

2012 Social Responsibility Report

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IMPROVING THE PLACES WE CALL HOME

CONTENTS

Workplace

CEO Message	2
Our Vision and Values	3
Ethics and Governance	4
Global Sourcing	5
Political Engagement	6
Diversity and Inclusion	7
Engaging Employees	8
Developing Our Workforce	9
Health and Benefits	10
Focusing on Safety	11
Lowe's Employee Relief Fund	12
Awards and Recognition	13
Helping Employees After Sandy	14
Empowering Women	15
Supporting Veterans	16
Inspiring Weight Loss	17
Assisting Employees in Need	18
Teaming Up for New Start	19

Community

Our Mission	21
Lowe's Charitable and Educational Foundation	22
Lowe's Toolbox for Education®	23
Lowe's Heroes	24
Awards and Recognition	25
Habitat for Humanity®	26
Rebuilding Together®	27
SkillsUSA® and Skills Canada	28
Boys & Girls Clubs of America	29
Scholarship Partners	30–31
American Red Cross	32
First Response Team of America	33
Delivering Relief After Sandy	34
Rebuilding After Tornadoes	35
Thank You From Red Cross	36
Empowering Students	37–38
Expanding Opportunities for Students	39
Reviving Boys & Girls Clubs	40
Raising Walls, Hope in Miami	41
Revitalizing Historic Neighborhood	42
Creating Field of Dreams	43

Environment

Our Mission 45

Product Solutions..... 46

Product Transportation..... 47

Recycling..... 48–49

Responsible Wood Sourcing 50

Wood Sourcing Report..... 51–53

Awards and Recognition 54

The Nature Conservancy..... 55

Keep America Beautiful..... 56

Building Brighter Solutions..... 57

Expanding Recycling Programs 58

Fighting Fire With Fire 59

Keeping Ohio Beautiful..... 60–61



CEO Message

Here at Lowe's, Never Stop Improving is more than a tagline. It's a mindset that helps us create an emotional connection with people — people who express themselves through their homes; people who see home improvement as a continuous process.

But that mindset isn't limited to just customers and their projects. Never Stop Improving also means we strive to make a positive and lasting difference in our schools and our communities.

It's a drive that comes from within, fueled by the value we place on diversity of thought, on the importance of collaboration and connecting with our customers and communities, and on the unique perspectives that all of our employees bring to the workplace. Perspectives that create innovative solutions to meet the challenges of today and anticipate the opportunities of tomorrow.

And most importantly, it's a commitment we make every year.

2012 saw our commitment to education reach new heights. Through Lowe's Toolbox for Education®, we contributed nearly \$5 million in grants to schools in 49 states, enabling them to complete facility renovations, technology upgrades, playground builds and library expansions.

2012 saw our commitment to providing safe and affordable housing strengthen. Through our partnerships with Rebuilding Together and Habitat for Humanity, we participated in neighborhood revitalization projects, rehabilitations and home builds in communities from coast to coast.

2012 saw us take even bigger steps in the area of sustainability. We earned ENERGY STAR®, SmartWay® and WaterSense® awards from the EPA for our efforts in protecting and conserving natural resources, reducing greenhouse gas emissions and educating consumers about water and energy efficiency. And we continue to offer innovative and sustainable products so customers can choose responsible solutions.

2012 saw us respond in times of disaster. From wildfires to tornadoes to tropical storms, Lowe's was quick to provide assistance to emergency shelters, cleaning supplies for flooded homes and businesses, and volunteers for the distribution of food and relief supplies in affected communities.

But our largest response in 2012 came in the aftermath of Hurricane Sandy. In November, I traveled to the Northeast to see firsthand the incredible teamwork shown by Lowe's employees in the face of remarkable destruction. I was impressed by their determination to get every Lowe's store back up and running in order to be resources for community rebuilding efforts. And I was moved by the generosity and compassion of people across the enterprise who made donations to the Lowe's Employee Relief Fund to help teammates in their time of great need.

Education, housing, sustainability, disaster response. They were our focus in 2012. They will remain our focus in the years ahead.

Lowe's is committed to never stop improving, and that includes our schools and communities. I hope this report shows how much we're committed and how important it is to us.

Thanks for letting us share it with you.



Robert A. Niblock

Chairman, President and CEO



Lowe's Chairman, President and CEO Robert Niblock expresses his appreciation to Lowe's employees in Rosedale, N.Y., for their service in the aftermath of Hurricane Sandy.

Our Vision and Values



Employees help deliver inspiring experiences to Lowe's customers through the values they demonstrate every day.

At Lowe's, we take great pride in a culture built on more than 65 years of exceptional customer service. While we've grown from a small-town hardware store to a FORTUNE® 100 company, the commitment to our customers hasn't changed since our founding in 1946. As Lowe's continues to enter new markets, we're working harder than ever to preserve and enhance our customer-focused culture.

Ours is a culture shaped by more than 245,000 men and women who work for Lowe's. They're 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're 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. In our internal communications, we regularly feature employees who embody Lowe's vision and values. And we honor our top customer-focused stores each year.

We're better 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 and providing comprehensive benefits and opportunities for career development and community engagement.

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. Every employee must comply with all applicable governmental laws, rules and regulations, and avoid engaging in any conduct that 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. New employees are required to read, review, understand and adhere to the Code of Conduct, which is available on [Lowe's.com](https://www.lowes.com). Lowe's also offers a companywide ethics course online to educate employees about the specifics of Lowe's reporting procedures and compliance resources.

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. Employees who become aware of conduct that potentially violates the Code of Conduct can report the matter to the Office of the Chief Legal Officer or anonymously through our independent hotline.

To do business with Lowe's, vendors and suppliers also must commit to the highest standards of ethical conduct. The Lowe's Vendor Code of Conduct requires vendors to adhere to ethical principles and identifies the channels for vendors to confidentially report unethical conduct to Lowe's. For more on our ethics and compliance policies, visit [Lowe's.com](https://www.lowes.com).

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, the board provides oversight and counsel that strengthens our culture of integrity, accountability and responsible business practices.

Robert Niblock is chairman of the board of directors and president and chief executive officer of Lowe's. The fundamental role of the board of directors is to exercise business judgment to act in what it reasonably believes to be the best interests of Lowe's and our shareholders. Directors must disclose any potential conflicts of interest they might have and, if appropriate, refrain from voting on a matter in which they 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 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, membership criteria and other matters that are fundamental to shareholders' interests, are available at [Lowe's.com/Investor](https://www.lowes.com/Investor).



Our employees are required to adhere to the Lowe's Code of Business Conduct and Ethics.

Global Sourcing



Lowe's works with more than 500 vendors in 19 countries and provides clear guidelines for product quality and safety, and social responsibility by manufacturers.

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 through LG Sourcing (LGS), a wholly owned subsidiary of Lowe's. LGS works with more than 500 vendors in 19 countries, with the largest concentration in Asia, and provides clear guidelines for product quality and safety, and social responsibility by manufacturers.

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 strict conduct expectations.

With more than 750 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 and produce safe, reliable, high-quality products.

As part of our sustainable and socially responsible sourcing strategy, LGS works with third-party audit companies and other experts to refine our social accountability and environmental audit program. Launched in 2011, the program incorporates best audit practices and provides an expanded evaluation of social performance and environmental compliance. Every factory is audited at least once a year.

In 2012, LGS performed more than 850 factory certifications and more than 600 random social compliance audits. In addition, more than 16,500 product and packaging tests were conducted at independent testing facilities, with many products pulled from production lines for testing during random production audits. LGS also inspects orders at facilities before approving them for shipping. In 2012, Lowe's performed more than 10,000 pre-shipment inspections, evaluating nearly 1.5 million production items to ensure they meet performance requirements.

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

Political Engagement

Because we believe it's our responsibility as a good corporate citizen, Lowe's has a long history of engaging in issues of importance to our company, shareholders and industry. To this end, we engage in governmental outreach and lobbying activities. Lowe's vice president of government affairs coordinates these efforts while ensuring compliance with the numerous rules and guidelines governing corporate involvement. Lowe's does not make contributions to political campaigns, super PACs or political parties. Furthermore, Lowe's does not make independent expenditures, contributions to other political entities organized under Section 527 of the Internal Revenue Code or to special interest groups organized under Section 501(c)(4) of the Internal Revenue Code to support political activities. To the extent that Lowe's makes any political contributions to support ballot measures that are consistent with Lowe's business interests and public policy agenda, Lowe's will disclose those amounts in an annual report.

Trade organizations

Lowe's maintains memberships in national and state trade associations specific to business and retail industry interests. These groups provide significant benefits to Lowe's by giving Lowe's access to their business, technical and industry expertise. They provide a forum for their members and lobby on our behalf on various public issues and policies that impact our company and ability to conduct business as efficiently as possible. These organizations are often retail specific, and their primary focus is working with elected officials to advocate on behalf of retail companies and the issues that impact those companies. These associations are not expected to use the financial support that Lowe's provides for campaign contributions or to influence the outcome of specific elections or ballot initiatives.

Members of senior management and our government affairs department serve in a leadership capacity in many of the trade organizations in which Lowe's is a member to ensure the values of the trade organizations are consistent with Lowe's values and to ensure our investments and interests are well represented.



Lowe's recognizes the value of government partnerships and attends events such as the ENERGY STAR® 20th Anniversary Executive Roundtable to discuss programs impacting our business.

Political action committee

Lowe's sponsors an employee political action committee (LOWPAC) that contributes to candidates and other political committees supportive of our business interests. LOWPAC is funded by voluntary employee contributions. The determination to contribute to a candidate or political committee 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 to candidates or political committees:

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

The personal political interests of senior management or the board of directors are not included when considering contributions.

Compliance

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

Diversity and Inclusion

Diverse perspectives help us solve everyday challenges, develop innovative ideas and grow our business. We're dedicated to building a diverse workforce and continuing to foster an inclusive culture that promotes diversity of thought and celebrates the unique talents each professional brings to Lowe's.

Lowe's encourages collaborative engagement with key stakeholders across the marketplace and workplace. Our executive leadership team, beginning with Lowe's Chairman, President and CEO Robert Niblock, is dedicated to driving diversity of thought through collaboration and strategic alliances. Together, we're committed to treating every customer, employee, member of the community, investor and vendor with respect and dignity.

A diverse and inclusive workforce helps Lowe's provide our diverse customer base with the products, services and solutions they need throughout all stages of their home improvement projects. Embracing and elevating diversity strengthens our dedication to continuous improvement — leveraging innovation, collaboration and learning and development programs designed to foster open communication, inclusion and equal employment opportunities for all.

Lowe's remains focused on investing in solutions that create value for 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 the National Minority Supplier Development Council, multiple regional supplier diversity councils, as well as many organizations and associations, including the US Business Leadership Network®, National Organization on Disability, National Veteran-Owned Business Association, Information Technology Senior Management Forum, Hispanic IT Executive Council and The Executive Leadership Council.



Lowe's employees speak with students at the National Black MBA Association Annual Conference in Indianapolis. The conference provides a week of workshops and networking for African-American business professionals and students.

Engaging Employees



We're dedicated to fostering a culture that encourages every employee to deliver great customer experiences wherever and whenever customers engage with us.

Employee engagement is at the heart of many changes Lowe's has rolled out in recent years on our journey to make home improvement simple. As we transform our business to meet the evolving needs of customers, we must have an engaged workforce that embraces change and is driven to support customers and our communities. An engaged workforce will help us deliver seamless, supportive and inspiring customer experiences wherever and whenever customers engage with us.

