donations even more powerful, Lowe's matches each contribution dollar for dollar.

Lowe's Employee Relief Fund distributed more than \$2 million in 2010. Those dollars helped nearly 2,000 Lowe's employees who suffered a significant financial hardship as a result of a house fire, natural disaster, family death, medical expenses or other unforeseen event. The fund assists individual employees with up to \$1,500 per qualifying event. Employees contribute to the fund through payroll or check contributions, and Lowe's pays for the program's operating costs.

In 2010, Lowe's employees assisted one another across the United States, and the impact of Lowe's Employee Relief Fund was felt from Alaska to Haiti.

- Lyn Heinrichs, a commercial sales employee at Lowe's in Wasilla, Alaska, never thought she'd need help from Lowe's Employee Relief Fund. But then she never could have imagined her family's German shepherd, Buddy, would be hailed as a hero for leading an Alaska State Trooper around a twisting road to the fire-engulfed workshop next to her home. Buddy's actions helped save Heinrichs' home, and his heroics were captured on the trooper's dash-cam video. While grateful to Buddy, Heinrichs was just as thankful for the generosity of Lowe's employees. She received assistance from Lowe's Employee Relief Fund, which helped her cover some of the medical expenses for her son, Ben, who had suffered burns on his face and left hand. "The fund was a big help because the medical bills were the biggest factor," she said.
- When Haiti was leveled by a magnitude-7.0 earthquake, Webster Jean-Louis didn't know where to turn. Jean-Louis, Lowe's freight flow manager in South Lexington, Ky., had to get to Port-au-Prince, Haiti's capital, where he lived for 37 years and where his wife and 10-year-old daughter still resided. "If it wasn't for Lowe's, I would not have made it," he said. "I live like most people, paycheck to paycheck. I was not prepared for that event." Thanks to quick-acting Lowe's employees, his Employee Relief Fund application reached Lowe's corporate office within 48 hours of the earthquake. A week later, he was reunited with his family in Port-au-Prince. "Lowe's did not stand behind me; they stood side by side with me," said Jean-Louis, who moved his wife and daughter to Kentucky and now encourages co-workers to join him in donating to Lowe's Employee Relief Fund.



Alaska State Troopers honored Buddy, a 5-year-old German shepherd, in a special ceremony attended by his family, including Lowe's employee Lyn Heinrichs (right) and her son, Ben (center with Buddy).

Employee Giving Campaign

Lowe's has a long history of giving back to the communities where we do business. One way we do this is through our annual Employee Giving Campaign.

In 2010, the Employee Giving Campaign included 10 charitable organizations:

- American Cancer Society
- American Diabetes Association
- American Heart Association
- American Red Cross
- Feeding America
- Habitat for Humanity®
- Lowe's Employee Relief Fund
- The Nature Conservancy
- United Way
- USO (United Service Organizations)

Employees chose the charities they wished to support. They pledged more than \$1.3 million to the Employee Giving Campaign, and Lowe's is matching their contributions by 50%.

Throughout the holidays, Lowe's employees in the United States, Canada and Mexico took their giving even further to help those in need. Among the events:

- In Miami, Lowe's joined with Univision host Raul de Molina to bring Christmas cheer and gifts to more than 100 children at the Amigos for Kids Community Center. The center mentors children who have been the victims of neglect and abuse.
- In Canada, Lowe's employees from Toronto-area stores and Lowe's corporate office donated 2,200 toys to the annual Toy Mountain Campaign benefiting the Salvation Army.
- In Mexico, Lowe's employees at the corporate office in Monterrey collected toys for the children of La Gran Familia, an orphanage that provides daily programs, school assistance and health care to local children.



Employees at Lowe's corporate offices in North Carolina donated more than 200 presents to local children and seniors, and filled dozens of shoeboxes with basic necessities for returning troops.

Awards

Lowe's commitment to a healthy workplace received special recognition in 2010 from a variety of nonprofit organizations dedicated to building healthier lives.

- Best Employers for Healthy Lifestyles Award, Gold Winner. The National Business Group on Health honored Lowe's for creating cultural and environmental changes that support employees who are committed to long-term behavior changes. The award acknowledges employers who have responded to the urgent need to improve their workers' health, productivity and quality of life.
- Excellence in Workplace Tobacco Control Award. The American Cancer Society recognized Lowe's for demonstrating an advanced commitment to employee health and wellness through our Life Track programs. The award honors best practice strategies that include a comprehensive tobacco use policy and free tobacco cessation services.
- Start! Fit Friendly Companies Innovation Award. Lowe's received the American Heart Association honor for inspiring change through new and innovative ways to promote physical health.
- CEO Cancer Gold Standard™ accreditation. The CEO Roundtable on Cancer, a group of cancer-fighting CEOs, recognized Lowe's commitment to reducing the cancer risk of employees and their families by discouraging tobacco use, encouraging healthy lifestyles and providing access to quality care.
- CDHC SuperStar Integrated Care: Wellness & Disease Management Award. CDHC Solutions, an industry-leading health and benefits magazine, honored Lowe's for our integrated suite of wellness programs and for "being on the forefront of population health and wellness issues."
- C. Everett Koop National Health Award, Honorable Mention. The Health Project, a nonprofit private-public consortium, honors organizations that have demonstrated effectiveness in improving the health of workers, while saving the company money.
- HDMS Innovator Award. Vendor partner Health Data & Management Systems recognized Lowe's for the multiple ways we use claims data to manage our health and wellness programs.



(From left to right) Julie Ham, Lowe's wellness program manager, and Lowe's Vice President of Benefits Kyle Wendt accept the 2010 Best Employers for Healthy Lifestyles award from Helen Darling, president of the National Business Group on Health.

Our dedication to promoting a diverse workplace also helped Lowe's earn recognition across the country in 2010.

- Governor's Achievement Award for Employers Hiring Workers With Disabilities. Pennsylvania Gov. Edward Rendell's administration honored Lowe's hiring efforts at our Regional Distribution Center in Pittston, Pa. The distribution center has hired 46 workers with disabilities since opening in 2009.
- Employer of the Year Award. The Arc of Luzerne County, a nonprofit liaison between Lowe's and area provider agencies, named Lowe's the first recipient of its Employer of the Year Award for offering competitive community employment to people with disabilities at the Pittston distribution center.
- Excellence in Employment Award. Pittston has served as a model for other Lowe's distribution centers, including our facility in Perris, Calif. The Inland Empire Autism Regional Taskforce, along with the California Senate Select Committee on Autism and Related Disorders, recognized the Perris distribution center for employing people with disabilities, specifically, autism.

Employees Take Free Benefit to Heart

Sitting at the desk where she designs cabinets for Lowe's customers, Elane Wahler burst into tears when she heard the news. Her husband, John, could have triple-bypass surgery at America's most renowned hospital for cardiac surgeries, and it wouldn't cost the couple a cent.

"I was so relieved. I felt so blessed," said Elane Wahler, a cabinet specialist at Lowe's in Waldorf, Md.

Tony Reynolds, a commercial sales specialist at the Lowe's in Dover, Del., knows exactly how she felt. When doctors said the mitral valve in his heart needed to be repaired, he figured he'd have to pay substantial out-of-pocket costs. Or he could travel to the Cleveland Clinic, where the procedure would cost him nothing.

"It didn't take a rocket scientist to figure it out," Reynolds said.

Wahler and Reynolds are two of 29 Lowe's employees and their dependents who have benefited from an alliance between Lowe's and the Cleveland Clinic. In February 2010, Lowe's announced approximately 186,000 employees and their dependents enrolled in the company's self-insured medical plan can have cardiac surgery done at the Cleveland Clinic and pay nothing. Lowe's picks up the entire tab, including travel, hotel and food expenses for the patient and a companion.

When a postcard describing the new program arrived in his mail, Reynolds didn't pay much attention. He'd never had heart problems. Less than a month later, he suspected something wasn't right. On the 40-minute drive home from work, he was often so tired, he'd stop in a parking lot to nap.

"The doctor told me my mitral valve wasn't working and if I didn't have surgery, it can damage my heart," Reynolds said. "He said Cleveland Clinic was rated No. 1 for heart surgery. So I figured if you've got to go somewhere, you might as well go to the best."

Reynolds' wife accompanied him to Cleveland, where he had surgery on July 1. Six weeks later, he was back at work and feeling great, not only about his health but also his experience at the Cleveland Clinic. "I tell you, those people out there are tremendous," he said.

While Reynolds was returning to work, the Wahlers were getting ready to travel from Maryland to the Cleveland Clinic. During her research on the heart center, Elane learned kings and queens go there for surgery. Elane said she and her husband were treated like royalty, too.

"It didn't feel like a hospital, and they were proactive about everything," she said. "A car picked us up at the airport. The food was great. We stayed in a nice hotel. A car took us back to the airport, and there was a wheelchair waiting when we got back to Baltimore."



Six weeks after heart surgery at the Cleveland Clinic, Tony Reynolds was back at work. "If I didn't have this done, I don't know where I'd be," he said.

Photograph © 2010 USA TODAY by Eileen Blass

Elane and John were hit hard financially when he had a heart attack in 2009. “When he had his first heart attack, I was a nervous wreck,” Elane said. “But with this bypass surgery, it wasn’t stressful, even though it was major. Knowing we weren’t going to have to pay anything for the surgery — that was a big relief.”

She looks at her husband now, sees the strong, healthy man she married and is grateful for Lowe’s support. “I would have expected them to look out for me, but to take care of my husband absolutely blew me away,” Elane said. “When I came here to work three years ago, I was looking for health insurance, but I found a family.”



“I would have expected them to look out for me, but to take care of my husband absolutely blew me away,” Elane Wahler said of Lowe’s, which covered the cost of her husband’s triple-bypass surgery at the Cleveland Clinic.

Life-Saving Bus Stop for Lowe's Employee

If he had to guess, Jim MacDonald said it had been probably about 20 years since he last visited a doctor. "I couldn't give you a date," he said. "I don't think it was as far back as the Army."

MacDonald hung up his combat boots in 1966.

Outside of a little arthritis in his hip, MacDonald, 69, thought he was in great health. That perception and an aversion to hospitals and doctors' offices kept him away from both. So when Luann Peck, his manager in the Garden Center at Lowe's of Turnersville, N.J., strongly suggested he take advantage of a free health-screening bus touring Lowe's facilities, MacDonald agreed — reluctantly. Had he not, he said, "I probably wouldn't be here today."

The mobile health-screening unit that visited the Turnersville store is one of two custom-built buses Lowe's launched across the country in 2010 to provide free health screenings to more than 70,000 Lowe's employees over two years. During MacDonald's screening, his blood pressure registered 206 over 111, dangerously high. The screener advised MacDonald to see a doctor. Peck made sure he did.

"I told him, 'This can't go unaddressed,'" said Peck, who befriended MacDonald in 2006 when he showed her the ropes as a new cashier. Aware of his fear of doctors and that he lost his father and brother to heart attacks, she set up an appointment for him with her physician. Peck accompanied MacDonald to the office and stood by him through all the tests. An EKG showed the left side of his heart was enlarged, and he immediately was put on blood-pressure medicine.

"His doctor said without a doubt, he would have had either a stroke or a heart attack," Peck said.

Two weeks later, MacDonald fainted during a morning meeting. He spent a night at the hospital, where MacDonald said further tests revealed blood was not flowing fully to the left side of his heart. But the doctor told him he had escaped any permanent damage. After a week off and the care of a cardiologist, he returned to work with a healthier prognosis.

"I really feel that that bus saved my life," MacDonald said. "I never would have gone to the doctor if Lowe's hadn't provided the screening. And now that I have a family doctor, I absolutely will see him on a regular basis."

About 30% of adults in the United States have high blood pressure, according to a 2010 Centers for Disease Control and Prevention report. For many, like MacDonald, the news comes as a shock, especially those who haven't seen a doctor in years.

"A lot of the men we get that come out, their reactions are, 'If it's not broke, why should I try to fix it?'" said Sara Clark, one of the screeners on the mobile-health unit that visited Turnersville. "We remind them that blood



Jim MacDonald is preparing to celebrate his 10th anniversary at Lowe's of Turnersville, N.J. He might have never made it had he ignored the advice of his manager, Luann Peck, to get a free health screening.

pressure is a silent killer. You can't see your blood pressure getting high."

MacDonald is just grateful someone else was looking out for him — and others.

"I'm glad that bus is still going," he said. "If it saved my life, it could save others. There are always people like me who need a little push."



This is one of two buses traveling more than 100,000 miles across the United States to provide free health screenings to more than 70,000 Lowe's employees.

Developing Opportunities in Supplier Diversity

John Ham knows that teamwork can be as important as tenacity when building a small business. When he and his wife, Cynthia, couldn't find wallpaper that reflected their African-American heritage, they started a company to market culturally inspired wall borders. More than a decade later, The Cultural Companies creates a variety of multicultural products for several major retailers, and the Hams say they owe special thanks to Lowe's.

"Lowe's was our first national retail partner, and we've been doing business together since 2004. We're very loyal to Lowe's and thankful for the relationship," said John Ham, vice president of sales and marketing for the small, North Carolina-based company. "Lowe's has proven their commitment to our success."

The Cultural Companies impressed Lowe's in 2008 by presenting a collection of culturally inspired ornament designs, but the company didn't have the capacity to mass produce and distribute the holiday accessories. "We said, 'These are great designs. We need these,' " said Kelly Sherman, merchandising director for Lowe's. "So we partnered someone who has the ability to produce and ship with someone who has great designs, and got the best of both."

Lowe's paired The Cultural Companies with Mercuries Asia, one of Lowe's core seasonal suppliers. Together, they produced nine ornament designs that Lowe's carried in nearly 250 stores during the 2009 and 2010 holiday seasons.

For The Cultural Companies, the pairing allowed the four-employee company to focus on its strengths — designing and promoting home décor products. "Our relationship with Mercuries Asia has been great," Ham said. "Collectively, we have been able to provide exclusive designs to Lowe's that have resonated positively with the multicultural consumer."

The supplier partnership extended Lowe's four-year relationship with The Cultural Companies and developed the company's capacity to help Lowe's continue to meet the needs of a diverse and changing customer base. A proud supporter of minority- and women-owned businesses like The Cultural Companies, Lowe's is working with diverse suppliers to deliver high-quality and innovative products to the marketplace.

"Outside of select specialty stores, it's hard to find good multicultural holiday products that represent the African-American community," said Liv Hustvedt, vice president of merchandising for Mercuries Asia. "Often, it's just a simple design with a change in skin color that doesn't look authentic. The Cultural Companies is doing a real service. They have some beautiful designs that are authentic."