An engaged employee rallies around the entire Lowe's team. An engaged employee is the person sharing the story of a customer's project success or the inspiring way a store pulled together to get a job done. Engaged employees go above and beyond each day — and they intend to remain a part of the Lowe's team. We're dedicated to fostering a culture that gives every employee the opportunity to be part of the company's success.

In addition to feedback generated through our Bright Ideas suggestion program and employee focus groups, our annual Employee Opinion Survey gives employees across North America 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.

With so much change under way at Lowe's, we expected and experienced a dip in our employee engagement scores in 2012. Transformational change can be unsettling, but leadership through change is a test of a company's sustainability. That's why we've placed a renewed and reinvigorated emphasis on helping our employees lead. And, we know our dedicated leadership team will return our engagement scores to the level we must have to succeed for our customers to make home improvement simple.

We're increasingly focused on helping employees build their talents and skills through extensive training and development programs, while we remain committed to helping them with work-life choices through our health and wellness programs. We rely on our employees to help us continuously improve our work environment and our communities. With the support of employees who contribute to the Lowe's Employee Relief Fund, Employee Giving Campaign and Lowe's Heroes program, we're able to enhance the quality of life in our communities and the everyday service we provide to customers.

Developing Our Workforce

Providing differentiating customer and employee experiences begins with our ability to attract, develop and retain a skilled and engaged workforce. Employees are a strategic advantage, and we're fully dedicated to helping them enhance their skills and build for the future.

Lowe's commitment is to build a workforce that supports our strategic direction while developing a more robust pipeline of talent that delivers on Lowe's evolving skill and capability needs. First, our performance-oriented training and leadership development programs provide the tools to help employees at all levels quickly reach and maintain job proficiency. Then, Lowe's works to develop a broader, deeper and more valuable talent pool by providing employees with opportunities for ongoing training and targeted career development.

From our stores, distribution centers and contact centers to our corporate offices, we offer a variety of learning paths, built on a careful blend of online courses, instructor-led classroom training, experiential learning, on-the-job learning, coaching and performance support. These learning experiences and opportunities are structured to occur at the right time and in the right amount. To enable this, last year we launched a program called Learning@Lowe's. This included an updated approach to sequencing and structuring learning as well as incorporating new learning and performance support methods and an increased emphasis on managers and leaders guiding the development of the employees who report to them.

We made a strategic investment in our workforce in two other areas in 2012. The first is leadership development. We partner with the University of North Carolina's Kenan-Flagler Business School for executive development and also focus on developing our store leadership, particularly the critical store manager and assistant store manager populations. Our Leadership Institute includes programs that are designed to ensure that Lowe's leaders are competent and confident to deliver strategic business results. The other area of strategic investment was the launch of Selling@Lowe's, a selling skills program created to advance our sales culture and enhance the customer experience. We introduced this program midyear and cascaded it to store employees. We believe these focus areas improve our ability to serve our customers while building the foundation for continued growth.



Lowe's has placed an increased emphasis on managers and leaders guiding the development of the employees who report to them to improve our ability to serve customers.

Health and Benefits

We added three new mobile health-screening units in 2012. With five custom-built buses now visiting Lowe's locations, we expect to provide free health screenings to more than 70,000 employees this year.



With more than 245,000 employees, Lowe's is focused on meeting a variety of needs through our comprehensive benefits programs. We take great care in investing in our employees to help them and their families lead healthier and happier lives.

Lowe's benefits programs include health and life insurance plans, a wide range of health and wellness programs, a flexible spending account plan, a 401(k) plan and a discount stock purchase plan. We recognize that to maintain and improve the health of our employees and their families, we need to continue to improve our health and wellness programs. Lowe's is committed to continuously measuring and evaluating the success of our programs and implementing changes to better meet employee needs.

In 2012, we launched the Weigh Smart Challenge to help employees and their families manage their weight with three targeted programs that provide dietary recommendations. Participating employees lost more than 28,000 pounds in just two months. We also expanded maternity benefits and increased the services available through our Family Assistance Program. Through confidential and professional counseling, employees and family members receive help with personal and work-related issues,

including financial and legal matters, drug or alcohol abuse and child and senior care. As part of the work-life program, Lowe's also offers exclusive discounts on more than 3.5 million products and services.

To improve employee access to health services, we added three new mobile health-screening units to our fleet. Each of the five custom-built vehicles has a staff of trained professionals who screen for blood pressure, total cholesterol, body mass index (BMI) and other key health indicators. With the three additional buses, we're now able to bring free screenings and professional health advice to every U.S. Lowe's location each year. Our health-screening units have traveled more than 190,000 miles and provided 115,000 free health screenings for employees since 2010.

All of these services are part of My Life Track, Lowe's innovative health and wellness program that provides resources to help employees and their families build a healthier lifestyle. My Life Track programs include annual health and wellness campaigns that address physical, emotional and financial topics, and on-site health centers in select locations. Lowe's pays for the entire cost of the program and services.

Focusing on Safety

Lowe's is committed to providing a safe environment for customers, employees, contractors 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 culture that integrates safety into all parts of our business. Lowe's holds our leadership teams accountable for creating and maintaining a safe working and shopping environment. 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.

In 2012, our store employees voluntarily took more than 8.4 million quizzes that focus on key safety initiatives. The quizzes are part of the Lowe's Store Cup, an employee awareness program launched in 2010 to enhance the customer experience, improve safety and reduce inventory shrink through online training.

The quizzes, training and consistent communication of our safety expectations continue to improve our overall safety record. During the past eight years, our stores and supply chain locations have consistently reduced their number of incidents and improved their level of commitment to a safe work environment.

Whether in the training room or on the sales floor, our focus is on giving our employees the tools to work safely every day. In 2012, we completed the rollout of a new tool to all stores to help employees become more productive, efficient and safer while stocking and removing products from racking. The new Power Stocker Lift is being used in place of rolling step ladders. The equipment has a manually propelled hydraulic lift that can safely raise the operator and products to adjustable heights, ideal for moving heavy, bulky items or multiple items at one time. The new equipment has helped improve our employee work experience, safety and customer service.

Lowe's also continued to enhance our Integrated Safety Leadership system to sustain Lowe's safety culture throughout our stores and distribution network. Key safety topics and processes include daily reviews, weekly management meetings, ongoing hazard assessments, incident root cause analysis, continuous training and monthly team meetings in which employees teach one another to increase safety awareness.

Lowe's is committed to maintaining a culture in which everyone is responsible for safety. We continue to advance this commitment by challenging our store and distribution safety teams to develop and lead safety efforts in their individual locations beyond what the organization provides in content and direction. We're evaluating how we train these teams and are preparing to provide the tools to empower them to help build and sustain a culture where people work without fear of injury to accomplish their goals.

Lowe's maintains a culture in which everyone is responsible for safety, and we give our employees the tools to work safely every day.



Lowe's Employee Relief Fund

The Lowe's Employee Relief Fund is a nonprofit organization dedicated to assisting Lowe's employees facing a significant unforeseen financial hardship. Since the program's inception in 1999, the fund has contributed \$17 million in assistance to more than 15,000 employees and their immediate family members.

Lowe's employees contribute through payroll deduction or check contributions, and Lowe's matches each contribution dollar-for-dollar. In addition, Lowe's pays for the program's operating costs.

Lowe's Employee Relief Fund distributed more than \$2.4 million in 2012, the largest amount in the history of the fund. Those dollars helped more than 2,100 Lowe's employees who suffered a significant 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.

During a year in which natural disasters caused the second-largest loss total in U.S. history, Lowe's employees stepped forward in large numbers to support those impacted the hardest. With their help, Lowe's Employee Relief Fund contributed \$345,000 in assistance to employees affected by disasters. More than 250 employees and families received assistance from the fund following Hurricanes Isaac and Sandy.

Checks and notes of encouragement streamed in from Lowe's stores, distribution centers and offices. With hundreds of employees, Lowe's regional distribution centers often rally together to support employees in need with generous donations. Employees at Lowe's distribution center in Findlay, Ohio, mailed checks for more than \$8,500 in 2012, bringing one-time contributions from the facility to nearly \$16,000 over the past two years. Lowe's regional distribution centers in Statesville, N.C., and Mount Vernon, Texas teamed up to raise awareness about Lowe's Employee

Relief Fund and encourage donations. Together, employees at the two facilities donated more than \$20,000, and Lowe's matched each dollar.

"The measure of a company, in my eyes, is what it does for its employees," said project coordinator Joshua Hart. "It's so easy to say, 'We care,' but so few companies step up and truly show it the way Lowe's does. I've seen the Employee Relief Fund help more of our team members over the past few years than I can count."

Many employees who were helped by the fund in 2012 shared their gratitude in thank-you letters addressed to Lowe's family of supporters:

"I cannot thank you enough for the \$1,000 you gave me for my medical bills. It has really helped with all my medical expenses. It has been very difficult for me, but to know that there are people that truly care is just overwhelming. Thanks to all of you for your support." – Lowe's employee, Monroe, Wash.

"I would like to thank the Employee Relief Fund and my fellow employees who contribute to the fund for the generosity shown to me and my family. It is going to be a long, slow process to rebuild and replace what we have lost (from Hurricane Sandy). But with the kindness and generosity of family, friends and my Lowe's family, it makes each step a little easier." – Lowe's employee, Toms River, N.J.

"To everyone involved in the Employee Relief Fund, thank you so much for the funds. It helped a lot to offset the expenses of our son's unexpected death. It's still painful, but the funds take away some of the worry here and now. I've given before. I never expected to be on the receiving end. Now, I not only will give, I will encourage others to do so, too." – Lowe's employee, North Lancaster, S.C.



The Lowe's Employee Relief Fund provides assistance to employees who have suffered a significant financial hardship as a result of a house fire, natural disaster, family death, medical expenses or other unforeseen event.

Awards and Recognition

Lowe's received special recognition in 2012 for our dedication to promoting a healthy, diverse and inclusive workplace:

Fit-Friendly Worksite, Gold level. Lowe's received the American Heart Association honor for the third consecutive year for demonstrating progressive leadership by making the health and wellness of our employees a priority. The gold-level recognition distinguishes companies that champion the health of their employees and work to create a culture of physical activity in the workplace.

ITSMF Corporation of the Year. The Information Technology Senior Management Forum (ITSMF) honored Lowe's for our dedication and partnership in support of ITSMF's mission. ITSMF is a national organization dedicated to fostering senior-level executive talent among African-American IT professionals by offering career development, mentoring and networking opportunities. Lowe's is ITSMF's largest corporate partner.

G.I. Jobs Top 100 Military-Friendly Employers®. Published by G.I. Jobs magazine, the list honors the companies that are doing the most to recruit America's veterans. Lowe's, which made the list for the sixth consecutive year, employs nearly 16,000 veterans and reservists. Lowe's partners with the RecruitMilitary.com, Employer Support of the Guard and Reserve and the Military Spouse Employment Partnership to promote job opportunities for service members and their families and provide extended benefits for employees called to active duty.

California awards. The California State Senate and State Assembly presented two awards of recognition to Lowe's regional distribution center in Perris for its commitment to hiring, training and promoting people with disabilities. In addition, Lowe's was recognized as Business of the Year by Exceed, a nonprofit organization that provides service and advocacy for adults with disabilities.

Employer of the Year. Goodwill Industries of Northeast Texas honored Lowe's regional distribution center in Mount Vernon as Employer of the Year. The distribution center partnered with Goodwill in 2009 to create a training and work-skill development program for individuals with disabilities. The facility employs 100 percent of the people who successfully completed the program.

The program at our distribution center in Pittston, Pa., also was recognized. Pennsylvania Gov. Tom Corbett and members of his administration toured the facility and spoke with Lowe's employees. "The Lowe's model is a great example of what employers can do to diversify their workforce," said Department of Public Welfare Secretary Gary D. Alexander.



The Information Technology Senior Management Forum presents Lowe's Chairman, CEO and President Robert Niblock with the Corporation of the Year Award for supporting its efforts to advance the leadership skills and careers of African-American IT professionals.

Helping Employees After Sandy

When Hurricane Sandy crashed ashore, it churned up lives across the East Coast. As they mobilized to get needed supplies to residents in the storm's path, many Lowe's employees scrambled to deal with their own devastation and loss. Employees like Manley Hermitt, a greeter in Rosedale, N.Y., at a Lowe's store swamped by four feet of water.

When Sandy hit, he saw his home's awnings, gutters and shingles blown away and watched the water rise. "At one point, I looked through the window and my car, my truck, everything was just floating around in the driveway," he said. "I couldn't really imagine that this was happening."

Yet Manley was among the many employees who worked day and night to reopen the store for the community in two weeks' time. He said coming to work was therapy and the hot meal served by Lowe's executives on Nov. 8 was the first one he had in 10 days.

In the midst of the nor'easter that followed the hurricane, Lowe's Chairman, President and CEO Robert Niblock and other executives traveled to Rosedale to thank employees for their service and pledge additional support. Nearly 700 Lowe's employees volunteered to leave their stores and families to serve on storm recovery teams at hurricane-impacted stores in New Jersey and New York, including dozens at the Rosedale store. Lowe's coordinated volunteers from as far as North Carolina, Ohio and Maine to assist 18 affected stores and give local employees time to spend with their families and attend to personal needs.

To provide urgent financial assistance to families in need, Lowe's streamlined the approval process for the Lowe's Employee Relief Fund. Lowe's employees contribute to the fund, and Lowe's matches each donation dollar-for-dollar. The Lowe's Employee Relief Fund contributed more than \$160,000 in assistance to employees and families affected by Hurricane Sandy.

With power outages and freezing weather hampering travel, Lowe's also brought critical resources directly to employees. Lowe's sent

gas trucks to 12 stores to allow employees in hurricane-impacted areas to pump five free gallons a day for two weeks, helping meet a critical need with the onset of gas shortages, rationing and long lines at local service stations. Lowe's gave employees more than 34,000 gallons of gas.

"The gas truck was phenomenal because I couldn't find gas anywhere," said Kathleen Altmajer, head cashier in Holmdel, N.J. "My first day back to work after the hurricane, I was on empty and I was just so thankful there was a gas truck because I couldn't get to a gas station. The lines were ridiculous."

Lowe's delivered additional resources and assistance by sending a mobile health-screening unit to stores in the areas most devastated by the storm. The staff distributed food, water and emergency supplies to employees and provided a variety of services, including computer access and crisis counseling in addition to health screenings.

As the holidays approached, Lowe's employees continued to help their communities recover and rebuild. In appreciation for their commitment, Lowe's provided a free family-style Thanksgiving meal to every employee at our 35 stores in the affected areas.

"Watching employees come together to help fellow employees and the way the company has responded, it makes me proud to wear this vest," said Mark Smith, store manager at Lowe's of East Brunswick, N.J. "It's going to take awhile for all of us to get through this, but we're all going to get through it with the help of Lowe's."



Lowe's provided a free family-style Thanksgiving meal to every employee at our 35 stores in the communities hit hardest by Hurricane Sandy. The nearly 5,000 meals were a collective thank-you for their dedicated efforts.

Empowering Women



Joan Higginbotham, Lowe's community relations director, inspires more than 120 leaders from across the company at our second annual Women's Leadership Summit in Mooresville, N.C. Higginbotham shared her career path, which includes 20 years at NASA.

For the second year in a row, Lowe's brought together some of the best and brightest women from across the company for our Women's Leadership Summit. The event engages, inspires and encourages our female leaders to define their individual goals and develop a better understanding of their value as part of a greater team.

As a company that greatly values diversity and inclusion, Lowe's embraces opportunities to invest in the future of women throughout the enterprise. The theme for the 2012 Women's Leadership Summit was "Many Paths, One Journey." The two-day event focused on investments women make in their careers, health and well-being, and work-life choices, and the tough decisions they often confront along the way.

"Different paths brought each of us to Lowe's, but we share this journey together while we're here," Chief Human Resources Officer Maureen Ausura told attendees. "Let's take advantage of the unique talents and valuable experiences that each of us brings to the table. We want you to share what you learn with others."

The goal of the annual summit is for women to walk away with a renewed spirit and to be inspired to share that spirit and their learnings with other women to help prepare the next generation of leaders to move Lowe's forward.

"The Women's Leadership Summit celebrates the fact that Lowe's respects the diversity that women provide to the workplace and really encourages its female leaders to take ownership of their careers and helps them develop," said attendee Jill Miller, Lowe's director of customer analytics.

More than 120 women leaders from across the company participated in the summit. Attendees were inspired by a lineup of distinguished speakers that included former world-class athlete and noted author Bonnie St. John, former CEO of PepsiCo North America Dawn Hudson, Emmy-winning TV host Joy Behar and Carol Evans, the president of Working Mother Media and CEO of the National Association for Female Executives.

"Having these kinds of opportunities for our company and our women and for all employees is just phenomenal," said Theresa Thompson, Lowe's director of diversity and inclusion. "It helps show the company's commitment and equips our employees with the behaviors and attributes they need to be successful."

"There are many ways to reach your goals. The journey is together with others, not by yourself."

Supporting Veterans



Store manager Benjamin Stewart greets customers at Lowe's of North Seattle. The former Marine got his start as a seasonal employee in Lowe's paint department. "A few weeks into my new job, I realized that Lowe's is a company with great potential and capacity," he said. "It's led by men and women who don't settle for complacency and mediocrity."

Benjamin Stewart planned to leave the Marine Corps and concentrate on earning a degree in sociology. He wanted to help other service members make a smooth military-to-civilian transition.

Stewart began preparing for his transition about nine months before his leaving active duty, taking advantage of classes and every transition resource the Marine Corps had to offer. He was diligently assessing his military training, skills and experience and figuring out how he could apply that to a civilian career path.

However, the former recon scout and rifleman took a detour. After leaving active duty in 2002, Stewart took a seasonal job in the paint department at Lowe's while he worked on his degree at the University of Washington.

"A few weeks into my new job, I realized that Lowe's is a company with great potential and capacity," Stewart said. "It's led by men and women who don't settle for complacency and mediocrity. The company has a heritage of hard work and success that I wanted to be part of. I realized that I was exactly where I wanted to be."

Stewart's military leadership, work ethic and skills helped propel his career. Ten years after leaving the Marine Corps, he's leading a team of about 135 store associates and working as a Lowe's store manager in Seattle.

And, he's in elite company. At the Lowe's store, nearly 25 percent of the employees are veterans. Overall, nearly 16,000 Lowe's employees served in a branch of the U.S. military.

"I was surprised to see how many veterans work at Lowe's," Stewart said. "We have a great representation – Army, Navy, Marines, Air Force and Coast Guard among our associates. I sometimes have to catch myself replying with 'Ooh-rah!' Typically, you can always find another Marine in the room who understands what you're saying."

Lowe's promotes job opportunities for military spouses through the Military Spouse Employment Partnership and teams with RecruitMilitary.com to participate in career fairs targeting transitioning soldiers and veterans. An Employer Support of the Guard and Reserve partner, Lowe's offers extended benefits for employees called to active duty.

For those and other efforts, G.I. Jobs Magazine selected Lowe's as one of the top 50 Military Friendly Employers.

"Getting your foot in the door at a company like Lowe's is a great opportunity. Once you get that opportunity, be humble, work hard and set your goals high," Stewart advised. "For veterans, a company likes Lowe's has major opportunity."

Inspiring Weight Loss

Matt Fulkerson held up the size 58 jeans for coworkers in Henderson, Ky., and their mouths dropped.

"We were in the training room taking pictures, and one of them said, 'Wow, Matt, I don't remember you being that big,' " Fulkerson said. "I said I didn't remember being that big, either. That's when it was clear to me that I really lost that weight. I keep those pants as a reminder that I don't ever want to be there again."

A year earlier, the size 58s fit like a glove. Fulkerson weighed 389 pounds and constantly had headaches. So when a coworker encouraged him to sign up for a health screening on Lowe's touring health-screening bus, Fulkerson didn't hesitate.

Lowe's five custom-built health-screening units crisscross the United States to offer screenings at no cost to employees and to promote healthy behavior at nearly 1,800 Lowe's locations. Each bus has a staff of trained professionals who screen for blood pressure, total cholesterol and other key health indicators.

The staff took Fulkerson's blood pressure three times, then recommended he take the results to his family physician as soon as possible. That Friday, he visited his doctor for the first time in more than a year.

"She asked how old I was," Fulkerson said. "I said, '23.' She closed my chart and said, 'You feel like you got a life ahead of you?' I said, 'Yes, Ma'am.' She said, 'There are things you need to change. Your weight could lead to serious issues if you don't fix it.' In my mind, she was telling me if I don't change my habits, I'm going to die."

He dropped 15 pounds in the next two weeks, and the weight kept coming off. Fulkerson cut out fried food, learned to control his portions and hit the gym six days a week. He's down to 273, having lost 116 pounds, or "a whole Jessica Tomblin," as his fellow employee likes to say. Fulkerson said

the encouragement from the entire store team fuels him, along with his newfound energy.

Coworkers posted his success story, with that photo of the size-58 jeans, and shared their congratulations on Lowe's internal social business network. "I remember coming home from work that night, and I pulled (the Lowe's page) up on my personal computer," Fulkerson said. "I said, 'Mom, I want you to read what everybody said at the store.' I cried, then my mom cried when she read all the comments."

His transformation inspired many of those same coworkers, including assistant store managers Joe Hite and Tika Robinson, to lose weight. "He's a walking witness, a testimony that it can happen," Robinson said.

The next time Lowe's health-screening unit rolled into town, Fulkerson's results were entirely different. "I couldn't believe all the arrows pointing down," he said. "Blood pressure was better, cholesterol better. Two pages worth of arrows pointing down for improvement."

Fulkerson, who's targeting 240 pounds as his next goal, said that first screening was a wake-up call.

"If it wasn't for that health screening and the referral to see my family physician, I truly believe I might not even be here right now," he said. "I can never say thank you enough or repay everyone enough for all the encouragement."

Jessica Tomblin easily fits into one leg of the size-58 jeans that Matt Fulkerson once wore. Fulkerson, a part-time employee in Henderson, Ky., dropped 116 pounds after a Lowe's health screening revealed high blood pressure and cholesterol.



Assisting Employees in Need

Dustin Corley doesn't remember the head-on collision on U.S. 277 just north of San Angelo, Texas. On the rescue flight to the medical center, his heart stopped and had to be revived. That night, doctors told his parents he had a 50-50 chance to live.

Six months earlier, Sheri Crispin fractured 12 vertebrae when she crashed her four-wheeler down a 30-foot embankment and into a creek in Boise, Idaho.

Facing long recoveries and the prospect of having to adapt to a new way of life because of incapacitating injuries, both Corley and Crispin said mounting medical bills were simply too much to take on.

"The Lowe's Employee Relief Fund made a big difference," said Crispin, department manager at Lowe's of Nampa, Idaho. "It was right at the beginning when all deductibles were due. I really didn't want to stress about money when all this was happening."

Corley and Crispin are among more than 2,100 Lowe's employees who received assistance from the Lowe's Employee Relief Fund last year. Employees contribute to the fund, and Lowe's matches every dollar. Since 1999, the fund has contributed more than \$17 million in assistance to 15,000 employees and their immediate family members.