After forming a successful partnership, Ham said he's been contacted by other small businesses eager to work with Lowe's. His message to them is simple: "Lowe's will stick with you and try to make it work," he said. "We would not be where we are right now without Lowe's."



John Ham (left), Cynthia Ham and Steven Jones, co-founders of The Cultural Companies, have partnered with Lowe's since 2004 to bring their culturally inspired designs to consumers.

Helping Rebuild After Mexico Flood

On the morning of July 1, Lowe's employee José Manuel De La Rosa awoke to find the first floor of his home completely under water.

"From the second floor of my house, I could see water flowing from the front door through the back door," De La Rosa said. "Furniture, doors and belongings all washed away."

When Hurricane Alex hit the city of Monterrey, Mexico's industrial capital, it brought more rain in a few days than the region typically receives in an entire year. The Santa Catarina River overflowed, sending muddy water rushing through the city and forcing approximately 10,000 people to evacuate. Hurricane Alex brought the city to a standstill.

De La Rosa, a hardware specialist at Lowe's Linda Vista store, struggled to cope with the reality of a difficulty recovery. "With many of my belongings washed away and severe damage to the structure of my home," he said, "I didn't know where to begin."

Though the store had been open for only five months, co-workers rallied together to help De La Rosa clean up. "I was surprised to see my co-workers show up at my home one afternoon to help out," De La Rosa said. "I was overwhelmed with the work that needed to be done, and they were a huge help."

"We were excited to help José," said Raul Zavala, store manager at Linda Vista, one of Lowe's first two stores in Mexico. "Walls needed to be gutted, floors needed to be replaced and windows needed repairing. The team at the Linda Vista store immediately thought about Lowe's Employee Relief Fund."

Employees contribute to Lowe's Employee Relief Fund, and Lowe's matches dollar for dollar to assist employees who have suffered a significant financial hardship. Since 1999, the fund has contributed more than \$12 million in assistance to more than 11,000 employees and their families.

Two weeks after having lost almost all of his belongings, De La Rosa was again visited by Zavala and Linda Vista employees. Committing to help De La Rosa recover and rebuild, Lowe's team provided him with additional support. This time, it came in an envelope. They presented De La Rosa with a check from Lowe's Employee Relief Fund. De La Rosa said the financial assistance enabled him to begin essential repairs.

"I could not believe it. This was completely unexpected," he said.

He purchased doors, drywall, paint and windows, among other items. "There was much work to be done," he said. "But the Employee Relief Fund assistance took a lot of the financial stress off my shoulders."

With his Lowe's family standing by him through difficult times, De La Rosa expressed his gratitude for the many acts of kindness.

"I feel very thankful for Lowe's, the Linda Vista team and their help," he said. "I don't have words to express how I feel."



José Manuel De La Rosa (holding check) received assistance from Lowe's Employee Relief Fund and co-workers at Lowe's Linda Vista store in Monterrey, Mexico.

Our Mission

Customer service and community service are core commitments at Lowe's — and they have been for more than 60 years. Being a good neighbor means being committed to improving the places our employees and customers call home. We see that as an investment in our future. We've grown that investment as Lowe's has grown from a small-town hardware store in North Wilkesboro, N.C., to the second-largest home improvement retailer in the world.

In 2010, Lowe's and Lowe's Charitable and Educational Foundation supported more than 3,100 community and education projects in the United States, Canada and Mexico through grants totaling more than \$30 million. We take a collaborative approach to improving the communities we serve because we believe we can make the most progress through partnerships. We partnered with 15 major nonprofit organizations in 2010. With Lowe's recent expansion to Mexico and from eastern to western Canada, we continue to build new relationships that will help us serve our growing family of neighbors.

Our mission is to provide impactful support to local communities. We've stepped up our efforts to help families and communities manage through challenging economic times.

- With schools scrambling to fill fundamental needs at a time of budget, staff and program cuts, Lowe's Toolbox for Education® provided more than \$4.2 million to nearly 1,000 schools in all 50 states. Funded by Lowe's Charitable and Educational Foundation, Lowe's Toolbox for Education has donated nearly \$25 million since 2006, benefiting more than 3 million schoolchildren.
- Lowe's continued to explore new opportunities and develop new programs to enhance our longstanding partnerships with Habitat for Humanity® and Rebuilding Together®. Through our participation in Habitat's Carter Work Project and a national home weatherization initiative with Rebuilding Together, we worked together to help revitalize entire neighborhoods and provide and preserve safe and affordable homes across the country.
- We also expanded our support of trades and technology education with new five-year commitments to SkillsUSA® and Skills/Compétences Canada. Together, we're helping to create the future leaders needed for a 21st-century skilled work force.

Fulfilling our commitment is about more than writing checks, though. It's about making an impact. We do that with the help of the Lowe's family — 234,000 employees who are dedicated to making their community a better place to live. Employee volunteers have joined together to provide thousands of hours of support to local communities since the late 1990s as part of the Lowe's Heroes program. Our employees' willingness to roll up their sleeves and get their hands dirty has helped engage our entire work force. As Lowe's ambassadors, they reinforce our culture of caring and spread awareness of our mission to every new community we enter.



Lowe's continues to help schools across the country manage through challenging times with the support of Lowe's Heroes and Lowe's Charitable and Educational Foundation.

Lowe's Charitable and Educational Foundation

Founded in 1957, Lowe's Charitable and Educational Foundation has a long and proud history of improving the communities we serve. The foundation's support has grown to match the growing needs of our communities, going from \$3 million in contributions in 2004 to nearly \$19 million in 2010.

Lowe's Charitable and Educational Foundation funds nonprofit organizations and public agencies that support our charitable goals. The foundation's primary philanthropic focus centers on K–12 public education and community improvement. Within these areas, Lowe's Foundation is committed to supporting projects that have the greatest impact on our communities and align with our core business — home improvement.

We believe education is the cornerstone to building bright futures and stronger communities. Our long-established commitment to improving educational opportunities is best exemplified by our signature education grant program, Lowe's Toolbox for Education®. Since its inception in 2006, Lowe's Toolbox for Education has contributed nearly \$25 million to more than 5,400 schools in the United States. In 2010, with schools and community groups continuing to face financial challenges, Lowe's Foundation again focused on basic needs. The foundation gave more than \$2.5 million in regional grants to fund a variety of improvements for schools and community gathering places.

With the foundation's support, we also continued to address the growing skilled worker shortage in the United States and Canada. Lowe's Foundation boosted its support of trades education with a new five-year, \$1.5 million annual commitment to SkillsUSA®. As we expand our store presence in Canada, we also are expanding our commitment to youth across the country. The foundation will contribute \$1.25 million over five years to Skills / Compétences Canada. The contribution will support high school-based projects in the provinces of Alberta and Ontario, and will expand to other regions as Lowe's establishes retail locations in more communities.

Lowe's Charitable and Educational Foundation, which also supports partnerships with Rebuilding Together®, Boys & Girls Clubs of America and The Nature Conservancy among others, is comprised of a nine-member board of directors. The board includes representatives from various departments within Lowe's, from store operations and human resources to the legal and tax teams, supplying a diversity of thought, leadership and experience to help shape the foundation's work. Larry Stone, Lowe's president and chief operating officer and a 41-year company veteran, is chairman of the foundation.

For more information about Lowe's Charitable and Educational Foundation, including application guidelines, visit Lowe's.com/community.



Lowe's Charitable and Educational Foundation has been supporting causes that are important to Lowe's customers and employees since 1957.

A Commitment to Education

Improving the educational experience for students has been a longstanding priority for Lowe's. With each improvement we make, we are positively impacting generations to come.

As schools and students grappled with economic challenges in 2010, we worked harder to help those most in need. Lowe's Charitable and Educational Foundation funded improvements at nearly 1,000 K-12 public schools nationwide through Lowe's Toolbox for Education®. The foundation also increased support for financially vulnerable college seniors through emergency student aid provided to the United Negro College Fund and the Hispanic Scholarship Fund.

Lowe's continued to enhance educational opportunities through Lowe's scholarships and our partnerships with SIFE (Students in Free Enterprise) and Teach For America. And we extended our support of skilled trades education through new commitments to SkillsUSA® and Skills / Compétences Canada that run through 2014.



Lowe's has provided financial and volunteer resources to give thousands of students more opportunities for learning and safe recreation.

Lowe's Toolbox for Education®

Through our support for public education, we are able to make a meaningful and lasting impact on the neighborhoods and towns we call home. Our signature education grant program, Lowe's Toolbox for Education®, has been changing lives and transforming communities since its launch in 2006. Funded by Lowe's Charitable and Educational Foundation, Lowe's Toolbox for Education provides parent groups and educators with the necessary financial tools to expand students' opportunities and improve our children's schools throughout the United States.

In 2010, we focused on helping schools with critical needs. Lowe's Toolbox for Education contributed more than \$4.2 million to nearly 1,000 schools in all 50 states. Since 2006, Lowe's Charitable and Educational Foundation has donated nearly \$25 million through Lowe's Toolbox for Education to more than 5,400 K–12 public schools, benefiting more than 3 million schoolchildren.

For the second consecutive year, Lowe's partnered with five-time reigning Sprint Cup champion Jimmie Johnson and his wife, Chandra, to award additional grants to K–12 schools. These Champions Grants are funded by the Jimmie Johnson Foundation, and Lowe's helps administer them. The Jimmie Johnson Foundation distributed \$688,000 in Champions Grants to 13 schools in the Johnsons' hometowns in California, North Carolina and Oklahoma. The contribution included \$198,000 for science and technology needs, \$133,000 for playgrounds and athletic facilities and \$88,000 for trade-based programs.

Find out more information about Lowe's Toolbox for Education and learn how to apply at Lowe.com/community. To read about past projects and to Like Lowe's Toolbox for Education, visit www.facebook.com/ToolboxforEducation.



In partnership with Lowe's Toolbox for Education®, five-time Sprint Cup champion Jimmie Johnson awarded a \$45,000 grant to Collinswood Language Academy in Charlotte, N.C., for the construction of a playground and athletic facilities.

SkillsUSA® and Skills / Compétences Canada

In joining hands with students, educators and our nonprofit partners, we know the hard work we put in together today will produce our leaders of tomorrow. For the seventh consecutive year, Lowe's continued that work through our partnership with SkillsUSA®.

There is a shortage of skilled workers across the United States and Canada, and the gap is expected to widen between workers needed in North America and the workers who have the necessary skills. To help close the skills gap, Lowe's Charitable and Educational Foundation proudly supports SkillsUSA and the students it serves. The national nonprofit, student-led organization is comprised of more than 310,000 members. SkillsUSA helps high school and postsecondary students excel through world-class technical education coupled with training in leadership, character development and commitment to community service.

As part of the largest corporate donation in SkillsUSA history, Lowe's Charitable and Educational Foundation extended its partnership in 2010. Along with support from our vendor partners, SkillsUSA received a new five-year, \$1.5 million annual commitment from Lowe's Foundation. This will bring Lowe's total commitment to more than \$10 million by 2014.

In 2010, Lowe's Foundation awarded 34 grants of up to \$10,000 each to SkillsUSA chapters and \$208,000 to support TeamWorks competitions in 30 states. Lowe's also donated \$327,000 worth of Kobalt tools to 361 automotive classes.

Also in 2010, Lowe's Charitable and Educational Foundation strengthened its support of trades education in Canada by partnering with Skills / Compétences Canada. Lowe's Foundation will donate \$1.25 million through 2014 to the national organization. As we expanded our store presence from eastern to western Canada, we also expanded our commitment to youth across the country. The \$1.25 million contribution will support high school-based projects in Alberta and Ontario, and Lowe's will reach out to other regions as we establish retail locations in more communities.

According to the Conference Board of Canada, a shortage of more than 1 million skilled workers is predicted by 2020, with an estimated 40% of all new jobs in the skilled trades and technology industries.

"Skilled trades are the foundation of industries that drive the Canadian economy," said Donovan Elliott, president of Skills / Compétences Canada. "With help from Lowe's, we can continue to help inspire and encourage youth to pursue career paths in skilled trades and technology, while ensuring industry has the pipeline of skilled labor workers that they need for the future."



Lowe's Charitable and Educational Foundation announced a new five-year pledge at SkillsUSA's 2010 national conference, bringing Lowe's total commitment to \$10 million since the partnership began.

Sharing Our Education Mission

As the needs of students and schools everywhere continue to grow, we believe we can make the biggest and most lasting impact in education through a collaborative approach. Here are some of our programs and other partnerships that support our commitment to building better opportunities today for the leaders of tomorrow:



In 2010, Lowe's Charitable and Educational Foundation awarded 190 scholarships totaling \$600,000 through Lowe's scholarship program. Scholarships are awarded based on academic achievement, leadership and community involvement. A \$2,500 Lowe's Scholarship was given to 140 high school seniors with plans to attend accredited two- or four-year colleges or universities in the United States. Fifty students were awarded a \$5,000 Carl Buchan Scholarship. The Buchan Scholarship is open to full-time and part-time Lowe's employees, their spouses or domestic partners, and their dependents. Lowe's scholarship program has awarded more than \$2.4 million in scholarships since 2007, benefitting nearly 1,200 students.

The Lowe's Senior CLASS Award honors the most outstanding senior student-athlete in nine NCAA Division I sports. An acronym for Celebrating Loyalty and Achievement for Staying in School™, the Lowe's Senior CLASS Award focuses on the total student-athlete and encourages students to use their platform in athletics to make a positive impact as leaders in their communities. The award identifies personal qualities that define a complete student-athlete, including excellence in the classroom, outstanding character and community service, in addition to competition on the field.



For the second consecutive year, Lowe's Charitable and Educational Foundation provided financial assistance to help college seniors continue their pursuit of a college degree. Lowe's Foundation contributed \$500,000 to the United Negro College Fund (UNCF) to benefit the Campaign for Essential Student Aid. Since its founding in 1944, UNCF has helped 350,000 students earn degrees from its 39-member colleges and universities. The grant from Lowe's Charitable and Educational Foundation will help students at all 39 UNCF-member institutions.

Lowe's Charitable and Educational Foundation also increased its financial assistance to the Hispanic Scholarship Fund, providing a \$250,000 grant to help seniors who are on track to graduate but unable to pay the total cost of tuition. Founded in 1975, the Hispanic Scholarship Fund supports a broad range of outreach and education programs to help Latino students and their families navigate collegiate life. The grant from Lowe's Foundation assisted 100 students at 47 colleges in California, Colorado, Connecticut, Iowa, Illinois, Indiana, Massachusetts, Nevada, New York and Texas.





Lowe's launched a national partnership with Teach For America in 2010 to expand educational opportunities as many low-income school districts face economic challenges. Lowe's Charitable and Educational Foundation contributed a \$500,000 grant to further Teach For America's work to recruit, train and support top college graduates who commit to teach for two years in underserved public schools. The funding supported the placement of 100 teachers in school districts serving low-income students in Charlotte and eastern North Carolina, Chicago, Denver, Los Angeles, San Francisco and New Orleans. More than 8,200 Teach For America corps members are teaching in 39 regions across the country.

During the 2010–2011 academic year, we expanded our national partnership with SIFE (Students in Free Enterprise). Lowe's Foundation awarded a \$230,000 grant to SIFE to support regional competitions in Charlotte and Minneapolis, and community improvement projects executed by SIFE chapters across the country. Founded in 1975, SIFE brings together a diverse network of university students, academic professionals and industry leaders around the shared mission of creating a better, more sustainable world through the positive power of business. SIFE has active programs on more than 1,500 college and university campuses in nearly 40 countries.



Caring for Our Communities

We pride ourselves on doing what's right for our communities, and that means caring for the people and places that make them special. Whether we're partnering with the American Red Cross to provide relief after a major disaster or funding repairs at a Boys & Girls Club, Lowe's is committed to the causes that are important to our customers and employees.

As part of that commitment, we are engaged in meeting the critical needs of our communities by helping to provide and preserve safe and affordable homes for low-income homeowners. Lowe's and Habitat for Humanity® have worked together since 2003 to combat poverty housing. We've also brought thousands of women together to build homes as national underwriter for Habitat's Women Build® program for the past seven years. And we continue to partner with Rebuilding Together® to rehabilitate homes for homeowners in need across the country.

Lowe's Heroes support all of these partnerships, volunteering their time and skills to help Lowe's improve the quality of life in the communities we serve.



Lowe's contributed \$1 million to support Habitat's National Women Build Week. More than 800 Lowe's Heroes were among the nearly 9,000 women who volunteered their time and skills to build homes during the annual event.

Lowe's Heroes

Lowe's embraces teamwork as a core value and a key ingredient in maintaining an engaged work force. We believe that by working together we can build something better — for our company, our customers and our communities. Transforming lives one community at a time — that's been the mission of Lowe's Heroes since the volunteer program began in our stores more than 10 years ago. The program encourages employees in a location to team together, adopt a volunteer project with a local nonprofit organization or K–12 public school and make a difference.

Our store teams are proud of the thousands of hours they volunteer each year to improve the communities we serve, and that circle of pride continues to grow. In 2010, our two new stores in Mexico launched their Lowe's Heroes program, joining participating Lowe's facilities in the United States and Canada. Whether it was helping to rebuild a tornado-battered school or rebuilding a low-income homeowner's pride alongside one of our national partners, Lowe's Heroes assisted our neighbors across North America. Lowe's Heroes participated in more than 1,300 projects, and Lowe's contributed more than \$1.3 million in materials.

Each year, many Lowe's stores collaborate on a group project so they can make a larger difference. In 2010, with the support of Lowe's Charitable and Educational Foundation, Lowe's gave employees a chance to make even more of an impact in the communities where we work and live. Lowe's Foundation contributed more than \$1 million to support larger Heroes projects. Lowe's Heroes' grants, up to \$50,000, brought together groups of Lowe's stores to benefit public schools and nonprofit organizations in the United States and Canada.



For more than a decade, Lowe's Heroes have been making their communities better by volunteering for projects that benefit local nonprofit organizations and K–12 public schools.

Habitat for Humanity®

Improving communities has been Lowe's guiding mission for more than 60 years. We've learned that we can make the greatest impact by partnering with organizations that share our commitment. That's why we've teamed with Habitat for Humanity® since 2003 to help create affordable housing for low-income families across America.

Like Habitat, Lowe's believes that improving communities is not a do-it-yourself project. In 2010, Lowe's employees put in thousands of hours alongside partner families in local communities, from Chico, Calif., to Portland, Maine. Lowe's contributed \$1.5 million in grants as part of the five-year, \$20 million pledge we made to Habitat in 2009. The commitment through 2013 will bring Lowe's contributions to nearly \$40 million since the partnership began.

Our work with Habitat has helped ensure safe and affordable housing for nearly 1,800 families in all 50 states. In 2010, Lowe's again was proud to support Habitat's Jimmy and Rosalynn Carter Work Project. Lowe's contributed \$375,000 to the weeklong effort that helped build and repair 86 homes in Washington, D.C.; Baltimore and Annapolis, Md.; Minneapolis and St. Paul, Minn.; and Birmingham, Ala.

Joining forces with homeowners, community volunteers and former President Jimmy Carter and his wife, Rosalynn, hundreds of Lowe's Heroes dedicated their time and construction skills to help families in need. In Minnesota, the community revitalization work centered on 26 homes in the Hawthorne Eco Village in north Minneapolis and the Payne Phalen neighborhood on St. Paul's east side.

"At the closing ceremonies, each volunteer I talked with said, 'I want to do this again,' " said Marcy Weber, an assistant store manager at Lowe's of Plymouth who organized more than 40 Lowe's volunteers from nine Twin Cities' stores. "It's the most rewarding thing I've ever done."



Marcy Weber, an assistant store manager at Lowe's of Plymouth, organized more than 40 Lowe's volunteers during the Jimmy and Rosalynn Carter Work Project in Minnesota. "As nine stores, we united together as one Lowe's family," she said. "I will never forget this week."

Habitat for Humanity® Women Build®

As the underwriter of Habitat's Women Build® program since 2004, Lowe's has brought women from all walks of life together to support the nationwide initiative that challenges women to devote at least one day to help eliminate poverty housing. Lowe's how-to clinics have put hammers in the hands of thousands of women, teaching them construction skills and empowering them to be part of the solution by building homes with partner families.

In May, Lowe's sponsored Habitat's third annual National Women Build Week. We contributed \$1 million to Habitat for Humanity® affiliates, with grants of \$5,000. Across all 50 states, more than 8,600 female volunteers built at Habitat construction sites, many after putting in some practice and preparation at Lowe's how-to clinics. More than 800 Lowe's Heroes also volunteered their time and skills. Together, the volunteers built 200 homes nationwide. Julie Edelman, best-selling author of "The Accidental Housewife," pounded nails and raised walls with Lowe's volunteers and other women in Paterson, N.J. They helped construct a universal design home for a family whose son was paralyzed in a car accident.

Edelman said she was, at times, speechless as she worked alongside about 30 other volunteers, including the partner family's mother and teenage daughter. "Truly, I could have never imagined the impact the last few days has had on me as both a mom and human being," Edelman wrote about the experience. "... none of us really ever thought we'd know how to repair a leaky toilet, and now, here we were building a house ... using hammers like meat cleavers and lifting frames like free weights."

In Houston, Grammy award-winning gospel artist and radio morning show host Yolanda Adams joined a female Habitat construction crew to raise awareness of the need for affordable housing in every state. She said she partnered with Lowe's and our volunteer workers to encourage other women to help those who are less fortunate. "I'm so happy we are able to come together as strong, capable women building more than rays of hope for our communities," Adams said. "We are building futures with families throughout the country."



Best-selling author and real-life mom Julie Edelman wore her signature pink gloves and a big smile while working with other Women Build® volunteers in Paterson, N.J.

Rebuilding Together®

Lowe's is in the business of helping people improve and maintain their homes, which makes our work with Rebuilding Together® a natural and rewarding partnership. Since 2007, Lowe's Charitable and Educational Foundation has contributed more than \$4 million to support Rebuilding Together, the leading home rehabilitation organization in the United States. We have helped rehabilitate more than 350 homes and community facilities, providing low-income, elderly and disabled homeowners with critical repairs, accessibility modifications and energy-efficiency upgrades.

As low-income homeowners fell in deeper need of assistance in 2010, we continued to work to ensure their safety and comfort. Lowe's contributed \$1 million to help Rebuilding Together assist families in need. Our contribution included \$260,000 to support National Rebuilding Day on April 24. Lowe's funded 52 rebuild projects around the country, providing much-needed renovations. Grants for individual projects ranged from \$5,000 to \$15,000. Rebuilding Together repaired 3,500 homes and community facilities during the national event.

Lowe's also partnered with Rebuilding Together during the summer to help flood victims in middle Tennessee. Lowe's Heroes worked alongside our neighbors in Nashville to repair seven flood-damaged homes, helping Hands On Nashville and Rebuilding Together reach their goal of restoring 75 homes.

During the fall, Lowe's teamed with Rebuilding Together to complete nearly 70 weatherization projects across the country. Lowe's Charitable and Educational Foundation supported the weatherization work with a \$400,000 contribution that included nearly \$150,000 to weatherize several homes on one neighborhood block in eight cities: Chicago, Columbus (Ohio), Denver, Hartford (Conn.), New Orleans, New York, San Francisco and Tampa. Lowe's Heroes again stepped forward during the monthlong, eight-city weatherization initiative, making energy-efficiency improvements and completing extensive repairs to help keep families warm during the holiday season.



Lowe's and Rebuilding Together® have successfully completed more than 350 rebuilding projects together since 2007.

American Red Cross

The American Red Cross responds to more than 70,000 large and small disasters annually. Our support is instrumental in the organization's ability to bring relief to many of these disaster-affected communities. Lowe's and our customers have contributed more than \$20 million to the Red Cross since 1999, supporting disaster relief efforts for everything from fires to ice storms.

When a disaster happens, Lowe's stores and employees mobilize quickly to meet the needs of the community and the American Red Cross. Sometimes that means setting up the official customer donation program at Lowe's stores to support the American Red Cross Disaster Relief Fund or establishing store credits to help Red Cross chapters secure items needed to respond after disasters. Other times, area Red Cross shelters are in need of volunteer assistance or in-kind product donations. Through our longstanding partnership with the Red Cross, we've helped provide shelter, food, emotional support and other relief to thousands of people.

Lowe's also extends assistance through our Racing for Relief program that builds awareness and financial support. As part of Racing for Relief, Team Lowe's Racing rallies the support of race fans after major disasters by displaying the Red Cross logo on the No. 48 car of five-time NASCAR champion Jimmie Johnson. Since introducing the program in 2000, Lowe's Racing for Relief has generated more than \$340,000.



Lowe's partnered with the American Red Cross to help comfort families displaced by flooding in Tennessee and several other states.

Photo courtesy of American Red Cross

Sharing Our Community Mission

To help improve the quality of life for our neighbors and strengthen the communities we serve, Lowe's partners with nonprofit organizations aligned with our mission. In 2010, the following organizations also received support from Lowe's Charitable and Educational Foundation:



The long-term health of our communities is enhanced through better opportunities for today's youth, which starts by ensuring they have safe and productive places to develop. The Boys & Girls Clubs of America have been providing hope, opportunity and a safe environment for young people for more than 100 years. We're proud to help further that effort as we head into the second year of our partnership. Lowe's Charitable and Educational Foundation contributed \$1 million to the Boys & Girls Clubs in 2010 to fund repairs and

renovations at clubs across the United States. The contribution is helping the Boys & Girls Clubs meet a wide range of organizational and structural needs at clubs from San Francisco to Boston. The projects will be completed during 2011, and Lowe's Heroes will assist with club improvements.

Since partnering with the National Trust for Historic Preservation in 2005, Lowe's Charitable and Educational Foundation has donated \$5 million in grants to support the restoration of important historic sites. In 2010, Lowe's Charitable and Educational Foundation awarded nearly \$500,000 in grants through the National Trust to aid the rehabilitation of 10 historic schools across the country. Ranging from a school in Idaho that was part of a national effort to help Native Americans protect and preserve their unique cultures to the North Carolina school where Dr.



Martin Luther King first delivered his "I Have a Dream" speech, these historic properties are being restored and will continue to serve as vital community gathering places. Lowe's Foundation also provided grants to help restore an additional eight Rosenwald schools. These schools, built in the rural South and Southwestern United States during the early 20th century, played a major role in the education of African-American students during decades of racial segregation. Through a joint initiative with the National Trust, Lowe's has helped to preserve 41 endangered Rosenwald schools.

Awards

USA Weekend magazine presented Lowe's Charitable and Educational Foundation and Rebuilding Together® with the Make a Difference Day Award for our work serving homeowners in need on Make a Difference Day, Oct. 24, 2009. Lowe's Foundation contributed \$350,000 in grants and Lowe's donated supplies and volunteers to rehabilitate homes.

Lowe's Charitable and Educational Foundation provided 35 Rebuilding Together affiliates with \$10,000 grants to assist low-income, elderly and disabled homeowners with critical repairs, accessibility modifications and energy-efficiency upgrades. Lowe's employees marked the event by participating in rebuild projects around the country. Since 2007, Lowe's Charitable and Educational Foundation has contributed \$4 million to Rebuilding Together to fund more than 350 projects.

"Our relationship with Lowe's has proven to be invaluable to communities and low-income homeowners across our country," said Gary Officer, president and CEO of Rebuilding Together. "This national award is a testament to their steadfast dedication to Rebuilding Together's mission."

Lowe's Charitable and Educational Foundation also was honored with the Preservation Honor Award for rehabilitating and stabilizing historic schools. The National Trust for Historic Preservation presented the award to Lowe's Foundation and the Rosenwald family. The foundation has contributed \$2.5 million since 2008 to restore 41 Rosenwald schools in 11 states. The brainchild of Booker T. Washington and philanthropist Julius Rosenwald, these schools in the rural South and Southwestern United States played a major role in the education of African-American students during decades of racial segregation. Today, with Lowe's help in partnership with the National Trust, the schools are once again vital community gathering places.

"Almost a century after Booker T. Washington and Julius Rosenwald opened windows of opportunity for African-American children, the combined efforts of community leaders, the Rosenwald family and generous support from Lowe's are enabling a new generation to rediscover its heritage — and keep an inspiring vision alive," said Stephanie Meeks, president of the National Trust for Historic Preservation.

Lowe's also was recognized for our work to improve educational opportunities in the Carolinas. The Urban League of Central Carolinas honored Lowe's with its Corporate Partner of the Year Award. Since 2008, Lowe's has worked hand in hand with the nonprofit agency to fulfill its mission to promote financial stability among African-American families and others. In 2010, Lowe's employees volunteered more than 500 hours. Lowe's provided financial assistance to support the Urban League's educational projects, including a program dedicated to helping non-English speakers learn English and classes to provide technology skills training and economic and professional development for underserved adults.