Along with Lowe's financial support, Crispin said the many calls, visits and gifts she received from co-workers inspired her. When the Canyon County Sheriff's Mounted Posse held a fundraiser, employees at Lowe's of Meridian cooked, donated items and helped raise money to support Crispin. The store employees also teamed up to build a wheelchair ramp at her home, modify her bathroom and repaint her fence.

"Everyone on the whole team jumped in and helped out," Crispin said. "They were all there to support me. It felt like I had a whole other family."



The Lowe's Employee Relief Fund provided critical assistance to Dustin Corley and his family. After his car accident, co-workers made the nearly 200-mile round trip from Abilene to San Angelo, Texas, to visit him in the hospital.

Lowe's was never far from Corley's mind and heart, either, after the interstate collision left him in critical condition, with brain trauma, a ruptured spleen and broken legs.

"When he first woke up from the coma, the first words out of his mouth were, 'Mom, do I still have my job at Lowe's?'" said his mother, Janet Corley. "There were so many Lowe's folks that came up to the hospital. They caravanned to see him."

Co-workers made the nearly 200-mile round trip from Lowe's of Abilene to San Angelo, and Human Resources Manager Lynn Crill told his parents about the Lowe's Employee Relief Fund.

"It was a big help," said Dustin, who had moved back home just prior to the accident to help support his mother after she was diagnosed with cancer. "It meant a lot to know that Lowe's really cares."

The funds helped the Corleys manage medical expenses and make accessibility modifications to prepare their home for Dustin's return. Lowe's helped coordinate the project and welcomed Dustin back to work 10 months later.

"Without Lowe's generosity, this would not have happened," Crill said. "It's an inspiring message to those giving to the Employee Relief Fund and to others — to never give up hope, no matter what the odds are against you."

Teaming Up for New Start

Each year, from Sept. 15 to Oct. 15, National Hispanic Heritage Month celebrates the achievements and contributions Hispanics have made to enrich the United States. Home is an important part of that heritage. It's where families and friends enjoy the things that make Hispanic cultures unique — food, music, quinceñeras, Las Posadas. Home is where we all plan, dream and build for the future.

So to celebrate National Hispanic Heritage Month, Lowe's partnered with Habitat for Humanity® to build two homes and make critical repairs to three existing homes for Hispanic families in Dallas and Houston. Lowe's donated \$200,000 to Habitat for the projects, along with the helping hands of Lowe's Heroes employee volunteers.

Joe Herrera, a single father of two young children in Dallas, wanted to have his own home so his children could grow up in a stable environment. Eager to move out of his cramped apartment and into a new three-bedroom Habitat home, he was astonished to see dozens of Lowe's volunteers come out on weekends to build with him. But the bigger surprise came when he met with project coordinator Jim Rivera, store manager at Lowe's of Southwest Dallas, to discuss the patio set and grill that the store offered to donate.

"We were shooting the breeze," Rivera said, "and he asked, 'Do you have any open positions?'"

Herrera, 30, proceeded to tell the Lowe's store manager about his current job, working 5 p.m. to 4 a.m., driving a forklift at a warehouse. He picked up his kids from school but had little time to spend with them before he had to head back to work. During the week, he got to see them only a few hours and had to lean on his mother for help. On weekends, he was spent.

"He said his kids were the most important thing for him and he wanted to do right by them," said Rivera, a single parent himself who raised two

boys. "That's what got to me."

Rivera told Herrera how to apply for an open position and then provided an opportunity he couldn't have imagined.

"I was surprised how quick everything happened," said Herrera, who joined the Lowe's team as an associate in the lumber department, just 11 days after the first wall went up on his new home. "I was under a lot of stress. Now, with my new hours, I can take my kids to school. I'm there to tuck them in bed and sleep with them at night. That makes a difference for them, especially with the new house."

As the holidays approached, he received more good news. The work was winding up on his new home, giving his family the chance to move in before Christmas. He was looking forward to the privacy the new home affords, the 1,600-plus square feet of space and the new backyard. And the chance to share it with some new friends.

"I appreciate everything Lowe's has done for me," Rivera said. "Everybody's been helpful. They understand you have a life away from the job. It feels different than other places I worked. I'm not just another worker here. I feel like part of a family."



Nearly 100 Lowe's Heroes from 15 Dallas-area stores donated their skills to help Joe Herrera (center) build his new home, led by Lowe's store manager Jim Rivera (to the right of Herrera). "I didn't expect that many people from Lowe's to be out there," Herrera said.



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 2012, Lowe's and the Lowe's Charitable and Educational Foundation supported more than 8,000 community and education projects in the United States, Canada and Mexico through grants totaling more than \$30 million. Each year brings new challenges, and 2012 brought large-scale disasters that left massive devastation from the East Coast to the West. To help families recover and rebuild, Lowe's and the foundation committed more than \$3 million to disaster relief.

Our mission is to provide impactful support to local communities, and we continue to develop new partnerships and programs to meet their needs. Together, we've stepped up our efforts to help families and communities never stop improving, even through challenging economic times.

With schools pressed to fill fundamental needs at a time of budget cuts, Lowe's Toolbox for Education® expanded its assistance, providing nearly \$5 million to fund improvements at more than 1,100 schools in 49 states and the District of Columbia.

Lowe's continues to build on our longstanding partnerships with Habitat for Humanity® and Rebuilding Together® to strengthen and stabilize neighborhoods by improving and providing safe and affordable housing for low-income homeowners. We also launched new projects with both organizations to help ensure the long-term recovery of communities impacted by disaster.



Lowe's is committed to helping communities recover and rebuild in the aftermath of natural disasters like Hurricane Sandy.

We strengthened our investment in tomorrow's leaders by broadening our support of emergency scholarships for students. In addition to continuing contributions to the United Negro College Fund, Thurgood Marshall College Fund and Hispanic Scholarship Fund, Lowe's Charitable and Educational Foundation partnered with the American Indian College Fund to provide scholarships for American Indian students who are in their final year of college and need financial assistance to complete their degree.

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—245,000 employees who are dedicated to improving our communities. 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 helps engage our entire workforce. As Lowe's ambassadors, they spread awareness of our mission to every new community we serve.

Lowe's Charitable and Educational Foundation

The Lowe's Charitable and Educational Foundation has contributed approximately \$19 million in each of the past four years to support public education and community improvement in the United States, Canada and Mexico.



Founded in 1957, the 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 approximately \$19 million in each of the past four years.

The 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 primarily 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 more than \$34 million to 7,500 schools in the United States.

With schools and community groups continuing to face financial challenges, Lowe's foundation again focused on basic needs in 2012, funding a variety of improvements for schools and community gathering places.

The Lowe's Charitable and Educational Foundation supports partnerships with SkillsUSA®, the Boys & Girls Clubs of America, Keep America Beautiful and other nonprofit organizations. It's comprised of an eight-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. Marshall Croom, Lowe's chief risk officer, is chairman of the foundation.

Lowe's Toolbox for Education®



More than 50 Lowe's Heroes from 11 area stores devoted three days to help create a learning garden at Sope Creek Elementary in Marietta, Ga. Funded by a \$5,000 Lowe's Toolbox for Education® grant, the new outdoor environment includes a 3,600-square-foot fruit and vegetable garden with a greenhouse that serves as an outdoor classroom year-round.

Improving schools and the educational experience for students is an important part of Lowe's commitment to never stop improving the communities we serve. By helping schools in need, we're making a long-term investment in our communities.

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 K-12 public schools across the United States.

In 2012, Lowe's Toolbox for Education contributed nearly \$5 million to fund improvements at more than 1,100 schools in 49 states and the District of Columbia. Projects included technology upgrades, safety improvements, library renovations and outdoor updates, and local Lowe's Heroes often provided volunteer support. Since 2006, Lowe's Toolbox for Education has provided more than \$34 million in grants to 7,500 public schools, benefiting more than 4 million schoolchildren.

For the fourth consecutive year, Lowe's partnered with five-time Sprint Cup champion Jimmie Johnson and his wife, Chandra, to award additional grants to K-12 public schools with critical needs. These Champions Grants are funded by the Jimmie Johnson Foundation, and Lowe's helps administer them. Last year, the Jimmie Johnson Foundation distributed nearly \$600,000 in Champions Grants to 10 schools in the Johnsons' hometowns in California, North Carolina and Oklahoma. In the past four years, more than \$2.6 million in Champions Grants have been awarded to 54 schools.

Find out more information about Lowe's Toolbox for Education and learn how to apply for a grant this fall at Lowe's.com/Community.

Lowe's Heroes

Lowe's works hard to be a good neighbor and takes great pride in improving the communities we serve. Since the late 1990s, Lowe's employees have been teaming up through the Lowe's Heroes employee volunteer program to make our communities better places to live. The companywide program encourages employees in a location to work together, adopt a volunteer project with a local nonprofit organization or K-12 public school, and make a difference.

At a time when many communities are in need, Lowe's Heroes continued to step forward to assist our neighbors across North America. Lowe's Heroes participated in more than 1,300 projects in 2012, and Lowe's contributed more than \$1.3 million in materials.

Employees from our stores, distribution centers, regional and corporate offices volunteered their time and skills to support nonprofit partners and deliver a greater impact on a local level. From part-time employees to vice presidents, Lowe's Heroes rolled up their sleeves to complete community improvement projects that included:

- Partnering with the First Response Team of America to provide immediate aid to communities in Florida, Louisiana and New York in the aftermath of destructive tornadoes, tropical storms and hurricanes.
- Revitalizing neighborhoods with Rebuilding Together in Indianapolis, Seattle, Philadelphia, Charlotte, N.C., and Columbus, Ohio.
- Refurbishing rinks in Ontario and Ottawa in partnership with Hockey Canada to revitalize the infrastructure of youth hockey in Canada.

- Making critical improvements at schools to support Lowe's Toolbox for Education® grants awarded in 49 states and the District of Columbia.

Lowe's Heroes once again came together across the country to answer the call for help during a disaster-filled year. Beginning with storms that spawned devastating tornadoes before the arrival of spring, teams of Lowe's Heroes packed buckets full of emergency supplies and distributed them to local residents impacted by disasters in the central, southern and northeast United States. The largest response came in the wake of Hurricane Sandy. Lowe's Heroes distributed more than 100,000 pounds of food and cleaning supplies at relief events, and assisted communities with rebuilding efforts well into 2013.



Lowe's Heroes worked alongside our newest disaster relief partner, the First Response Team of America, to help homeowners and communities pick up the pieces after destructive storms.

Awards and Recognition

In recognition of our work to revitalize communities in need, Rebuilding Together awarded Lowe's its Good Neighbor Award at the 2012 Building A Healthy Neighborhood event in Philadelphia.

The Good Neighbor Awards honor organizations and individuals who have made an exemplary and inspiring difference in the community during Rebuilding Together's annual Building a Healthy Neighborhood projects. Since 2010, Lowe's has partnered with Rebuilding Together to revitalize neighborhoods across the United States. More than 100 Lowe's Heroes from 15 area stores were among nearly 1,000 volunteers who transformed the Overbrook neighborhood in west Philadelphia.

"This lit the spark. This project energized so many neighbors to remember what community is all about and all that this community can be with each of our contributions," said Jerome Shabazz, executive director of the Overbrook Environmental Education Center. "What you all did are the things people will share with their grandkids when they remember the events that marked and changed their lives."

The Dallas Area Habitat for Humanity recognized Lowe's for our contributions during National Hispanic Heritage Month. To celebrate the annual observance and assist families in need, Lowe's donated \$200,000 and provided the help of Lowe's Heroes to build two homes and make critical repairs to three existing homes in Dallas and Houston.