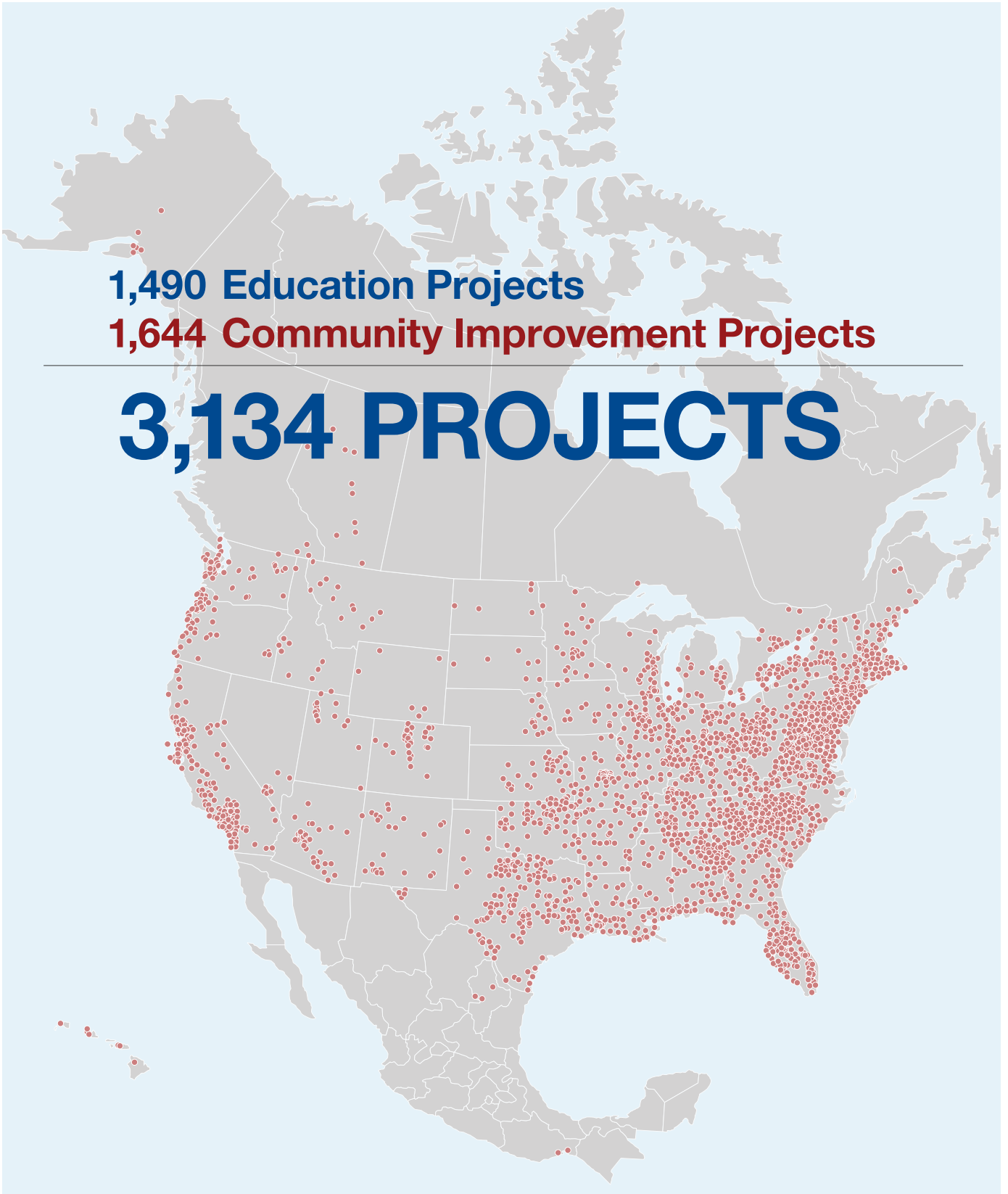
Alumni and supporters came out to celebrate the grand reopening of the Emory-Tunstall Rosenwald School in Greensboro, Ala. Open for the first time since 1960, it's among 41 Rosenwald schools Lowe's has helped preserve.

Giving Coast to Coast

1,490 Education Projects

1,644 Community Improvement Projects

3,134 PROJECTS



Heroes Welcome: Lowe's Lifts Ohio Schools

The strongest tornado to hit Ohio since 2002 ripped through the small town of Millbury on June 5, uprooting dozens of homes and hundreds of lives the night before the Lake High School graduation. Six people were killed, including the father of Lake High's valedictorian. The tornado left much of the high school in rubble and caused extensive damage to the middle and elementary schools sharing the same campus.

With the town of 1,200 in shock, area Lowe's stores responded immediately, providing buckets, garbage bags, water and tarps to help Millbury and surrounding communities clean up. Darcy Mueller, store manager at Lowe's of Perrysburg, contacted the schools and promised Lowe's would do whatever it took to help the students and town get back on their feet.

Soon, more than 80 volunteers from five area Lowe's stores were lining up to help the schools pick up the pieces. "From the beginning, they were reaching out to us," said Christie McPherson, Lake Elementary principal. "The library was completely gutted, and thousands and thousands of books were stored in boxes. The Lowe's associates came in and essentially assembled the library."

Before long, McPherson said, Lowe's volunteers were pitching in again. "Whenever we needed help doing something else," McPherson said, "they said, 'Sure, we'll do it.'"

A team of Lowe's Heroes disassembled 500 unused lockers at a nearby school and delivered them to Lake High's temporary home for the next two years, Owens Community College. Lowe's volunteers completed several other projects. Some donned hard hats and dug through an art room at the destroyed high school to salvage truckloads of art supplies. Others dug up the area around the elementary school playground where the tornado had blown glass and other debris. Lowe's Heroes put down more than 1,800 bags of gravel and mulch to make the playground safe again.

"They kept coming to us," said Lee Herman, principal at Lake High School and Lake Middle School. "'What more can we do? Are there more projects? We'll send more people. Tell us what days you need us.' It was tremendous the support that they were willing to offer."

Lowe's Charitable and Educational Foundation also contributed a \$50,000 grant for the construction of new cafeteria for Lake Middle School and Lake Elementary School, as well as a new ticket booth for the high school and new playground equipment for the elementary school. Led by Lowe's of Perrysburg, Lowe's Heroes spent several weeks working to get the schools ready in time for the 2010–11 school year.

Nearly three months after the tornado, as they stepped in front of the sold-out stands at Lake High's football home opener, Lowe's employees received a standing ovation. The show of appreciation came as more than 80 Lowe's employees took the field to present the \$50,000 grant. But the cheers were a collective thank-you for all the work that already had been done.



Lowe's Heroes from five area stores helped Lake Local Schools pick up the pieces after a tornado tore through Millbury, Ohio, demolishing much of the high school.

"The money is awesome, but it's really been a labor of love we have experienced from the Lowe's associates. It's been amazing," McPherson said. "We can't begin to thank Lowe's. We really could not have opened on time without Lowe's help."



Lowe's Heroes made the elementary school playground safe again by digging out glass and other debris. They put down more than 1,800 bags of gravel and mulch.

Inspiring Hope at a San Francisco School

Carlos Venegas can recall neighborhood kids throwing rocks at his school bus as it rolled through the Bayview-Hunters Point District. But when thinking back to the late 1980s and his elementary school days in San Francisco, another event is burned even deeper into his memory.

“I remember when I was a student, and they put in a new playground and some benches. I remember how happy I was,” Venegas said. “I wanted to go back and give the kids something else to feel happy about.”

Venegas and 40 other newly hired employees at Lowe’s first San Francisco store gave students at his former school a memory they hope lasts just as long. Lowe’s Heroes gave Malcolm X Academy a makeover, and much more, if you ask Principal Imani Cooley.

“One thing Lowe’s did that was more important than anything else, they brought the community together. They let the children know we are not doing this by ourselves,” Cooley said. “If you don’t see people working toward change, you don’t know what change is.”

She was nearly in tears as she thanked all the Lowe’s Heroes for painting and landscaping the 54-year-old campus in Hunters Point, a low-income area that has had some of the highest unemployment and homicide rates in the city. Lowe’s Heroes painted benches, blacktops and the front of the school. They also pulled weeds, planted flowers and remulched the entire area. To help kick-start the K–5 school’s nutrition center project dedicated to teaching students about growing and eating healthy foods, Lowe’s volunteers filled eight planters with soil and fertilizer and provided seeds and dozens of tools to bring the gardens to life.

Malcolm X Academy also received a grant from Lowe’s Charitable and Educational Foundation, which has funded improvements at more than 5,400 schools, like Malcolm X Academy, through Lowe’s Toolbox for Education® grant program. With San Francisco schools facing budget cuts of more than \$100 million, Lowe’s assistance took on added significance.

Cooley said it contributes to the climate change she’s cultivating at Malcolm X Academy, which was threatened with closure in 2004, experienced six campus lockdowns the following year and was shaken again in 2006 when three former students were victims in three neighborhood shootings during the same week.

“When you’ve been neglected for a long time, you feel that nobody cares,” said Cooley, who sees her school as a community hub and her kids as catalysts for change. “Lowe’s did their part to make the school a welcoming, exciting place for kids to learn, and it connects the kids right back to the community. It tells them not to just settle for what is, but to work toward change.”



Lowe’s Heroes brightened up the 54-year-old campus of Malcolm X Academy, an elementary school in one of San Francisco’s toughest neighborhoods.

The week after the Lowe's Heroes project, Cooley heard something new in the voices of students playing in the schoolyard. "I heard them talking about, 'We're going to plant this' and 'My teacher is going to do this,'" Cooley said. "All the things you don't usually hear. Lowe's help moved us in the direction from hopeless to hopeful, to being powerful instead of powerless. And not doing it in isolation, but opening up the possibilities."



"One thing Lowe's did that was more important than anything else," said Malcolm X Academy Principal Imani Cooley, "they brought the community together."

Giving Katrina Survivor a Welcome Home

Eagle Finegan's description is as black and white as the photographs she waited five years to hang: "August 28, I had everything. August 29, I had nothing."

Like many in Waveland, Miss., Finegan lost her home on Aug. 28, 2005. Hurricane Katrina also claimed the antique furniture her family brought over when they emigrated from Ireland during the Potato Famine. Her mother's wedding ring. Her 1964 Plymouth Valiant.

Five years later, the nightmare that swept through her life, like the 28 feet of water that covered her home, is gone. Finegan once again has a place to call home, thanks to Lowe's and the Bay-Waveland Area Habitat for Humanity®.

Lowe's, a national partner with Habitat for Humanity since 2003, donated a Katrina Cottage and provided a \$10,000 grant to prepare the home for Finegan. Built by Lowe's and displayed at the store in Waveland, the pink cottage was one of several designs Lowe's offered as affordable and expandable housing after Hurricane Katrina. Lowe's grant helped pay for a new foundation, deck and stairs, as well as the relocation of the house to Bayside Park, a welcome change of scenery for Finegan.



Eagle Finegan, her dog, Maddie, and her cats can stretch out on the porch after sharing an RV for three years. "Oh, the animals love the place just as much as I do," Finegan said.

She lived in many places after Hurricane Katrina, but none she could call home. Finegan spent some nights camped out in a tent on a parking lot, others on friends' couches and the past three years in a cramped 1982 RV parked at a friend's house. Sharing the space with a dog and two "Katrina" cats, Finegan didn't have heat or hot water and barely had room for her clothes and a few personal items. She squeezed in stacks of original photographs where she could.

"After Katrina, taking pictures was a way of coping with everything," said Finegan, who captured the devastation of Katrina by peering into the windows of vacated homes and photographing the flood damage.

Now, her eyes light up when she talks about her new home and the day she moved in, a sweltering afternoon in June. "I was glad that I was alone," Finegan recalled. "I unlocked the door, got the animals in ... and burst into a flood of tears."

Then she did all the things she hadn't been able to do at home for five years. She cranked up the air conditioning until she "thought it was going to snow," took one of the longest showers of her life and "did laundry for days."

"I'm living a dream," she says now, calling her cottage "the cutest thing on Earth." She loves her porch, and, of course, the two bedrooms, full bath, kitchen and living room. Loves it so much she can't stop taking pictures.

She said she owes "a massive thank you to Lowe's" and plans to pay her good fortune forward by volunteering with Habitat. "For the last few months, I still pinch myself," Finegan said. "Yes, it's true. I have the key."

And finally, a place to hang her pictures.

Teaming up to Help Rebuild Nashville After Flood

“Overwhelming.” That’s the feeling that swept over Lowe’s volunteer Michael Lewis when he saw the water marks halfway up the wall in Bobby Benfore’s home. It’s the same word Lewis used to describe Benfore’s reaction on Aug. 24. That day the Korean War veteran watched more than 20 Lowe’s volunteers rip insulation and damaged walls from his home in Bordeaux, a working-class neighborhood in north Nashville.

“Just to see the tears on his face, the reaction that we were there to help was overwhelming,” Lewis said of Benfore, who was able to return home after months in a hotel. “He shed some tears, and I shed the same tears.”

The Bordeaux neighborhood was among those most severely impacted by the historic May floods that destroyed 1,500 homes in Middle Tennessee and displaced more than 10,000 people. Lowe’s answered the call for help by partnering with Hands On Nashville and Rebuilding Together® Nashville to repair seven flood-damaged homes. Lowe’s Charitable and Educational Foundation awarded Hands On Nashville a \$50,000 grant for the two-month rebuilding effort.

Lowe’s Heroes wrapped up the restoration work on Oct. 19 with repairs to Nancy Murphy’s home in Bellevue, the same area where Lowe’s of West Nashville began relief efforts by distributing more than 170 cases of water on May 5. Altogether, 135 Lowe’s Heroes from 16 Nashville-area stores contributed more than 1,600 volunteer hours of labor to complete the seven rebuilding projects that stretched across Davidson County.

“It really makes you feel good that you are making an impact that big,” said Lowe’s of Nashville Store Manager Chris Soper. He organized Lowe’s volunteers and contributions that included \$120,000 worth of supplies donated by local Lowe’s stores and Lowe’s valued vendor partners. Lowe’s also made a \$7,000 contribution to Rebuilding Together Nashville.

The assistance couldn’t have come a day too soon for Murphy, who lost nearly everything on the first floor of her two-story home in Bellevue’s River Plantation subdivision when the Harpeth River rose and flooded hundreds of area homes. “I had no money to take care of this,” said Murphy, a single mother of three, who lost her job as an environmental engineer two years ago.

Murphy moved in with her sister for two months before returning home and tackling major repairs, including hanging sheet rock. But with the kitchen in disrepair and her belongings scattered everywhere, the challenging work and living conditions began to wear on Murphy.

“You don’t realize how difficult it’s going to be,” Murphy said. “I said, ‘Oh. Man, I need some help.’”



Korean War veteran Bobby Benfore and his son were able to move back home after months in a hotel, thanks to the repairs Lowe’s Heroes made to their home in north Nashville.

So when Lowe's Heroes showed up the day after Murphy's 53rd birthday, she was "beyond thrilled." Lowe's volunteers primed and painted her walls and ceilings; hung new light fixtures, a ceiling fan and doors; repaired windows; installed baseboards and weather stripping; sanded her cabinets; and provided and installed a new dishwasher and stove — all in one day.

Murphy said having her home restored was the best gift she could have hoped for. She was amazed Lowe's volunteers thanked her for letting them lend a hand.

"Without their help, there's no way I could have had my kids here for the holidays," she said. "The end is finally in sight. I never thought the day would come."



Lowe's Heroes provided cupcakes and threw a small birthday party for Nancy Murphy, who said having her Bellevue home restored was the best gift she could have hoped for.

Critical Repairs Warm Hearts, Homes for Holidays

The calendar said Nov. 6. But to Geraldine Hall, it felt more like Dec. 25.

“All the red vests, this here is like Christmas,” Hall said, recalling her thoughts as she surveyed a house full of Lowe’s volunteers. “It was just like a Christmas gift.”

Hall, 83 and recently widowed, was one of three homeowners on Chicago’s west side whose homes received weatherization upgrades and extensive repairs through Lowe’s partnership with Rebuilding Together®. Thirty-six Lowe’s volunteers from five area stores completed the work on N. Mayfield Avenue in the economically disadvantaged Austin neighborhood. Those homes were among nearly 70 weatherization projects completed across the country last fall by Lowe’s and Rebuilding Together just in time for the holidays.

Lowe’s Charitable and Educational Foundation supported the weatherization work with a \$400,000 contribution that included nearly \$150,000 to weatherize several homes on one neighborhood block in eight cities: Chicago, Columbus (Ohio), Denver, Hartford (Conn.), New Orleans, New York, San Francisco and Tampa. The work in Chicago launched the monthlong initiative focused on energy-efficiency improvements for low-income, elderly and disabled homeowners.

Lowe’s Heroes provided a variety of repairs and home accessibility modifications to help Hall and her neighbors, Brenda Brownlee and Eugene Wellington, stay warm and safe in their homes. The homeowners had new stoves and new doors installed along with high-efficiency WaterSense® labeled faucets and ENERGY STAR® qualified refrigerators and windows to help reduce utility bills.

Brownlee, a dedicated church volunteer, had been taking a lamp room to room because of broken light fixtures. Lowe’s Heroes installed new fixtures and also did extensive work to her front porch and bathroom. Derek Rexroth, the Lowe’s store manager who coordinated Brownlee’s repairs, said that afternoon the proud homeowner was on the front porch yelling at neighbors to come over and take a look at the improvements.

Like Brownlee, Wellington has lived in his home for more than 30 years. A retired bus driver, he lives with his son and daughter-in-law, who were both recently laid off and his 9-year-old granddaughter. Wellington, 78, was comforted to learn the basement where his family stays would be outfitted with a new smoke detector, newly insulated pipes, a new range and a water heater and a renovated bathroom. Wellington couldn’t help but notice the effect the changes had on his granddaughter. “She was walking around all day Saturday looking, just smiling,” he said.

Hall, who’s lived on the block since 1965, flashed a similar smile while Lowe’s team of red-vested Heroes rolled through the work in her house. “My aching bones will benefit from having a heated house,” said Hall, who can’t stop looking at her new double-paned windows.

The cold draft she always felt in the front of the house? Gone. As is the clothesline she used to dry her clothes. Now, for the first time, she has a new side-by-side washer and dryer.



Lowe’s Heroes from five area stores joined with Rebuilding Together® on Chicago’s west side to kick off a month of weatherization projects across the country.

Joe Becton, the Lowe's store manager who oversaw the work on Hall's home, said Hall's eyes "lit up" when they started the dryer for her and again when Lowe's volunteers told her she'd save hundreds of dollars a year with her new energy-efficient appliances and windows. But the big payoff came when he demonstrated a new "visual doorbell" for Hall, who has a hearing impairment. The bell rings louder than a traditional bell and triggers a flashing light to alert the homeowner.

Becton said Hall made him ring the bell five times so she could show others. "I could have rung the bell a hundred times," he said, "because she smiled every time I did it."



Lowe's Heroes installed new energy-efficient doors, windows and appliances to help residents in the Austin neighborhood stay warm and to reduce their utility bills during the chilly Chicago winter.

Saluting Our Heroes With USO Makeovers

To say “Thank You” to United States military service members in time for the 2010 holiday season, Lowe’s and its vendor partners conducted makeovers at 16 USO centers across the nation. They revitalized the spaces where troops, rest, relax and spend time while off duty.

Lowe’s Heroes volunteered their time and talents at each makeover, painting, installing carpeting and updating lighting, among many other projects. Each center’s needs were unique, and Lowe’s Heroes worked with each location to fulfill its wishes during the holidays.

In Seattle, more than 25 Lowe’s Heroes refreshed paint, installed flooring, constructed stadium seating for a movie room, provided new doors and updated the bathroom at the USO Puget Sound Area (USOPSA) center at Sea-Tac Airport. Seattle Seahawks players Brandon Mebane and Chris Clemons also participated along with members of the Sea Gals cheerleading team to make the project truly a community effort.

“With this renovation, Lowe’s is helping the USO to make this holiday season even better for local military coming home from overseas deployments,” said Don Leingang, USOPSA executive director and commander United States Navy (Ret.). “We thank Lowe’s for their continued support of our brave men and women in uniform.”

Founded by World War II veterans, Lowe’s has long supported the military through employment opportunities, discounts and volunteer efforts, like the makeovers conducted during the holiday season. In addition to Seattle, Lowe’s completed projects at USO centers in Savannah, Ga.; El Paso, Killeen and Houston, Texas; Fort Drum and New York, N.Y.; Great Lakes, Ill.; Norfolk, Va.; Los Angeles and San Diego, Calif.; St. Louis, Mo.; Jacksonville, N.C.; Denver, Colo.; and two in Pensacola, Fla.

Military personnel and family members visited USO centers more than 5.3 million times in 2009. Services include free Internet and e-mail access, libraries and reading rooms, housing assistance, family crisis counseling, support groups, game rooms and nursery facilities.

Lowe’s and its vendor partners donated products nationwide, including more than 19,000 square feet of Mohawk carpet and 450 gallons of Valspar paint.

“What a great way to say thank you to our troops and their families,” said Sloan Gibson president of the USO. “We continue to salute Lowe’s for the company’s commitment to helping our men and women in uniform who served and continue to serve our nation.”



Lowe’s Heroes brightened things up with more than 60 gallons of paint at the Sea-Tac Airport USO center in Seattle, one of 16 USO centers that received a makeover from Lowe’s.

Focusing on: Lowe's Heroes

Lowe's Heroes are proud of the thousands of hours they volunteer each year to improve the places where they work and live. At a time when many communities are in need, our employees continue to step forward to extend a hand. In 2010, Lowe's Heroes responded to needs big and small.

- A tornado that ripped through Dundee, Mich., in June left a five-mile swath of destruction, including about \$4,000 worth of damage to Dundee High School's track facilities. More than 25 Lowe's Heroes from stores in Monroe, Ann Arbor and Clinton donated time and all of the materials to rebuild a ticket booth and student-built storage shed. Principal Bryan Schroeder thanked Lowe's for teaching his students an important lesson: "No matter how bad times get, the true character of people comes through."
- More than 60 Lowe's Heroes from eight stores in the Baltimore, Md., area worked in nearly 100-degree heat to renovate the playground area and make landscaping improvements at Jessup Elementary School in Jessup, Md. The work included expanding the existing playground area, sealing the blacktop, installing a border and pipes to prevent erosion around the playground and refurbishing existing benches. "When the school board has to cut its budget, it's things like playgrounds and landscaping that are not funded," said project organizer Jessica Holtzer, human resources manager at Lowe's of Elkridge. "We were very excited to help."
- Partnering with the Junior League of Sacramento, four California Lowe's stores — Roseville, Folsom, Citrus Heights and Lincoln — combined to make over the St. Patrick's Home for Children in Sacramento. With cutbacks at St. Patrick's, the home had not been updated in several years. Lowe's Heroes transformed a storage room into a craft room and painted the bedrooms, the laundry room, a hallway and the craft room. Each bedroom and the family room were updated with new ceiling fans, area rugs and floor lights. Lowe's also donated a washer and dryer.
- More than 140 Lowe's Heroes worked tirelessly over a week to help construct dog runs and completely make over Atlanta's largest no-kill rescue shelter, PAWS (Pets Are Worth Saving) Atlanta. Before the makeover, the shelter's first in more than 20 years, the play area was cramped, creating a chaotic atmosphere. It was one reason many potential pet adopters left the shelter empty-handed. For the dog runs, Lowe's Heroes installed exterior fencing, fencing for cage sides and backs, and pavers to cover the ground. In addition, they helped paint all the buildings and installed new dishwashers, counters and cabinets.
- Responding quickly to a request for help from the local PTO president, Lowe's Regional Distribution Center team members rallied to clean up and renovate the playground areas at three elementary schools before the school year started in Plainfield, Conn. Forty-six team members teamed up over two days to make the school experience more enjoyable for hundreds of students at Plainfield Memorial, Shepard Hill and Moosup Elementary. Lowe's Heroes repaired and repainted backboards, replaced broken basketball rims and restriped



In addition to the Lowe's Heroes project that rebuilt track facilities at Dundee High School, Lowe's employees delivered cleanup supplies and volunteered across Michigan and Ohio after tornadoes ripped through the Midwest in June.

lines on the courts. They also repainted a swing set and built and filled a new sandbox. The principals and custodians at the schools said they never would have been able to complete the projects on their own before the start of school.

- Volunteers from Lowe's of Conway, S.C., turned their attention to the Conway Women's Shelter. The shelter provides housing and counseling for abused women and their families. Lowe's Heroes devised a plan to modernize the shelter's laundry / supply room. The team repainted the room, replaced the damaged sink, added new cabinets and replaced the old washers and dryers with front-loaders. Lowe's also donated a vacuum and other cleanup supplies for general housekeeping. As the Heroes cleaned up, one teary-eyed shelter staff member said, "Thank you. No one has ever done anything of this nature for us."



Lowe's Regional Distribution Center team members in Plainfield, Conn., freshened up the playground areas and basketball courts at three area schools before the first bell rang in the new school year.

Focusing on: Lowe's Charitable and Educational Foundation

Lowe's Charitable and Educational Foundation is committed to supporting projects that improve schools and benefit communities. In 2010, the foundation served both missions through a wide range of grants.

- Students in Worcester, Mass., love their new outdoor classrooms made possible by Lowe's Charitable and Educational Foundation and volunteers from Lowe's stores in Worcester, Westborough and Leominster. Lincoln Street School and Midland Street School shared a \$100,000 grant from Lowe's Foundation. The grant also funded the resurfacing of playground areas along with new playground equipment, new sod for a field and tables for the outdoor classroom. More than 250 Lincoln students sang a special song written for Lowe's as a thank-you for the new outdoor spaces.
- The Central Pennsylvania Conservancy received a \$25,000 grant from Lowe's Charitable and Educational Foundation to help rehabilitate and reopen the historic Iron Masters Mansion as a hostel and educational center in Gardners, Pa. The 183-year-old mansion served as a famed hostel and halfway marker for Appalachian Trail hikers for more than 26 years before being closed in May. It's also been home to some of Pennsylvania's most notable residents, including leading Civil War financier Jay Cooke, and it was a stop for slaves seeking freedom through the Underground Railroad. In addition to the funds for lighting fixtures, kitchen remodeling elements and landscaping materials, Lowe's has provided technical and hands-on support. "The Lowe's folks have gone above and beyond," said Debbie Bowman, executive director of the conservancy.
- Weldon Elementary School was awarded a \$100,000 grant to renovate dilapidated restrooms, improve security, enhance technology and provide other needed renovations for the school in Weldon, N.C. The project will provide basic needs of privacy, sanitation and safety as well as an enhanced learning environment for teachers and students. Dr. Elie Bracy III, superintendent for Weldon City Schools, acknowledged the importance of receiving community support, especially during a time of difficult budget choices. "This is something we don't have to wait on," he said.
- Lowe's Charitable and Educational Foundation awarded a \$100,000 grant to the Auburn Enlarged City School District in New York to modernize the technology facilities at Auburn High School and to meet the safety and educational needs of students at the school. The grant funded dozens of new tools and state-of-the-art equipment, including workbenches, workstations, storage units, table saws, commercial-grade tool chests and safety cabinets. The new tools replaced equipment that was original to the building in 1970. "Lowe's generosity will enable our students to use tools and equipment they would encounter in a real work environment," said Larry Garuccio, superintendent of buildings and grounds.



Students at Lincoln Street School and Midland Street School in Worcester, Mass., are enjoying new outdoor classrooms made possible by a \$100,000 grant from Lowe's Charitable and Educational Foundation.

- Lowe's Charitable and Educational Foundation gave a \$250,000 grant to the Carolina Thread Trail to develop the Iredell County section of a regional network of trails, greenways and conservation corridors linking 15 counties in North Carolina and South Carolina. The grant supports land acquisition and trail construction. The Carolina Thread Trail offers opportunities for biking, hiking, fishing, paddling and connecting with nature. It's expected to link more than 2.3 million citizens. "We are deeply grateful to the Lowe's Charitable and Educational Foundation for their support of a project that delivers so much benefit to so many people," said Ann Browning, Carolina Thread Trail project director.
- Lowe's Charitable and Educational Foundation contributed a \$13,000 grant to the Naperville Park District in Illinois to support an initiative to plant a variety of trees that will replace those expected to be lost to the Emerald Ash Borer disease. Fifteen percent of Naperville's park tree inventory might succumb to the Ash Borer within the next five years. The grant will enable the district to purchase 120 trees over two years. They will be planted in parks with the larger numbers of ash trees. Lowe's Heroes have helped with the tree plantings.



Members of Lowe's Regional Distribution Center in Garysburg, N.C., helped support a \$100,000 grant for renovations and technology enhancements at Weldon Elementary School.

Focusing on: Lowe's Toolbox for Education®

Through Lowe's Toolbox for Education® grant program, Lowe's is improving educational opportunities for children across the United States and helping to make our communities better places to live. In 2010, Lowe's Toolbox for Education contributed more than \$4 million in grants to nearly 1,000 schools in all 50 states.