The Habitat affiliate in Dallas honored Jim Rivera, store manager at Lowe's of Southwest Dallas, with its Sponsor Coordinator Award for his efforts overseeing the Dallas build. Rivera supervised nearly 100 Lowe's Heroes from 15 area stores. The Dallas Area Habitat for Humanity thanked Rivera for being on site every Saturday to check in and organize volunteers and for his commitment beyond the project. Rivera hired the new homeowner at Lowe's,

ensuring the single father could spend more time with his two young children and would no longer have to work nights.

"Jim has demonstrated that he's dedicated to the Lowe's volunteers, the homeowner and Dallas Habitat and its mission of serving families," said Erin Hooper, manager of foundation relations for the Habitat affiliate. "Even after the build, Jim continues to be an advocate for Dallas Habitat. We are incredibly grateful for his commitment and selflessness."

The city of Elmira, N.Y., recognized Lowe's for the tornado-recovery work we completed in partnership with the First Response Team of America. Gov. Andrew Cuomo declared a state of emergency for surrounding Chemung County after a tornado tore through the town, downing hundreds of trees and blocking roads. The city wasn't equipped to quickly move the large amount of debris. With the support of Lowe's Heroes, the First Response Team coordinated with the county, city and parks department and worked around the clock to clear roads and assist the community.

"The scene in Elmira was a complete devastation of trees," said Elmira Mayor Susan Skidmore. "Our local Lowe's Heroes were raking and hauling and moving debris with the First Response Team. To know there are local companies that help in relief aid right in their own backyards is a comforting feeling. They saved us at least two weeks' worth of cleanup time and effort. Our city budgets never allow for such tragedies. This was help beyond any expectations."



Lowe's Heroes from 15 area stores helped rehabilitate 30 homes and build a playground in west Philadelphia's Overbrook neighborhood. Lowe's contributed \$500,000 to the project and also teamed with Rebuilding Together at neighborhood rebuilding events in Indianapolis, Seattle, Charlotte, N.C., and Columbus, Ohio.

We pride ourselves on helping our communities meet their most critical needs. As part of that commitment, Lowe's is dedicated to creating safe and affordable homes in partnership with low-income families wherever they're in need. For more than a decade, we've worked together with Habitat for Humanity® to build homes, communities and hope.

Every year, Lowe's employees put in thousands of hours building, repairing and renovating homes alongside partner families in local communities. In 2012, Lowe's contributed more than \$4 million in grants and supported Habitat projects spanning from Nankuli, Hawaii to Portland, Maine. Our commitment through 2013 will bring Lowe's contributions to nearly \$40 million since our partnership began.

Together with Habitat, we've helped ensure safe and affordable housing in partnership with nearly 3,000 families in all 50 states. We've underwritten Habitat's Women Build program since 2004, and we continue to bring together women from all walks of life to raise walls alongside local families in need.

The goal in 2012 was to recruit and train the next generation of Habitat builders — "The Build Generation"— young women ages 18-24. Several Habitat affiliates hosted mother-daughter teams, and Lowe's Heroes helped lead the fight to end poverty housing. More than 12,000 volunteers, including 915 Lowe's Heroes, raised their hammers for Habitat and built more than 275 homes across the United States.

Lowe's also was proud to partner with Habitat on several new initiatives and continuing programs in 2012:

- To celebrate National Hispanic Heritage Month, Lowe's donated \$200,000 and provided the help of Lowe's Heroes to build two homes and make critical repairs to three existing homes in Dallas and Houston.
- Lowe's Heroes helped construct five homes in Tuscaloosa, Ala., and 10 homes

in Henryville, Ind., for families displaced by tornadoes. Lowe's contributed \$500,000 to help fund the rebuilding projects.

- In the aftermath of Hurricane Sandy, Lowe's teamed with Bosch Tools and Chevrolet to help Habitat launch its first-ever fleet of mobile response units. Twenty-four vans were specially outfitted with tools and equipment donated by Lowe's and Bosch and deployed to New York and New Jersey to support long-term rebuilding efforts.
- At the eighth annual Power Women, Power Tools build hosted by Habitat for Humanity of Greater Los Angeles, Lowe's Heroes were among more than 500 women who volunteered to frame walls for affordable homes scheduled to be part of a 10-home neighborhood in Culver City.

"Being a volunteer for Power Women, Power Tools was one of the most rewarding things I have ever taken part in," said Angy Smith, store manager at Lowe's of Torrance, Calif. "Being able to swing a hammer with hundreds of other volunteers, and knowing that with each nail I was making a difference, is an indescribable feeling."



Lowe's donated \$200,000 and Lowe's Heroes in Dallas and Houston teamed up to create safe and affordable housing for local families as Habitat for Humanity® and Lowe's celebrated National Hispanic Heritage Month.

Rebuilding Together®

Lowe's believes everyone should have the opportunity to enjoy a safe and healthy home. Through our partnership with Rebuilding Together®, we're working to help people across the United States improve and maintain their homes to ensure their long-term safety and comfort. Since 2007, Lowe's has contributed more than \$7 million to support Rebuilding Together, the leading home rehabilitation organization in the United States.

Together, we've helped renovate and rehabilitate nearly 1,000 homes nationwide, providing low-income, elderly and disabled homeowners with free home repairs, accessibility and safety modifications and energy-efficiency updates. The majority of homeowners served by Rebuilding Together are living at or below the federal poverty line, leaving them less disposable income to make essential home repairs. As low-income families and communities find themselves increasingly vulnerable, Lowe's is working with Rebuilding Together to provide greater assistance.

Lowe's Charitable and Educational Foundation's \$2 million contribution in 2012 helped provide critical renovations for hundreds of families across the country. Our focus is on strengthening and stabilizing entire neighborhoods. Lowe's partners with Rebuilding Together and Carter's Kids, the nonprofit foundation created by HGTV host Carter Oosterhouse, to restore homes and improve recreational spaces for children in communities in need.

More than 500 Lowe's Heroes helped revitalize five communities at neighborhood rebuilding events in Indianapolis, Seattle, Philadelphia, Charlotte, N.C., and Columbus, Ohio. Lowe's contributed \$500,000 and teamed with Rebuilding Together and the Jon Bon Jovi Soul Foundation to transform the Overbrook neighborhood in west Philadelphia with the help of nearly 1,000 volunteers, including more than 100 Lowe's Heroes from 15 area stores.

We realize how important it is to partner with organizations to provide the most impactful assistance and broaden the scope of our work, especially during times of disaster. In response to Hurricane Sandy, Lowe's contributed \$250,000 to Rebuilding Together to help local affiliates in the Northeast rebuild the homes and lives of families impacted by the storm.

Lowe's also helps ensure that Rebuilding Together's assistance will continue throughout local communities in the coming years. We support Rebuilding Together's AmeriCorps program, CapacityCorps. The national program of 65 full-time AmeriCorps members serves 33 Rebuilding Together affiliates in 20 states, building the capacity of affiliates to serve additional low-income homeowners through volunteer recruitment, direct repairs, new projects and program expansion. As lead sponsor, Lowe's is advancing Rebuilding Together's national outreach.

More than 100 Lowe's Heroes from 15 area stores volunteered their time and skills to support the Building a Healthy Neighborhood event in west Philadelphia.



SkillsUSA®/Skills Canada

Lowe's Heroes from Binghamton and Vestal, N.Y., worked with students from the SkillsUSA® Broome-Tioga BOCES chapter to rebuild a park destroyed by Tropical Storm Lee with the help of a \$24,000 grant from the Lowe's Charitable and Educational Foundation. The park also is used by the Johnson City Central School District.



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, the Lowe's Charitable and Educational Foundation has proudly supported SkillsUSA® and its students since 2004. SkillsUSA, formerly known as VICA, helps high school and postsecondary students excel through world-class technical education coupled with training in leadership, character development and commitment to community service.

In joining hands with SkillsUSA and its more than 320,000 members annually, we know the hard work we put in together today will produce our leaders of tomorrow. As part of the largest corporate donation in SkillsUSA history, the Lowe's Charitable and Educational Foundation has committed \$1.5 million annually to our nonprofit partner through 2014. This brings Lowe's total commitment to SkillsUSA to more than \$10 million.

In 2012, Lowe's foundation awarded 35 grants of up to \$25,000 each to SkillsUSA chapters for community improvement and rebuilding projects while connecting schools with local Lowe's stores for support. The foundation also contributed \$241,000 for TeamWorks competitions in 33 states and funded CareerSafe vouchers that were distributed to more than 3,600 students

nationwide to help them master fundamental safety knowledge needed in the workplace.

Lowe's continued to support SkillsUSA's National Leadership and Skills Competition. Lowe's foundation donated more than \$130,000 to help with competition prizes, materials and the conference webcast. More than 5,800 career and technical education students competed in the 2012 SkillsUSA Championships, and Lowe's executives were on hand to congratulate competitors at the closing ceremonies.

The New Chapter Support Fund also helped SkillsUSA grow its membership and honor teachers. The program provided more than 500 new SkillsUSA advisories with educational resources to help them build leadership skills in their students. Combined, those teachers reach an estimated 47,000 students every day.

The Lowe's Charitable and Educational Foundation also continued its support of trades education in Canada. A \$1.25 million contribution to Skills Canada will support school grants and additional projects through 2014. Last year, Lowe's employees participated in provincial and national Skills competitions in Ontario, Saskatchewan and Alberta. They also volunteered to host a series of painting and drywall workshops for seventh- and eighth-grade students attending weeklong Skills Work Camps.

Boys & Girls Clubs of America



Lowe's Heroes have volunteered their time and skills to help make critical repairs and renovations to Boys & Girls Clubs across the United States.

Public education and community improvement are the primary focus areas of Lowe's charitable giving. We're able to make a critical impact in both those areas through our national partnership with the Boys & Girls Clubs of America.

For more than 100 years, Boys & Girls Clubs have delivered high-impact youth development programs that promote academic success, good character and healthy lifestyles. Through the support of the Lowe's Charitable and Educational Foundation and our Lowe's Heroes volunteer program, we're committed to continuing to help clubs provide safe and productive places for today's youth to learn and grow.

Since 2009, Lowe's foundation has donated more than \$4 million to the Boys & Girls Clubs of America to improve facilities and learning opportunities at clubs across the United States. Lowe's grants have helped more than 60 clubs make needed repairs and renovations. The improvements reflect a wide variety of organizational needs, from safety and security renovations for a club in Texas to the creation of a multimedia center in Arizona. Lowe's Heroes often partner with club staff to provide hands-on help.

As part of our commitment to help the Northeast rebuild after Hurricane Sandy, Lowe's contributed \$100,000 to the Boys & Girls Clubs of America to assist affected clubs. In Hoboken, N.J., four feet of water caused significant damage and threatened to close the club on Jefferson Street, a facility that serves more than 100 area youth every day. Lowe's donated \$50,000 and Lowe's Heroes partnered with Katie Couric and the "Katie" show to restore the facility. Putting in a week's work, Lowe's volunteers completely renovated the kitchen, bathroom, hallway and teen center, from the flooring to ceiling tile.

"It's the single best thing that's ever happened for this organization," said Gary Greenberg, the club's executive director. "We were about to give up hope. We thought our kitchen and teen center were lost forever. We had no way of possibly rebuilding. This is a dream come true."

Scholarship Partners

The Lowe's Charitable and Educational Foundation has donated \$1.75 million to UNCF to help students graduate at private historically black colleges and universities.



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 scholarship programs and partnerships that support our commitment to building better opportunities today for the leaders of tomorrow:

In 2012, the Lowe's Charitable and Educational Foundation awarded 190 scholarships totaling \$600,000 through Lowe's scholarship program. Scholarships were 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 \$3.5 million in scholarships since 2007, benefiting nearly 1,500 students.