- Barnard Mandarin Chinese Magnet School, an elementary school in Point Loma, Calif., worked with Lowe's to best utilize a \$5,000 Toolbox for Education grant from Lowe's Charitable and Educational Foundation. Employees from Lowe's of Mission Valley collaborated with students, parents, the school principal and school staff to create a comfortable and welcoming environment that reflects the school's Chinese influence. Among the items purchased with the grant money were red benches and a patio table for the school, which also features hanging Chinese lanterns on campus and holds daily instruction in Mandarin Chinese.
- Kentucky School for the Deaf students also can enjoy a new outdoor learning experience thanks to a \$5,600 Toolbox for Education grant used to construct an amphitheater. The facility serves elementary, middle and high school students at the Danville, Ky., school. The amphitheater can function as an outdoor classroom for arts and humanities, social studies, science and P.E. activities or as a place for students to participate in skits, plays and other arts-related activities. "The teachers couldn't wait to get it up and in use," said Bill Melton, campus administrator.
- Teachers and administrators in Jackson, N.J., hope a \$4,700 Toolbox for Education grant will help stir students' interest in learning at Christa McAuliffe Middle School. The grant will be used to replace six electric stoves, a washer and dryer, and several microwave ovens in the school's cooking classroom. The school has been open for 17 years, and the appliances in the classroom are all original. The classroom helps provide important vocational training. It's used to teach nutrition, basic cooking and a work-readiness program in which students plan a menu and prepare food for luncheons.
- In Portland, Ore., Markham Elementary School used a \$5,000 Toolbox for Education grant to cultivate its Real Food Garden. The students at Markham have worked hard to get the garden growing, with lettuce, spinach and radishes appearing shortly after the garden's creation during the spring of 2010. They have been able to give some of the produce to parents and families in the community who might otherwise not get fresh vegetables.



Barnard Mandarin Chinese Magnet School used a \$5,000 Lowe's Toolbox for Education® grant to enhance its Chinese-influenced campus in Point Loma, Calif.

"We're so thankful to Lowe's for making this garden a reality," said Marnie Bennett, PTO vice president at Markham. "And we are looking forward to making it a true community project."

- With the Lodi Unified School District's budget facing big cuts in 2010, Lois E. Borchardt Elementary School's PTO expected that many enhancements that help make the school a welcoming place would fall by the wayside. The landscaping hadn't received an update since the school opened six years ago in Lodi, Calif. PTO Treasurer Jenni Frisk knew the plants could use some TLC and the grounds needed some new mulch. "We were so excited to receive this grant so we could continue to promote pride in our schools when the budgets are being cut so badly," Frisk said of the school's \$5,000 Toolbox for Education grant. "Judy from our local Lowe's was so helpful and knowledgeable about what items would work for us. We were able to replace mulch, shrubs and plants outside the school and in inside planters."



Lois E. Borchardt Elementary School in Lodi, Calif., trucked in heaps of mulch and watched school pride grow with the help of a \$5,000 grant from Lowe's Charitable and Educational Foundation.

To request funding for your organization, visit Lowe.com/Community. To Like Toolbox for Education and to read more inspiring stories, visit www.facebook.com/toolboxforeducation.

Focusing on: American Red Cross

Lowe's and our employees have partnered with the American Red Cross to provide vital assistance in the aftermath of various types of disaster. Few urban disaster relief operations in recent years have required as large a response as the earthquake that struck Haiti just a few days into 2010. Lowe's answered the call for assistance the very next day, announcing a \$1 million donation to support the American Red Cross' commitment to help Haiti recover and rebuild.

The magnitude-7.0 quake killed more than 250,000 people and left an estimated 1.5 million homeless. The families and friends of many of our customers and employees were among the millions affected. In response, Lowe's again partnered with our customers to lend a hand. All Lowe's stores in the United States and Canada served as official donation centers for the American Red Cross. Our customers and employees donated more than \$630,000 to aid efforts in Haiti.

Yet much work remains in Haiti, and Lowe's remains committed to working with the Red Cross and other organizations to help our international neighbors recover.

Closer to home, Lowe's responded to several major disasters across the United States in 2010. In May, we contributed \$50,000 to the American Red Cross Disaster Relief Fund to help flood and tornado victims in 12 states, including Tennessee and Kentucky. In addition, more than 600 Lowe's stores served as official customer donation sites, raising nearly \$25,000 to help affected families from Mississippi to Ohio. Lowe's employees fanned out across the region to distribute bottled water and cleanup supplies to recovering residents, and Lowe's worked with other companies to further support the Red Cross' efforts. "Werner is following Lowe's lead," said Bill Allen, president and CEO of Werner Co., in announcing a \$10,000 donation to the Red Cross.

Lowe's stores quickly mobilize to help Red Cross chapters respond to local disasters. In July, Lowe's of Pikeville, Ky., opened a \$5,000 store account to enable the Red Cross to purchase cleanup supplies to distribute to flood victims in eastern Kentucky. The Red Cross picked up shovels, rakes, trash bags and hand sanitizer to deliver to residents in Pike County, which was declared a federal disaster area after homes and businesses were flooded following heavy rains.



Lowe's donated \$1 million and set up cash donation sites at all stores to support the American Red Cross' relief efforts in Haiti.

Photo courtesy of American Red Cross

Our Mission

As Lowe's continues to grow globally, we are working harder to preserve and protect our environment. At the heart of sustainability is sustained effort, and doing our part brings a renewed sense of purpose each year.

We believe building a healthier business and a healthier environment go hand in hand. Lowe's cares about how our company's activities impact the Earth's ability to provide natural resources to future generations. For that reason, we continually examine opportunities to reduce our environmental impact while providing the products and services our customers have come to expect.

We value being in a position to affect widespread change and consider each of our more than 234,000 employees a vital part of that mission. In 2010, our employees' success promoting energy and water conservation brought Lowe's unprecedented recognition from the Environmental Protection Agency and the Department of Energy. Lowe's was named the first winner of the ENERGY STAR® Sustained Excellence Award in Retail and became the first retailer to win the WaterSense® Retail Partner of the Year Award in consecutive years.

Our focus remains fixed on our collective progress. Our recycling numbers have grown each year, and we expanded our appliance recycling program companywide in 2010. We also installed recycling centers in more than 1,700 U.S. stores to help customers recycle rechargeable batteries, cell phones, compact fluorescent light bulbs and plastic shopping bags. We also expanded our Energy Center nationwide to provide a one-stop destination for energy-saving products. By increasing our purchase of green power and spreading energy awareness across all our facilities through our store efficiency program, we continue to take steps to minimize our carbon footprint.

Lowe's is committed to exploring opportunities to reduce waste, carbon emissions and energy and water use throughout our operations. We completed a five-year sales-floor lighting retrofit in 2010 that put more than 3 million new energy-efficient fluorescent lamps in our stores. Sustaining the momentum of that effort, we are upgrading the lighting at 34 distribution facilities.

Driving all of these upgrades is our passion for our customers, and we remain dedicated to providing products that benefit their homes, their bottom line and the environment. We continue to expand our selection of ENERGY STAR qualified and WaterSense labeled products and offer a growing number of solar-powered solutions. As we look to the future, we will seek new and better ways to serve our customers and continue to be responsible stewards of the environment.

To read Lowe's sustainability policy, go to Lowe.com/sustainability.



Lowe's is committed to protecting the environment through our conservation practices and partnerships, and the products and services we offer.

Tim Ennis © Nature Conservancy of Canada

Our Environmental Performance

We continue to build on a history of environmental leadership by helping consumers reduce their energy and water use, while saving money through a growing number of product solutions.

Our dedication to maintaining industry-leading standards was reflected in two recent partnership honors — the 2010 ENERGY STAR® Sustained Excellence Award and the 2010 WaterSense® Retail Partner of the Year Award. We continue to advance fuel savings in our transportation division and improve the efficiency of our facilities.



Product Solutions

As a home improvement industry leader, Lowe's offers more than just great prices, products and services. We are committed to providing solutions that benefit the home we all share. Creating a sustainable planet starts with each of us doing our part.

Lowe's continues to meet that obligation through the products we sell and the partnerships we've developed. Since 2001, we've partnered with the U.S. Environmental Protection Agency (EPA) and the Department of Energy (DOE) through the ENERGY STAR® program. Together, we're helping consumers make more responsible choices as we continue to grow the quantity and variety of ENERGY STAR qualified products available in our stores. Lowe's carries more in-stock ENERGY STAR qualified appliances than any other home improvement retailer.

We also are making it easier for customers to manage their energy needs by continuing to introduce innovative energy products in Lowe's Energy Center. Expanded nationwide in 2010, the Energy Center is retail's first one-stop, easy-to-shop destination for products that help consumers measure, reduce and generate energy. The center makes simple and affordable solar technology more accessible by offering mobile solar chargers and by putting grid-connected solar power systems on the shelves of select stores, a first for a major retailer.

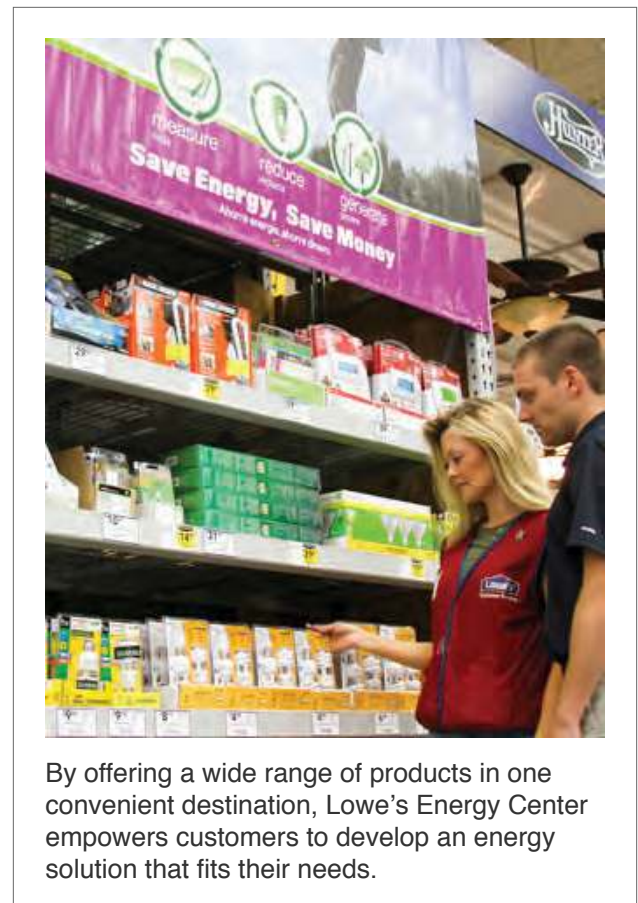
Lowe's earned industry-leading recognition by providing customers products that make their lives better, while saving them money and reducing their environmental footprint. We received the 2010 WaterSense® Retail Partner of the Year Award from the EPA. We also received the 2010 ENERGY STAR Sustained Excellence Award from the EPA and the DOE.

Lowe's is the first to win the Sustained Excellence Award in the retail category since the award's inception in 2004. It is our eighth consecutive ENERGY STAR honor overall. The award recognizes our leadership in promoting energy efficiency year after year.

In 2010, Lowe's sold enough ENERGY STAR qualified products to:

- Reduce the amount of pollution equivalent to taking 260,000 cars off the road
- Save consumers nearly \$210 million each year off their energy bills compared with products that aren't ENERGY STAR qualified

The WaterSense award honored our efforts to increase awareness of the WaterSense label and to educate consumers about water-efficient practices. Lowe's is the first retailer to win the WaterSense Partner of the Year Award in consecutive years. Explaining the benefits of water conservation in stores and online with resources



By offering a wide range of products in one convenient destination, Lowe's Energy Center empowers customers to develop an energy solution that fits their needs.

to create a more efficient home, we are helping families reduce utility bills. We also are helping to protect the future of our water supply.

The number of WaterSense labeled toilets and bathroom faucets Lowe's sold in 2010 can save enough water in a year to:

- Fill more than 2,700 Olympic-sized swimming pools (or save 1.8 billion gallons of water annually)
- Save consumers \$13 million each year on water bills

ENERGY STAR and WaterSense savings estimates are based on information from the EPA.



Lowe's partnered with the U.S. Environmental Protection Agency to support the We're for Water campaign. The national campaign helped educate consumers about water-saving behaviors and WaterSense® labeled products.

Product Transportation

Transporting products efficiently and responsibly has long been an important focus for Lowe's. While we continuously work to reduce our environmental impact, our ability to create sustainable change in our communities depends on productive collaboration with a variety of partners.

In 2010, we expanded our efforts to improve the air quality at ports across the United States through clean truck programs. For several years, Lowe's has worked closely with carriers and West Coast ports to successfully reduce pollution from short-haul trucks. Last summer, Lowe's took a leadership role in the Clean Trucks Initiative. Launched by the Coalition for Responsible Transportation and the Environmental Defense Fund, the initiative provides a framework for reducing truck-related greenhouse gas emissions at ports, beginning with those in the Southeast.

Lowe's is helping to develop clean-truck incentive programs at ports in Virginia, North Carolina, South Carolina and Georgia. We've worked closely with other major shippers, ocean and motor carriers, truck manufacturers and port authorities in those states. Together, we're developing plans to phase out older, high-polluting trucks on a voluntary basis and to facilitate ongoing fleet modernization to lower-emission trucks.

We continue to work with our own carriers to examine opportunities to reduce emissions and fuel use through more sustainable practices. To enhance that effort, we've participated in the SmartWaySM Transport Partnership since 2005, shortly after the Environmental Protection Agency created the program. Lowe's, a three-time winner of the SmartWay Environmental Excellence Award, remains focused on implementing more efficient technologies and operational strategies with our carriers.

SmartWay participating carriers are now moving 100% of the products we ship domestically. Since 2005, the SmartWay program has reduced our carriers' highway travel by 560 million miles and resulted in diesel fuel savings of more than 100 million gallons and carbon savings of more than 1 million tons.



Lowe's is committed to efforts to reduce truck-related emissions. SmartWaySM Transport Partnership carriers move 100% of the products we ship domestically.

Efficient Store Operation

With more than 1,750 locations throughout the United States, Canada and Mexico, Lowe's stores represent the largest part of our environmental footprint. Recognizing that the steps we take today will impact future generations, we continue to invest in sustainable strategies to use resources — energy, water and materials — more efficiently and responsibly.

With increasingly efficient store prototypes, our facilities are constructed with energy- and water-saving features. Our new-store construction incorporates many Leadership in Energy and Environmental Design (LEED) guidelines and includes energy-efficient fluorescent lighting and HVAC units that meet or exceed ENERGY STAR® qualifications.

Several store improvements in recent years have helped significantly reduce utility expenses and our carbon footprint. Lowe's began installing white membrane cool roofs in 2002 as part of our new prototype store. The cool roofs reduce air-conditioning energy usage and lessen greenhouse gas emissions. Recently, we also completed lighting upgrades to operate more efficiently and maintain a safe and comfortable working and shopping environment. We completed an 812-store project in 2009 that replaced metal-halide, high-intensity discharge lamps with more efficient T8 fluorescent fixtures.