The Lowe's Charitable and Educational Foundation has donated more than \$3 million since 2009 to help college seniors continue their pursuit of a college degree. For the fourth consecutive year, Lowe's foundation contributed to the United Negro College Fund (UNCF) to benefit the Campaign for Emergency Student Aid, which has helped 5,400 UNCF-supported seniors graduate on time. A two-year, \$1 million grant is assisting 556 students at all 38 UNCF-member, private historically black colleges and universities (HBCUs).



To support seniors needing financial assistance to complete their college degree at public HBCUs, the Lowe's Charitable and Educational Foundation partners with the Thurgood Marshall College Fund. A \$250,000 grant provided ACCESS scholarships to 47 students. In 2012, the Thurgood Marshall College Fund celebrated its 25th year of partnering with public HBCUs to increase retention and graduation rates and prepare students for leadership and life after graduation.



The Lowe's Charitable and Educational Foundation doubled its support of the Hispanic Scholarship Fund (HSF) in 2012 by providing a \$500,000 grant to help seniors who are on track to graduate but unable to pay the total cost of tuition. The grant assisted 190 students at colleges and universities across the country. Also for the fourth consecutive year, Lowe's foundation supported HSF's Steps for Success program. Lowe's \$25,000 grant funded a workshop in Orlando, Fla., to promote the importance of staying in school and teach middle and high school students and their parents about college access, financial aid and scholarship opportunities.



Lowe's foundation launched a new partnership in 2012 with the American Indian College Fund. The foundation's \$50,000 grant funded 55 scholarships for American Indian students who were in their final year of college and needed financial assistance to complete their degree. The American Indian College Fund, the nation's largest private provider of scholarships for American Indian students, supports 33 accredited tribal colleges and universities.



American Red Cross

Nearly 21 million adults in the United States were affected by disasters between 2001 and 2010. That's almost five times more than the previous decade, according to the 2011 World Disaster Report. As the number and severity of disasters continues to increase, we've expanded our relief efforts and improved our partnerships to provide vital assistance to disaster-affected communities.

As a member of the American Red Cross' Annual Disaster Giving Program, Lowe's pledges donations on an ongoing basis in advance of disasters to help ensure the Red Cross has proper supplies and resources in place to respond effectively and immediately. When a disaster happens, Lowe's stores and employees move quickly to meet the needs of local communities and the American Red Cross.

In a year filled with hurricanes, tornadoes, wildfires and floods, Lowe's support helped the American Red Cross respond to more than 100 large-scale disasters in 42 states. Lowe's donated more than \$1 million to the Red Cross to assist those impacted by disasters, beginning with spring tornadoes and floods that swept across 16 states in the Midwest and Southeast in March and April.

In the aftermath of severe weather, Lowe's Heroes fanned out into local communities to help clean up the hardest-hit areas and distribute gloves, tarps, buckets, water, trash bags and other critically needed supplies to residents. Working in coordination with the Red Cross, Lowe's also supported relief operations with in-kind product donations and extended our assistance through the Lowe's Racing for Relief program. Since its inception in 2000, Lowe's Racing for Relief has raised \$1.25 million for the Red Cross.

To aid the Red Cross' response to devastating summer wildfires in nine Western states, Lowe's donated \$250,000 and filled requests for supplies as they came in. Employees at Lowe's of Fort Collins and Greeley, Colo., made 150 sifters with materials available at the stores and donated them to the Red Cross to help local residents find valuables and clean up after the fires. With the help of employees at Lowe's stores in Fort Collins and Fountain, Colo., and our regional distribution center in Cheyenne, Wyo., Lowe's also donated 14,000 pairs of gloves along with ceiling fans, standing fans, masks and other supplies to support Red Cross relief efforts and shelter needs.

Our largest coordinated response came in the wake of Hurricane Sandy. Along with the tireless work of Lowe's Heroes on the ground, Lowe's donated \$500,000 to the Red Cross to provide both immediate and long-term support to 11 states across the Northeast. The response continued into 2013, months after the storm's landfall. The Red Cross has handed out more than 8 million meals and provided more than 75,000 overnight stays to feed and comfort families in need.

Employees at Lowe's regional distribution center in Cheyenne, Wyo., box 14,000 pairs of gloves to donate to the Red Cross to assist wildfire relief operations in Colorado and other states. Lowe's and our customers have contributed more than \$24 million to the Red Cross since 1999.



First Response Team of America



Lowe's Heroes filled buckets with cleaning products, water and other critical supplies and delivered them to flood-impacted residents in Live Oak.

Lowe's has a longstanding commitment to assist local communities impacted by natural disasters. In 2012, we expanded our disaster-relief efforts by partnering with the First Response Team of America to provide help when it's needed most – in the first few hours and days after a disaster.

Lowe's Charitable and Educational Foundation awarded a \$250,000 grant to the First Response Team, a nonprofit organization dedicated to working alongside local agencies to help save lives following natural disasters.

Established in 2007 by Tad Agoglia, the First Response Team uses a fleet of highly specialized trucks and equipment to deliver immediate assistance after a disaster, when communities often must fend for themselves because the resources necessary for rescue and recovery are damaged, inaccessible or unavailable. The team has responded to dozens of disasters with support services that include opening roadways, performing water rescues, providing temporary power solutions and assisting critical service providers.

The week after Lowe's grant was announced, Tropical Storm Debby dumped heavy rain across Florida and flooded many homes and businesses. The First Response Team performed water rescues and helped north Florida communities pump out floodwaters. With the help of Lowe's Heroes, the team cleaned out waterlogged homes and helped local residents recover important papers and cherished memories.

In the wake of Hurricane Isaac, the team completed more than 40 projects in Louisiana and assisted local homeowners with the help of Lowe's Heroes. The team cleared roads, built temporary dams to protect against potential levee breaches and restored power to a hospital and an American Red Cross shelter that housed many families and 50 elderly residents from a nearby nursing home.

Just a month later, a tornado ripped through Elmira, N.Y., downing hundreds of trees and blocking roads. The city was not equipped to move debris of this magnitude quickly. With the support of Lowe's Heroes, the First Response Team coordinated with the county, city and parks department and worked around the clock to remove debris. They cleared 12 blocks of roads each day, loading 18 dump trucks per hour with the team's specialized grapple truck.

Anticipating where and when the next disaster may strike is critical to the work the First Response Team does. The team was among the first responders to help after Hurricane Sandy made landfall because it had positioned its equipment at fire stations in Long Island 24 hours before the storm hit. The team worked day and night with firefighters and municipalities to clear roads to enable emergency responders to access communities and begin recovery operations. As the storm subsided, the team powered up the Northport town hall to ensure residents had a place to go to find out how to receive help, and spent the next few weeks going neighborhood to neighborhood to assist people in need.

Delivering Relief After Sandy

As Hurricane Sandy barreled toward the coast of the United States, it stretched more than 1,000 miles. The superstorm, the largest Atlantic hurricane on record, impacted two dozen states and millions of lives, leaving catastrophic damage in its wake.

After spending a week preparing communities for the storm, Lowe's quickly shifted gears to assist with recovery and rebuilding efforts. The massive storm required a massive response, and Lowe's employees across the East Coast answered the call.

Nearly 700 Lowe's employees volunteered to leave their stores and families to serve on storm recovery teams at stores assisting the hardest-hit communities in New York and New Jersey. Employees came from as far as North Carolina, Ohio and Maine.

Many Lowe's stores became a lifeline for local communities. In White Marsh, Md., Holmdel, N.J., Bayshore, N.Y. and other impacted locations, Lowe's employees comforted residents as they came in for generators and other supplies. Lowe's also hosted relief and recovery events at five stores in New York and New Jersey, and distributed more than 100,000 pounds of free food and cleaning supplies to local families.

"I think this is awesome," said Carolina Gassler, a storm victim attending a New Jersey store event. "I think a lot of people wouldn't have been able to make it the last couple of weeks without people like Lowe's."

To assist residents who couldn't make it to the events, Lowe's Heroes went door-to-door in many of the communities. They were among the hundreds of Lowe's volunteers who fanned out into local neighborhoods to deliver critically needed supplies and support.

In the devastated Rockaways in Queens, N.Y., Lowe's was among the first to help. The \$30,000 worth of cleanup supplies that Lowe's donated was part of more than \$2 million the company committed to Sandy relief efforts. Lowe's support included a \$500,000 donation to the American

Red Cross, along with contributions to Rebuilding Together®, Habitat for Humanity® and the Boys & Girls Clubs of America to help communities rebuild.

As the holidays approached, 35 Lowe's stores in Sandy-impacted communities in New York and New Jersey took time out to fill another critical need. Lowe's Heroes handed out more than 22,000 free family-style Thanksgiving dinners to local families.

New Jersey Gov. Chris Christie and his family helped distribute the holiday meals at Lowe's of Toms River, N.J., and members of his administration also volunteered to pass out dinners at 20 Lowe's stores throughout the state.

"Lowe's is one of those companies that's been there. From the day after the hurricane, they've been helping in every way they can," Christie said. "It just gives people hope."

Walt Ressler said he never thought he'd be in a situation where he'd be asking for help.

"To us, this means a heck of a lot," Ressler said. "To see the governor come out here and the employees of Lowe's, it really is uplifting. It feels real good. We know it's a holiday now."



New Jersey Gov. Chris Christie and his wife, Mary Pat Christie, joined Dennis Knowles, head of U.S. stores for Lowe's, to pass out free family-style Thanksgiving dinners to local families at Lowe's of Toms River, N.J. At 35 store events, Lowe's provided enough dinners to feed more than 136,000 people.

Rebuilding After Tornadoes



Lowe's donated \$400,000 to Habitat for Humanity Tuscaloosa to fund the construction of five homes, and Lowe's Heroes assisted with the builds. "They will never know how much it means and what a blessing it was to see the love and kindness that they offered while they were here," said new homeowner Sonya Moore.

When disaster strikes, Lowe's makes it a priority to be there for devastated communities—in the immediate hours after the disaster and the long months ahead as rebuilding begins. In the spring of 2011 and 2012, Tuscaloosa and Henryville made headlines after deadly tornadoes with winds topping 175 mph ripped through the towns in Alabama and Indiana, causing widespread damage and leaving thousands homeless.

Lowe's Heroes quickly took to the streets with buckets full of cleanup supplies to distribute to residents. They cleared away brush, sifted through rubble and comforted families in need. While news stories on the tornadoes steadily waned, Lowe's Heroes stayed closely connected to rebuilding efforts. Last fall, Lowe's took a leading role in the recovery of both towns with two Habitat for Humanity® rebuilding projects.

Lowe's donated \$400,000 to Habitat for Humanity Tuscaloosa to fund the construction of five new homes for local families. When the tornado hit on April 27, 2011, Sonya Moore and her five children had been in their home for only three weeks and were still unpacking. The tornado not only took away their home, but also their sense of security.

Built with the help of Lowe's Heroes,

the Moores' new home represents a new start. And the dream of home ownership is finally settling in.

"I am so grateful and happy to be moved into my new home. I wish I could thank everyone again that came out and volunteered their time to work on my house," Moore said. "They will never know how much it means and what a blessing it was to see the love and kindness that they offered while they were here."

Nearly 500 miles away in Henryville, Lowe's Heroes also were hard at work, building 10 new homes for families displaced by the March 2012 tornado that decimated the town. A \$100,000 Lowe's grant funded two of the 10 homes built for local residents like Michelle Friedly, who just months earlier huddled in the bathtub with her daughter as the tornado destroyed most of their apartment complex.