Building an awareness of the importance of operating efficiently is just as critical as building efficient stores. Lowe's strives to maintain consistent standards across all of our stores in North America to minimize our environmental impact and deliver savings.

Each of our 234,000 employees plays a role in our ability to operate our facilities as efficiently as possible. Our store employees have been making a bigger difference since 2008, when our facility team implemented an efficiency program called Lowe's Energy Awareness Delivers Savings (LEADS). The program provides guidelines to control consumption in areas such as interior lighting, HVAC, irrigation and domestic water systems. Lowe's also introduced a new position in our stores in late 2009 to help monitor that consumption. Lowe's facility service associates perform a number of duties, including collecting products for recycling and helping Lowe's better manage energy and water use in our stores.



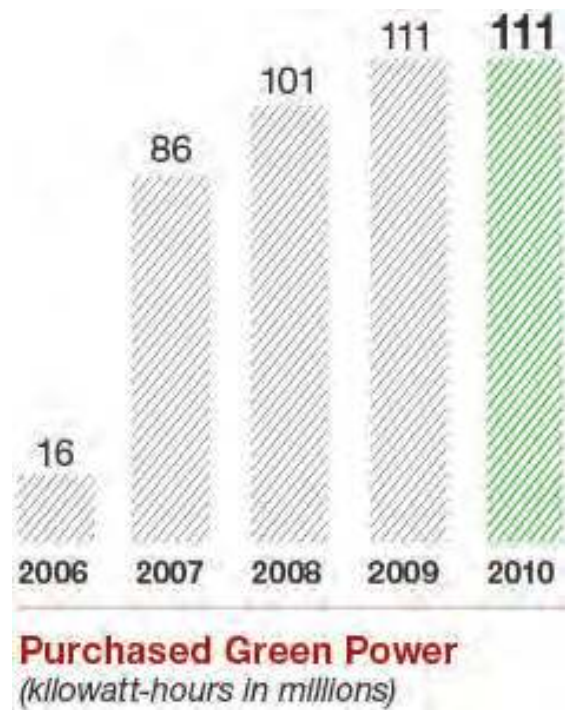
Lowe's installed more than 3 million high-efficiency fluorescent lamps in more than 800 stores during a recent lighting upgrade.

Purchasing Green Power

Lowe’s is improving our environmental performance and creating a healthier world through the purchase of green power — electricity generated from renewable energy sources, such as solar and wind power. Joining leading organizations within the United States and across individual industries, we are a supporting member of the Environmental Protection Agency’s Green Power Partnership, a voluntary program.

In 2010, we purchased 111 million kilowatt-hours of green power. Lowe’s ranks sixth among America’s top retail green power purchasers and 15th in the FORTUNE 500® in green power purchasing.

Why do we do it? We’re helping to offset the emissions from conventional electricity use and helping to spur the development of green power, with a goal of making it more affordable and accessible for others.



Generating Solar Power

Lowe's continues to promote renewable energy solutions to help create a cleaner and healthier environment. One way we've demonstrated that commitment is through the installation of solar power systems atop our stores.

Our efforts to help reduce greenhouse gas emissions and increase environmental awareness continued with the recent opening of new stores in San Francisco, Calif., and Quincy, Mass. Both stores feature rooftop energy-generation systems that use solar power, bringing Lowe's total solar locations to seven. We launched our first solar-panel rooftop systems at four California stores in 2004 and 2005, and installed a system atop our store in Kona, Hawaii, in 2008.

Lowe's solar systems together generated more than 3.5 million kilowatt-hours of electricity in 2010, enough electricity to power 320 homes* for an entire year.

*Estimate based on average annual electricity consumption of 11,040 kilowatt-hours provided by the U.S. Energy Information Administration.



Lowe's new San Francisco store is one of seven Lowe's locations, including five Lowe's stores in California, that produce solar power.

Recycling

Lowe's is invested in improving the health and sustainability of the communities we serve. In partnership with our employees and our customers, we are committed to reducing waste in those communities through our recycling programs. We're proud of the progress we've made, and we'll continue to look for ways to improve the programs at our stores and other facilities.

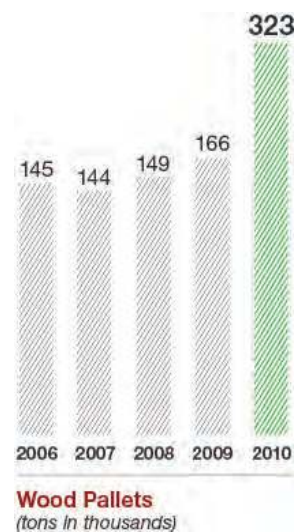
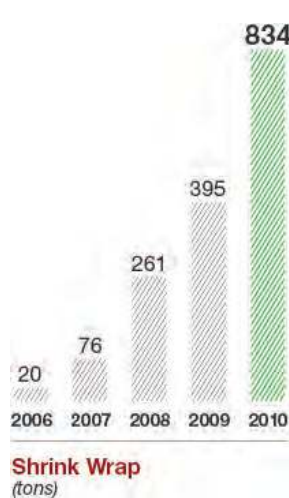
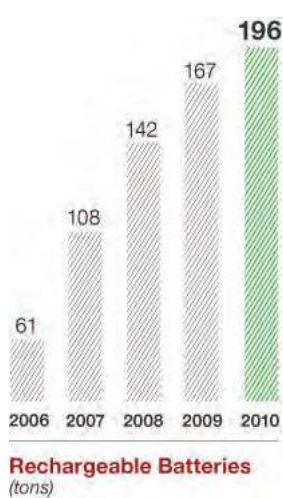
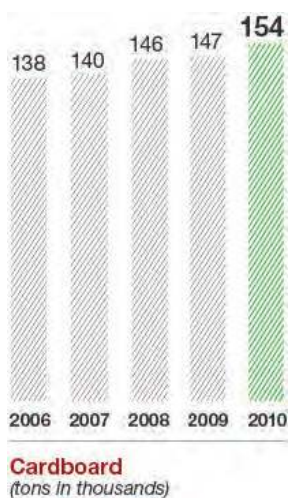
As we improved our collection and tracking systems, we nearly doubled the number of wood pallets we recycled during the fifth year of our nationwide pallet recycling program. Our stores and distribution centers recycled more than 475,000 tons — nearly 1 billion pounds — of wood pallets and cardboard in 2010. We also doubled the amount of shrink wrap and plastic bags we recycled as we raised awareness around our in-store recycling efforts.

To give our customers a variety of responsible recycling options, we expanded our appliance and Garden Center recycling programs. With the purchase of a new appliance, Lowe's will haul away and recycle customers' old appliances for free. In addition, customers can now drop off plastic plant trays, pots and tags for recycling at any Lowe's Garden Center in the continental United States.

Lowe's also made it easier for customers to make a difference by installing recycling centers in more than



Lowe's installed recycling centers in more than 1,700 stores to make it easier for customers to recycle rechargeable batteries, CFLs, cell phones and plastic shopping bags.



1,700 stores throughout the United States. The permanent recycling centers, located at the store entrance, offer a free, convenient and easy way for customers to recycle rechargeable batteries, cell phones, compact fluorescent light bulbs (CFLs) and plastic shopping bags. Lowe's stores in Canada also feature recycling centers to ensure CFLs and batteries are responsibly recycled.

Since 2004, we've helped keep more than 1 million pounds of rechargeable batteries out of landfills through our stores' participation in the Call2Recycle® program. Lowe's collected a company-record 392,000 pounds of rechargeable batteries from customers in 2010. Lowe's stores in Atlanta, Chicago and Dallas-Fort Worth hosted collection drives as part of the MyCall2Recycle campaign. Lowe's helped the national campaign bring in more than 1.2 million pounds of rechargeable batteries between mid-July and October, surpassing the campaign goal of 1 million pounds.



Collection drives at Lowe's stores in Chicago (above), Atlanta and Dallas helped the MyCall2Recycle campaign bring in more than 1.2 million pounds of rechargeable batteries in 10 weeks.

Building Responsibly

For more than 60 years, Lowe's has worked diligently to be a good neighbor. With more than 1,750 stores and 39 facilities in our supply chain network throughout North America, Lowe's recognizes that building our stores and facilities requires more than site plans. We are dedicated to ensuring that our facilities respect the communities we join and the greater environment.

As Lowe's considers potential store sites, we evaluate literally hundreds of factors, ensuring that as we expand, we maintain our focus on responsible development. Some of those factors include population growth and access to major roads and interchanges. We work closely with local officials, residents and, in some cases, nongovernmental groups that take an interest in land development issues throughout the process to address questions about access, environmental impact, architectural features and design, and landscaping around our stores.

Lowe's has developed an extensive evaluation process for each potential site that goes above and beyond the American Society of Testing & Materials E 1527-05 template and the U.S. Environmental Protection Agency "all appropriate inquiries" rules. We conduct an Environmental Site Assessment (ESA) for each potential site to help us evaluate that site's history and condition.

Through the ESA process, we evaluate past or current environmental conditions, including whether hazardous substances or contaminants have existed and the impact our development might have on the properties around us. Our ESA regularly includes research data regarding flood plain information; determination of the presence of endangered / protected flora / fauna and critical habitats; review of historic structures and cultural histories; surface water impact; local geologic and hydrogeologic impact; and soil surveys. Additionally, we routinely work with local developers and the Army Corps of Engineers to identify any wetlands that might be impacted by the development of a site.



Long before a new store opens, Lowe's works with local officials and conducts an Environmental Site Assessment to ensure the facility is responsibly developed.

Responsible Wood Sourcing

The world's forests are critical to the sustainability of life, protecting the health of our planet and its people. From clean air to timber, they have served our environmental and everyday needs. Now, as the global population and product demands escalate, our forests and their vital resources are at risk.

Through our partnerships and policies, Lowe's continues to safeguard those resources for future generations. Since 2000, Lowe's has partnered with our suppliers to support the protection and conservation of forests. Guided by our wood policy, we seek to ensure that all wood products sold in our stores are harvested responsibly, from well-managed, nonendangered forests.

Lowe's commitment to global forest conservation is also reflected in our continued support of the Lacey Act, an effort to end illegal logging globally. We actively engage with environmental and industry groups, our suppliers and government agencies to help interpret and implement this important initiative.

Lowe's Charitable and Educational Foundation has contributed more than \$5 million to The Nature Conservancy since 2005 to protect our forests, and we expanded that work in 2011 through partnerships with American Forests and the National Park Foundation.

For more information on Lowe's wood policy, visit Lowe.com/woodpolicy.



Lowe's is actively engaged in global forest conservation and has worked closely with our suppliers since 2000 to offer wood products that are harvested responsibly.

Photo courtesy of Tim Ennis © Nature Conservancy of Canada

Awards

Lowe's was honored nationally for our work protecting and conserving natural resources, reducing greenhouse gas emissions and educating consumers about energy and water efficiency.

The Environmental Protection Agency and the Department of Energy honored Lowe's with the 2010 ENERGY STAR® Sustained Excellence Award. Lowe's is the first to win the Sustained Excellence Award in the retail category, and it is our eighth consecutive ENERGY STAR honor.

The award recognizes our leadership in promoting energy efficiency year after year and honors our achievements in customer outreach, employee training and product selection. In addition, we were honored for reducing greenhouse gas emissions through our commitment to energy efficiency.

The EPA also honored Lowe's with the 2010 WaterSense® Retail Partner of the Year Award. We are the first retailer to win the Retail Partner of the Year Award in consecutive years. The award honors our efforts to encourage water-efficient practices and raise awareness of the WaterSense label across the country, including our support for tax-free events and our work with other WaterSense partners to promote water-saving products.



Mike Gettler, Lowe's vice president of merchandising for kitchen and bath, receives the 2010 WaterSense® Retail Partner of the Year Award from Nancy Stoner of the Environmental Protection Agency.

Our Environmental Partnerships

We are proud to partner with some of the world's leading nonprofit organizations to help create more sustainable communities and improve the well-being of people across North America.

Lowe's has teamed with The Nature Conservancy since 2005 to protect the forests of North America, from the Darkwoods of British Columbia to the Cumberlands in Tennessee. We expanded that work in early 2011 through partnerships with American Forests and the National Park Foundation during our first online community giving campaign.

Lowe's Charitable and Educational Foundation kicked off the New Year by donating a total of \$1 million to four charities that align with our sustainability focus areas. Along with American Forests and the National Park Foundation, Keep America Beautiful and Water.org each received a \$100,000 grant from Lowe's Foundation for participating in the campaign. The remaining \$600,000 was distributed based on the percentage of consumer votes each charity received online.

- The National Park Foundation, the official charity of America's national parks, received a grant of \$364,900 after collecting 44.15% of the consumer vote. The National Park Foundation is using its grant to fund America's Best Idea Grants, a program inspired by Ken Burns' film, "The National Parks: America's Best Idea." The funding also supports Electronic Field Trips, which allow millions of schoolchildren to experience America's national parks as virtual classrooms, learning vital topics from climate change to geology, through an interactive online and broadcast experience.
- Keep America Beautiful received a \$324,280 grant for getting 37.38% of the vote. Keep America Beautiful is using the grant to help host the Great American Cleanup. The event is the nation's largest organized cleanup, beautification and community improvement program. It promotes cleanup and recycling efforts in more than 33,000 communities from March through May.
- Water.org received a \$158,920 grant, having won 9.82% of the vote. Funds awarded from Lowe's Charitable and Educational Foundation support Water.org's long-term development efforts in Haiti to increase access to sustainable, safe water and sanitation services. Water.org has committed to reaching 50,000 Haitians with clean water and sanitation by 2012.
- American Forests received a \$151,900 grant after collecting 8.65% of the vote. American Forests plans to use the funds to help reach its 2011 goal of planting more than 5 million trees in dozens of restoration projects across the United States. It also will launch a public education initiative that will teach diverse communities about the environmental and societal benefits of forests and trees. The trees American Forests plants, with Lowe's support, will help restore critical habitat for wildlife, prevent erosion, stabilize watersheds and filter pollutants from the atmosphere.



Lowe's Charitable and Educational Foundation contributed a total of \$1 million to the National Park Foundation, Keep America Beautiful, Water.org and American Forests during Lowe's first online community giving campaign.

The Nature Conservancy

Now entering its seventh year, Lowe's partnership with The Nature Conservancy has evolved to support one of the conservancy's most important strategic initiatives — the forests of North America.

Since 2005, Lowe's Charitable and Educational Foundation has contributed more than \$5 million to help fund forest projects across the United States and Canada. We've focused our assistance on advancing conservation at a scale needed to protect biodiversity and natural areas for future generations. We're proud of our partnership with the conservancy, which is an extension of Lowe's values and the environmental commitment we make throughout our retail operations and through the types of products we offer customers.