"Our team responded immediately to help our neighbors as soon as the tornado hit last March, and we were honored to be there to help them rebuild their homes in October," said Sean Cleary, assistant store manager at Lowe's of Madison, Ind. "We're part of this community, and we want to give back as much as they give to us."

Thank You from Red Cross

The past year was filled with disasters across the country, as the American Red Cross responded to 113 large-scale disasters in 42 states and territories from Alaska to Florida. And our partnership with Lowe's was critical in getting help to people in need.

In 2012, the Red Cross opened a total of 907 shelters and provided more than 109,000 overnight stays to people forced from their homes. More than 29,000 trained disaster workers served 9.9 million meals and snacks and distributed 6.8 million relief items. Health and mental health workers provided more than 141,000 consultations to help people recover.

Lowe's donated more than \$1 million to the Red Cross in 2012 to assist people affected by disasters such as tornados across the Midwest and Southeast, two major hurricanes – Isaac and Sandy – and wildfires in nine Western states.

These wildfires, which were fueled by dry conditions, destroyed homes and forced widespread evacuations. In response, the Red Cross launched wildfire relief operations in Colorado, New Mexico, Utah, Montana, Idaho, Oklahoma, Texas, Washington and California. Red Cross shelters gave residents a safe place to spend the night, and also served as evacuation centers, where people could check in, eat a warm meal and get the latest news from officials regarding evacuation orders, damage to homes and neighborhoods and containment of the blazes.

Lowe's stepped up again during these wildfires, giving \$250,000 that helped the Red Cross provide nearly 4,000 overnight stays in shelters, serve more than 159,000 meals and snacks, and hand out tens of thousands of relief items. When residents learned the fate of their homes and belongings, Red Cross workers provided emotional support and helped families plan their recovery.

Since 1999, Lowe's has given more than \$24 million to the Red Cross for disaster work. As a member of the Annual Disaster Giving Program, Lowe's also pledges donations on an ongoing basis, helping ensure the Red Cross can respond immediately when a disaster strikes.

Every nine minutes, the Red Cross responds to a disaster in communities across the country. Thanks to partners such as Lowe's, whether it's a hurricane or a fire in someone's home, the Red Cross is there.

Charley Shimanski

Senior Vice President for Red Cross Disaster Services

Lowe's Heroes in Holmdel, N.J., teamed with the American Red Cross to distribute food to residents in need at a Hurricane Sandy store event. Lowe's hosted relief and recovery events at five stores in New York and New Jersey, and distributed more than 100,000 pounds of free food and cleaning supplies to local families.



Empowering Students

Lowe's continues to help students across the country manage challenging times with the support of the Lowe's Charitable and Educational Foundation. Our scholarship programs provide the tools to expand educational opportunities for students who share Lowe's commitment to leadership and community improvement.

Elisa Berson said her Lowe's Scholarship has provided the flexibility to apply what she's learned in the classroom at Duke to address issues in the local community.

As part of our efforts to support the next generation of young who'll be tomorrow's employees, homeowners and community Lowe's scholarship program has awarded more than \$3.5 million college scholarships since 2007, benefiting nearly 1,600 students. In 2012, the Lowe's Charitable and Educational Foundation awarded a \$2,500 Lowe's Scholarship to 140 high school seniors.

The scholarship recipients represent students who distinguished themselves based on academic achievement, leadership and community involvement. In expressing their appreciation, many of the winners thanked Lowe's for making more accessible and affordable while inspiring them to continue create an enduring impact through community service. Here are a few of their letters, with comments edited for brevity and clarity:

I wanted to thank you so much for the generous scholarship that has helped support my access to resources and enriching learning experiences at Duke. I have spent this time trying to pay it forward. During my first semester, I participated in Child Connect, serving as a reading tutor for elementary students in Durham Public Schools. Moreover, I have been engaged in dPS Connect, where I work to design innovative ways to rally my peers to engage in social action. Additionally, I am involved on the executive board for the Duke Females Excelling More in Mathematics, Engineering and Science (FEMMES) organization, planning and implementing activities to engage young girls from the Durham community in the exploration of science, technology, engineering and math. The Lowe's Scholarship served as a catalyst that not only contributed to furthering my academic pursuits but also provided me flexibility to apply what I have learned in the classroom to address issues in our community. I am so appreciative to the Lowe's Scholarship for helping launch me into this amazing college experience. – **Elisa Berson, Duke**

Because of the recession, costs to attend college have increased while available scholarships have decreased. I am greatly appreciative and have a deep respect for Lowe's for choosing to make a continued commitment to education even during bad financial times. I was unsure whether I should attend the public University of Washington or the private Seattle University, partly due to financial reasons. Lowe's helped me afford the higher tuition, room and board costs of a private university, where I felt I would be most likely to succeed. In addition, scholarships like the one given by Lowe's have allowed me to spend more time on extracurricular aspirations. As a part of Hall Council, I was able to plan community service projects for students. During summer breaks, the Lowe's Scholarship has afforded me more time to focus on volunteer service. I am very grateful to Lowe's for their scholarship, and I hope other businesses will follow the leadership of Lowe's and offer scholarships as well, so that more students can afford the cost of going to college and graduate ready for success. – **Ben Klontz, Seattle University**



I just finished my freshman year at Howard University in Washington, D.C. I was recently elected as the first freshman female vice president in history of the School of Communications. Without having to worry about the cost of tuition and other school expenses, I was able to focus hard and maintain a 4.0 GPA for both fall and spring semesters, giving me more time to commit to extracurricular activities. With your motivation and support, I had five of my articles published in the campus newspaper and the Cincinnati Herald. I just wanted to thank you for believing in me. – **Kiah Clingman, Howard University**

Being a Lowe's Scholarship winner has allowed me to pursue my goals by attending Penn State University to study mathematics and music performance. My diverse interests made my search for a college difficult, and I was forced to look for a school out of state. The Lowe's Scholarship significantly helped make up for the extra out-of-state tuition cost the first year. Now I'm a second-year undergraduate student, and I absolutely love everything about my college career so far. Last semester I began working at the math tutoring center, and I am very active in the school of music activities. Winning the Lowe's Scholarship reminded me how important it is to volunteer and be active in the community. Throughout my college career and beyond, I will continue to look for opportunities to share my passions with the community. The Lowe's Scholarship made the first step of my higher-education possible and was a stepping-stone to achieving my educational goals. – **Leah Frederick, Penn State**

I have been very blessed to be a part of the Lowe's Scholarship program. Instead of entering college with the common student fear of loans and debt, I walked in with the guidance of Lowe's and have since been able to fulfill every dream I set for myself in high school. I took the opportunity to give back to my local community in addition to a community thousands of miles away. None of this could have been done without the help of Lowe's. The scholarship was more than a check for me; it was a check of support. I have been able to walk into college with confidence. I have served my local community in efforts such as blood drives, packaging medical equipment for needy communities, assisting those inflicted with HIV and AIDS, and tutoring weekly at a homeless shelter. I hope to continue these efforts and make this scholarship program proud of my efforts, as you made me proud when I first received my scholarship letter in the mail. Thank you once again for all of your assistance. I appreciate everything that you have done to help me succeed in a world where failure is effortless. – **Neda Norouzi, Georgia Institute of Technology**

The Lowe's Scholarship has helped me more than words can express. It removed some of the financial burden that college can put on a family. It allowed me to really get involved on campus and in the surrounding community. I wasn't always worried about where the next paycheck would come from, because I had a little cushion from Lowe's. I got involved and played on the Wartburg football team, did some volunteer work in Waverly and also had plenty of time to get my schoolwork done. With the help of scholarships like yours, many students can go to college that may not otherwise be able to. Because of your help, others may be able to attend a private school or have the opportunity to play sports at the college level. But most importantly, your scholarship promotes higher education, leading to a bigger and brighter future the young people of our country. I plan to pay it forward and give to the education fund in my community to help students as you have helped me. Thank you for investing in me! – **Tanner Wright, Wartburg College**

Because of the Lowe's Scholarship, I was able to begin my academic studies at the university just days after high school graduation, instead of working a summer job. The financial assistance not only gave me a head start in my academic studies, it allowed me to give of my time and talent by tutoring at-risk youth and special-needs students. The scholarship has been a gift that will keep on giving. Lowe's has helped build my life. In turn, I plan to build the lives of thousands of young students who will become the hope and promise for a brighter tomorrow. Thank you, Lowe's! – **Tiffany Jencks, Brigham Young University**

Expanding Opportunities for Students

Spectrum Academy opened its doors to 150 elementary students in 2006, becoming the only public school in Utah dedicated to serving students with high-functioning autism and Asperger's Syndrome. Just a few years later, the waiting list was 150 students long and pleas from parents for admission to the school grew louder daily.

"We received calls every day from parents, and it was hard to tell them that the best we could offer them was a spot on the waiting list for their child," said Brad Nelson, director of development. "We have a school that is doing something really different here, and for so many families in our area, this is the only answer to provide their child with an education that fits their needs."

Like most public schools, Spectrum Academy relies on community support to meet the needs of its growing student body. When the North Salt Lake school set out to build a new playground, Lowe's of West Bountiful took on the project as its own. Lowe's donated materials, and more than 30 Lowe's Heroes laid 12,000 square feet of sod. While there, store manager Michael Smith learned of the administrators' dream of adding a new wing to the school to serve high school students with autism. At the time, Spectrum only had enough room and resources to teach elementary and middle school students.

Smith encouraged the school to apply for a Lowe's Toolbox for Education® grant and provided them with the support

to submit a proposal that would help them achieve their goal of extending their work to high school students.

Nelson remembered the elation and eruption of applause that broke out at the school board meeting when they announced the \$100,000 Lowe's grant to fund the expansion — an energy that spilled over into the community and into the West Bountiful Lowe's.

"We got to know a lot of the parents at Spectrum, as they would come in our store specifically to thank us for the grant and tell us how deeply our support of this project impacted their lives," Smith said.

Thanks to the Lowe's grant and the hands-on help of Lowe's Heroes, construction of the new high school wing began in June 2012 and was completed by August, just in time for the new school year. The 11 new classrooms allowed Spectrum to admit 175 new students.

"Words cannot express the gratitude of the new families we have been able to serve as a result of the Lowe's Charitable and Educational Foundation grant," Nelson said. "Without Lowe's support, we would not have been able to accommodate any additional students. The expansion meant 175 new spots for children in our community and 175 families whose lives are drastically changed."

More than 30 Lowe's Heroes laid 12,000 square feet of sod to help Spectrum Academy complete its playground project. The North Salt Lake public school serves preschool, elementary and high school students with learning disabilities and autism, as well as students with typical learning abilities.



Reviving Boys & Girls Clubs

Greg Rutherford, Lowe's store manager in Baytown, Texas, had a little explaining to do. After he put in some especially long hours at work, his wife just had to ask.

"My wife was asking, 'What do you got going on? Because you're so busy,' " Rutherford said. " 'You're not at your store.' "

Greg came clean. For the past two days, he had helped oversee the floor-to-roof renovation of the Holthouse Boys & Girls Club, one of six Houston-area Boys & Girls Clubs that received a free facelift from Lowe's Heroes.

The citywide project builds on the national partnership Lowe's has had with the Boys & Girls Clubs of America since 2009. All told, the Lowe's Charitable and Educational Foundation has donated \$4 million in grants to fund improvements at more than 60 Boys & Girls Clubs across the country. In Houston, the six clubs didn't apply for a grant. Instead, Lowe's Heroes approached them, volunteering their assistance.

More than 120 Lowe's Heroes from 27 Houston-area stores updated the clubs with critical repairs that included painting, landscaping, fencing, new appliances and kitchen and bathroom remodels. The enhancements improved the facilities used by more than 5,000 children and teens in some of the most vulnerable neighborhoods in Houston.