The foundation's most recent donation of \$1.25 million allowed the conservancy to identify forestland most in need of funding, thereby ensuring our support would have the greatest impact. In 2010, Lowe's supported a wide range of projects in the broadleaf forests of the Appalachian range that extends from Alabama to Canada, including projects encompassing hundreds of thousands of acres in New York and Tennessee. In Montana, the contribution from Lowe's Foundation went toward the acquisition of the 310,000-acre Crown of the Continent project, one of the largest forest conservation initiatives in the conservancy's history. In Washington state, the Three Rivers Forest Project enabled the purchase and restoration of critical forestland and helped connect a mountainous national park and a national forest to the ocean, all for the benefit of salmon and other species reliant upon forestlands and freshwater rivers.

Additionally, Lowe's supported the acquisition of the 136,405-acre Darkwoods property in southern British Columbia — the largest property purchased for conservation in Canadian history. Acquiring the territory in the Selkirk Mountains will help preserve a tremendous range of biologically rich habitats sheltering a variety of wildlife. Similarly in Virginia, Lowe's helped acquire a forested landscape crucial to the health of the Chesapeake Bay and rare species of plants, animals and fish.



Lowe's is helping to protect New York's Adirondack Mountains and the majestic solitude of their High Peaks.

© The Nature Conservancy of New York

A Brighter Way to Manage Energy Use

Lowe's new 202,500-square-foot Centralia, Wash., Flatbed Distribution Center (FDC) is not a showroom for high-tech power tools or energy-saving appliances. Instead, it's a warehouse for basic building products, such as lumber and plywood. Yet when it began shipping products to Lowe's stores in early 2010, the Centralia FDC became the most efficient distribution center Lowe's has built.

Sitting on 25 acres, it's home to the latest technology. Along with a solar-tube daylighting system, used by Lowe's for the first time, the facility features numerous other energy-reducing and environmentally friendly components. From waterless urinals to a high-efficiency forklift-battery charging system, it's all part of Lowe's continuing focus on incorporating efficient technologies in the construction and operation of companywide facilities.

The 247 roof-mounted solar tubes capture ambient and direct light that is diffused into the warehouse space below. The tubes can provide sufficient lighting even on cloudy days, in the early morning and late afternoon. They also work in tandem with high-efficiency T8 supplemental fluorescent lights. If the amount of natural light is insufficient, the fluorescent lighting is automatically brought up to preprogrammed levels.

The facility's operating schedule maximizes the use of daylight, providing substantial savings in energy costs and minimizing its overall carbon footprint. Based on the Centralia FDC's average monthly lighting use, the daylight harvesting system reduces annual lighting use by an estimated 80%.

FDC employees also benefit. An ample supply of natural light can improve safety and boost employee morale and productivity. In addition to the solar tubes, a series of 22 skylight-like glass panels line the upper wall on the south side of the distribution center, letting more natural light penetrate deep into the facility to the employees below.

Employees are encouraged to carpool or bike to work. The facility has a canopy-covered bike rack near the entrance. To reduce water consumption, the Centralia FDC was equipped with water-saving showerheads and toilets, as well as waterless urinals that save about a gallon of water for each flush a standard urinal would release.

The lumberyard is lit with high-efficiency T5 fluorescent lights. Inside, energy recovery ventilators and high-speed roll-up doors reduce the operating cost of the high-efficiency HVAC system. The Centralia facility is our first FDC to use the sensor-driven roll-up doors, which help manage environmental control in cold and rainy climates and locations with a high volume of forklift traffic.



The solar tubes atop the Lowe's Flatbed Distribution Center in Centralia, Wash., can provide sufficient lighting even on cloudy days.

Lowe's knows if the roll-up doors or any other facility feature is consuming an inordinate amount of energy. With the help of an energy sub-metering system on the premises, we monitor energy use to identify unusual patterns and optimize overall energy consumption.

Being a leader in efficient building means finding a more sustainable way. With the Centralia facility, our 15th FDC, Lowe's continues to seek solutions that reduce the consumption of natural resources, minimize environmental impact and create a better place for employees to work.



The solar-tube daylighting system works in tandem with high-efficiency, supplemental fluorescent lights.

Preserving Life, Land in Chesapeake Bay

Dubbed the “second most ecologically important watershed in the Chesapeake Bay” by the Smithsonian Institution, Dragon Run includes the northern-most tidal cypress swamp community on the western shore of the Chesapeake.

Home to a diverse community of plants and animals, this ecological treasure in eastern Virginia is being protected for generations to enjoy through Lowe’s support. In partnership with The Nature Conservancy, Lowe’s is helping to conserve hundreds of thousands of acres of forests, waterways and natural habitats across the United States and Canada.

Lowe’s Charitable and Educational Foundation’s \$1.25 million contribution in 2010 allowed The Nature Conservancy to identify forestland most in need of funding. The Dragon Run watershed is unique because of its significant forest cover, expansive bald cypress swamps and pristine water quality despite its proximity to the rapidly expanding metropolitan areas of Hampton Roads, Richmond and Fredericksburg, Va.; and Washington, D.C.

Dragon Run contains five rare, natural communities; 22 rare plants and animals; and more than 55 species of fish. More than 80% of the 90,000-acre Dragon Run watershed is in a forested condition, with approximately 17% in agriculture and open space — making the long-term protection of this already forested landscape even more important.

A \$100,000 grant from Lowe’s Charitable and Educational Foundation supported the purchase of 4,188 acres from the Hancock Timber Resource Group. Of that, 2,411 acres are being acquired by the Virginia Department of Forestry and added to Dragon Run State Forest. The Nature Conservancy will keep the remaining 1,700 acres as a preserve, which the Virginia chapter will restore by re-establishing diverse hardwood forests where pine plantations now grow.

The ecological benefits of restoration are amplified by the landscape context. The preserve is located in an unfragmented forest “core,” which represents the best potential habitat for animals and plants that are sensitive to human disturbance.

“The Dragon Run watershed is one of the few watersheds in eastern Virginia that remains primarily undeveloped, rural forestland,” said Michael Lipford, director of The Nature Conservancy in Virginia. “This partnership between the Hancock Timber Resource Group, the Commonwealth of Virginia, The Nature Conservancy and corporate supporters, like Lowe’s Charitable and Educational Foundation, represents our shared interest in conserving the ecology and traditional industries this special place supports.”



Kayakers on the Dragon Run swamp in Virginia encounter several rare species of birds, plants and fish when the river is navigable for a few weeks in early spring.

© Monica Dean

Garden Center Gets Greener With Recycling

Lowe's is committed to exploring new opportunities to reduce waste and help consumers do the same. We launched a nationwide Garden Center recycling program in February to help keep rising mounds of plastic plant containers out of landfills.

Lowe's recycled 230,000 pounds of plastic in just three months during a pilot test in which 22 stores collected plastic pots, trays and tags that are used with live nursery items. Following that success, Lowe's expanded the program to all stores in the continental United States, more than 1,700 locations.

Generally, curbside recycling programs are unable to accept plastic plant containers, such as pots and hanging baskets. This new program gives consumers a responsible recycling option and makes it easy for them. We provide a cart for stores and customers to return plastic plant trays, pots and tags, regardless of condition. No matter where consumers purchase the plant, they are encouraged to return the materials to a Lowe's Garden Center to be recycled.

"Lowe's plant pot and tray recycling program offers a winning solution to our customers, stores and suppliers," said Michael Chenard, director of environmental affairs for Lowe's. "Customers now have a place to take used pots; our suppliers are able to reuse the plastic trays, and recyclable material is diverted from the landfill. Everyone wins with this new program."

Once the pots and trays are returned to the store, they are picked up by local vendors and sorted. The reusable material is sterilized and reintroduced to the production cycle. Serviceable trays are recovered and reused in the growing, shipping and sale of live plants. Material not deemed reusable is crushed, banded and sent for recycling.

The new Garden Center recycling program continues Lowe's efforts to help customers make a difference, while raising awareness around the importance of recycling. Lowe's stores expanded several recycling services in 2010. In addition to launching an appliance recycling program nationwide, Lowe's installed recycling centers in more than 1,700 stores to make it easier for customers to recycle rechargeable batteries, cell phones, compact fluorescent light bulbs and plastic shopping bags.

Jordan Temos, a lawn and garden sales specialist at Lowe's of Troutman, N.C., said the early results from the Garden Center recycling program have been positive — for everyone.

"The program's been great," Temos said. "It's very easy for customers to drop off their containers, and it makes our store more efficient. We've had customers drop off an entire cart full of empty pots for recycling."



Lowe's launched a nationwide Garden Center recycling program to help keep plastic plant trays, pots and tags out of local landfills.

Sustaining Dreams of University Solar Team

Just up the road from where it first served homeowners more than 60 years ago, Lowe's is partnering with Appalachian State University to help make homes more sustainable for generations to come.

The 17,000-student school in the Blue Ridge Mountains of northwestern North Carolina is one of 20 institutions chosen from around the world to compete in the U.S. Department of Energy's Solar Decathlon this fall. The biennial event challenges teams to design, build and operate solar-powered houses that are affordable, energy-efficient and attractive.

Lowe's is helping Appalachian State students meet that challenge. Together with Lowe's Charitable and Educational Foundation, Lowe's has contributed \$350,000 to support the university's entry in the international competition. Along with approximately \$25,000 worth of tools donated by Lowe's, the funds are being used to help construct the team's Solar Homestead. Lowe's employee experts also are providing advice, product recommendations and additional resources.

Chancellor Kenneth E. Peacock said the university's participation in the competition would not be possible without the private support of companies like Lowe's.

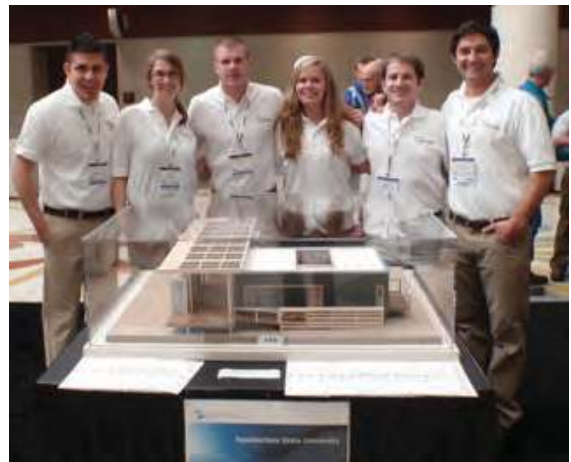
"This project showcases higher education and community support at its absolute best," Peacock said. "Lowe's generous contribution demonstrates the company's commitment to enhancing educational opportunities and providing environmental leadership. Through this partnership, Lowe's is inspiring tomorrow's leaders to create innovative solutions for sustainable living."

More than 100 students from across the university will have a hand in building the 1,000-square-foot, two-bedroom house with detached guest quarters. The design was inspired by the earliest pioneer homesteads — self-sustaining cabins and outbuildings used by settlers in the Appalachian Mountains. The Solar Homestead's outbuilding modules will function as solar collection sites, generating a flow of solar photovoltaic electricity.

Lowe's is dedicated to helping today's homeowners and future generations make their homes more energy and water efficient and more sustainable. Through support of Appalachian State's team, Lowe's is building on its commitment to bring more innovative technology to the marketplace and continuing to educate consumers about the benefits of an efficient home.

David Lee, a graduate student and communications manager for the Solar Homestead team, said Lowe's support has been invaluable. His team has partnered with members of Lowe's commercial sales, environmental marketing and sustainability teams to plan and develop the Solar Homestead.

"We have some people on the team with a fair amount of real-world experience, but no one has ever worked on a project of this scale and importance," Lee said. "So having all the advice from people who are experts in the field, such as Lowe's, has been very helpful. They've sent us specifications for WaterSense® fixtures and ENERGY STAR® appliances and helped us pick out the most affordable and environmentally friendly products. Lowe's has been fantastic."



Members of the Appalachian State University Solar Decathlon team debut a scale model of their Solar Homestead at the International Builders' Show in Orlando, Fla.

Making a School America's Greenest

Josh Wright listed a few goals for the Lowe's Heroes project at South Shore Charter Public School just outside of Boston. Not only did he want the project to encourage others to pay the goodwill forward, but he also hoped it would pay back the school far more than Lowe's put in.

Wright, an assistant store manager at Lowe's of Abington and the father of three South Shore students, led the team of volunteers who built and installed recycling centers around the school. The Lowe's Heroes project significantly enhanced South Shore's recycling program, one of the K-12 school's growing environmental initiatives. The new waste-collection cabinets and barrels replaced small crates that were overflowing with paper and plastics.

Wright said the next day a parent saw Lowe's handiwork and was inspired to nominate South Shore for the America's Greenest School contest administered by IC Bus, the nation's largest school bus manufacturer. South Shore sent in its video entry, a mock TV newscast that included third- and fourth-grade reporters touting their recycling efforts, while standing in front of a collection cabinet created by Lowe's Heroes.

In late April, the students were on a live TV newscast. The breaking news: After 1 million votes, South Shore Charter Public School had beaten out more than 500 entries to win the title of America's Greenest School. Along with a \$200,000 hybrid school bus, the school won a \$20,000 green makeover and a \$3,000 scholarship.

"The Lowe's Heroes project was a big impetus in us being selected as America's Greenest School," said Lower Grade Principal Ted Hirsch.

About 20 Lowe's Heroes installed six cabinets, which were constructed over a couple of months at the Abington store. Each 6-foot cabinet has four slots for recyclable paper, plastic bottles, drink pouches and other materials. Lowe's Heroes also contributed 12 large, mobile paper-collection barrels to cover all corners of the school. While diverting trash from area landfills, South Shore generates revenue from the waste through national collection programs — relationships Wright helped develop.

"We wanted to give them tools to build on and create an opportunity to see a dollar return on their efforts," Wright said. "We set up resources that are going to pay them back over time."



Lowe's Heroes built and installed recycling centers at South Shore Charter Public School in Norwell, Mass. South Shore was voted America's Greenest School and won a \$200,000 hybrid school bus.

The Greenest School contest brought nearly a quarter of a million dollars in prizes. The school's young environmental stewards add to that amount each day by filling the cabinets and bins with paper and nonrecyclable waste. Items, such as drink pouches, cookie wrappers and chip bags, are collected by a business that pays two cents per item and converts them into more-valuable products, including backpacks, umbrellas and shower curtains.

"It's so exciting to see a Lowe's Heroes project go a lot further than just a handshake and a thank-you after the event," Wright said.



Before the Lowe's Heroes project, South Shore Charter Public School had limited recycling options, including an assortment of small crates that were overflowing with paper and plastics.