"We have a new face, the community has a new face," said Everett Curl, director of operations for the Boys & Girls Clubs of Greater Houston. "We needed work on a lot of our clubs, and we couldn't do the things that they have done for us today. The sweat equity, the volunteers, them pouring out their heart, giving everything they have to our clubs to make them a better place for our kids. We can't be thankful enough."

The longtime director said the two-day Heroes project created a "different climate

for our kids." In the Second Ward community that's home to the Holthouse Club, a third of the population is living below the poverty level and many of the children come from the local housing developments. Without a safe place to go, they're more likely to find trouble or trouble will find them.

So the new roof that went up at Holthouse does more than keep the rain out. "It says that this is a safe place for your kids to come," said Holthouse club director D'Jomme Adia. "I'm kind of speechless because it's such a huge impact."

At the Jim & Barbara Morefield Club, director Shawn Rouge was most grateful for the newly renovated boys and girls restrooms. Many of the stalls had fallen apart, only a few in the girls' room had working doors and others were dangling and ready to break loose. "It wasn't appealing for the kids to want to go in because they didn't have any privacy," Rouge said.

The condition of the restrooms also limited the club's ability to host community events. Rouge likened it to a homeowner who's reluctant to invite friends into their house when the house isn't clean. "People don't want to use restrooms when they don't have doors or partitions," she said. "It was embarrassing. I'm so glad it's done now so we can service the community like we should. Now, we can just run with it because we have something to show off."



Lowe's Heroes volunteered more than 2,100 hours to update six Boys & Girls Clubs across Houston. The upgrades took months of planning and several weeks of prep work.

Raising Walls, Hope in Miami



Vanessa Hauc, news anchor for the Spanish-language Telemundo television network, chips in at a Women Build home in Miami's Liberty City neighborhood. "It's truly inspiring to see all these women helping out," Hauc said.

Mother's Day weekend was an occasion unlike any other for Teresa Colston.

First, Colston, 30, donned a cap and gown and received her paralegal degree from Brown Mackie College-Miami. The following day, she participated in the dedication of her new Habitat for Humanity® home in the Liberty City neighborhood of Miami.

"It's a blessing, and it's a growing experience," said Colston, the mother of a 10-year-old girl. "It's a step in the right direction for my life."

The dedication of Colston's home, built entirely by Women Build volunteers, served as the conclusion of National Women Build Week, an annual event supported by a \$1.3 million grant from Lowe's and the assistance of Lowe's Heroes.

About 25 women, including four mother-daughter teams, spent the morning before the dedication ceremony landscaping Colston's lawn. Farther down the block, 50 volunteers of all ages — the majority of them Lowe's employees — painted two other Habitat homes. They were among nine new homes built by volunteers in Liberty City.

Joining the women was Vanessa Hauc, a news anchor for the Spanish-language Telemundo television network.

"It's truly inspiring to see all these women helping out," Hauc said. "You realize that you can give a little bit, and to do that is meaningful, even if it's just (planting) a tree."

After the dedication ceremony, Colston said she was eager to start the next chapter in her life as a college graduate and homeowner.

"I've lived in the Liberty City neighborhood all my life, and I've seen a big improvement since Habitat started building here," she said. "It has inspired a lot of neighbors to work on their homes and clean up their yards. This neighborhood is changing for the next generation coming up. It's a blessing to be able to finally have my own home and ensure my daughter is living in a stable environment."

Revitalizing Historic Neighborhood

The neat single-file line of first-graders began to lose its shape as the 6- and 7-year-olds from Community Charter School inched past their new playground in mid-construction.

On their tippy-toes and with necks craned, they watched as dozens of Lowe's Heroes pieced together their new slides, chutes and swings like a jigsaw puzzle. Silence turned to oohs and ahhs, and then gasps of "awesome!" and "cool!"

Just down the road, 88-year-old LouVora Hare expressed her own amazement as she sat in front of her home, recounting the roof that volunteers replaced the day before. "They pulled three layers off and fixed it. It took one day," said Hare, who's lived on this same street in the Cherry neighborhood of Charlotte, N.C., for 68 years. "I've never seen people clean up so clean and quickly. It's a blessing."

Homeowners across the neighborhood echoed her appreciation as more than 100 Lowe's Heroes completed critical repairs to seven homes and installed a new playground in Cherry Park. The Lowe's Charitable and Educational Foundation provided a \$120,000 grant for the Rebuild-A-Block event, which marked the last of five neighborhood revitalization projects completed in 2012 with Rebuilding Together and Carter's Kids.

While the projects continued in 2013, it was a fitting place to wrap up two years' worth of work that has rejuvenated low-income neighborhoods from Seattle to Miami. Just a short trip down I-77 from Lowe's

corporate office, the Cherry neighborhood was mapped out in 1891 and is considered the first neighborhood in Charlotte to provide home-ownership opportunities for laborers and working-class African-Americans.

Like Hare, many of Cherry's residents have lived there for decades, and many are on fixed incomes, lacking the disposable funds to complete essential repairs. Yvonne Bittle, who had her bathroom and porch completely redone by Lowe's Heroes, has called the neighborhood home since 1978. Shannon Thompson's parents bought the two-bedroom corner house on Baxter Road in 1928, so he was naturally ecstatic to see fresh, bright-green paint splashed across the front of his home.

Perhaps no one, with the possible exception of those first-graders, was as excited as Eve Shell, who's fought a losing battle with a sour family of squirrels. The branch-hoppers tore three holes in her roof, nested above her dining room and went to town with her insulation.

"When the squirrels started eating the roof apart, I said, OK, now I'm not just fighting against myself, I'm fighting against nature," said Shell, who went back to school a couple of years ago and had to put her classes at UNC Charlotte on hold while she struggles to pay the bills. "With student loans, I'm already over the top. There's no way I could afford to replace the roof. I am so grateful. This is something I never could repay back. It's truly a lifesaver, not only to me but the whole community. I thank Lowe's so much."

More than 100 Lowe's Heroes hauled, painted, hammered and landscaped their way across the Cherry neighborhood. Plotted in 1891, the community is considered the first in Charlotte to provide home-ownership opportunities for laborers and working-class African-Americans.



Creating Field of Dreams

"If you would have come through here a year ago, you wouldn't know this place right now," said George Griffin, as he looked out over newly renovated Cheshire Field in Charlotte, N.C.

For the president of the Derita Athletic Association, the nonprofit organization that kicked off one of Charlotte's first Pop Warner football chapters on this field in 1967, it was enough to shake his head.

For the kids, it was like the first day of summer and Christmas all rolled into one.

Dozens of youth football players and their parents raced out through a 30-foot inflatable Panther head and across the freshly laid bright green grass at the rededication of the athletic complex. Lowe's, the Carolina Panthers and the National Football League together contributed \$300,000 to give the historic facility a new beginning. Along with the newly sodded field and irrigation system, the facility upgrades included the installation of field lighting, a new electronic scoreboard, goalposts, bleachers and fencing, and a completely refurbished press box and concession stand.

Watching the celebration from the new windows in the press box, the Derita Athletic Association's Tonia Faison said the project was like a dream they thought they would never see realized. "We didn't have the financial backing to do this for the kids," she said. "We have underprivileged kids whose families don't have the financial resources to do this. This is a dream come true."

Just a few months earlier, they had to prop open the old windows in the press box with a piece of wood. The scoreboard was hit and miss. "On gameday, we prayed it would work," Faison said. "Everything was in such bad condition. The Lowe's Heroes really dressed up the place."

Lowe's Heroes from area stores volunteered months of their time to complete improvements, including landscaping the grounds, renovating the fieldhouse and rebuilding the facility's baseball dugouts so the association could support baseball as well as football.

As he tossed the football around with players from the Derita Redskins at the rededication, Lowe's employee Alex Lockhart said he began to feel like a 10-year-old again. Twenty years ago, Lockhart played on the very same field, wearing No. 82 for the Plaza Eagles.

"This project has extended the life of this historic Derita field for another 20 years," he said.

More than 250 local youth ages 7-15 now have the opportunity to play football as well as baseball at a facility they're proud to call their home field.

"If you've been involved with Derita, you know this was much needed," said Fred Scott, the father of two boys who've played in the youth league. "As we go forward and you think about this field, you're going to think about the Panthers, you're going to think about Derita and you're going to think about Lowe's."

Players and their parents race onto historic Cheshire Field during its rededication in Charlotte, N.C. Lowe's, the Carolina Panthers and the National Football League together contributed \$300,000 to revitalize the facility built in 1958.





Environment



Our Mission

Lowe's has partnered with The Nature Conservancy since 2005 to help protect the forests of North America. Photo courtesy of Mark Godfrey © 2004 The Nature Conservancy



Lowe's recognizes 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 products and services to help consumers reduce their footprint.

Each of our more than 245,000 employees is a vital part of that mission. Our employees' success educating consumers by promoting energy and water conservation has brought Lowe's unprecedented recognition from the U.S. Environmental Protection Agency (EPA). Lowe's was named winner of the ENERGY STAR® Sustained Excellence Award in Retail for the third consecutive year in 2012, and we've received four consecutive WaterSense® awards from the EPA.

Operationally, our collective progress toward reducing our environmental footprint demonstrates the effectiveness of our sustainability strategy. We continue to explore ways to use energy more efficiently in our stores, distribution centers and corporate offices. We've also improved our recycling and waste profile by recycling more and taking less to the landfill. Our recycling numbers have grown as we've raised awareness with our customers and employees about the importance

of reducing waste through our compact fluorescent light bulb, rechargeable battery and plastic bag and planter recycling programs. In the second year of our U.S. Garden Center recycling program, we helped keep more than 7 million pounds of plastic plant containers out of landfills.

Our focus on conservation also extends into our supply chain management programs, which is best demonstrated by our eight-year partnership with the EPA's SmartWay® program. Shipping product by train and employing efficient shipping technologies helps reduce the fuel required to deliver products to our shelves. We also continue to team with carriers, ports, government agencies and other partners to develop clean truck programs and reduce pollution at our nation's ports.

Driving all of these improvements is our focus on 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 and WaterSense products and offer a growing number of renewable energy solutions. As we look to the future, we'll seek new and better ways to serve customers and continue to be responsible stewards of the environment.

Product Solutions

Lowe's is focused on helping customers do more than improve their homes. We're committed to helping them live more sustainably. We view it as our responsibility to the communities we serve, and it's a commitment we carry out every day through the products and services we provide.

We help customers reduce their energy and water use while saving money through an increasing selection of responsible and affordable solutions, from ENERGY STAR® appliances and WaterSense® labeled toilets to indoor and outdoor LED lighting. Since 2001, Lowe's has partnered with the U.S. Environmental Protection Agency (EPA) and the Department of Energy to expand our responsible product portfolio through the ENERGY STAR® program. Lowe's carries more in-stock ENERGY STAR qualified appliances and lighting products than any other national home improvement retailer.

Our success in educating consumers about the cost-saving and environmental benefits of energy efficiency led to our 10th consecutive ENERGY STAR award in 2012. Last year, Lowe's sold enough ENERGY STAR products to:

- Eliminate greenhouse gases equivalent to the emissions from nearly 1.8 million cars over the lifetime of the products
- Save customers more than \$1.7 billion in utility costs over the lifetime of the products

We continue to invest in making our own product selection more energy efficient while developing innovative technology and new partnerships to meet growing consumer demand. Last year, Lowe's launched Iris™, a cloud-based smart home solution that offers customers a simple and affordable way to manage their home environment and energy use from anywhere with a smart phone or computer. In early 2013, we expanded our efficient home selections by offering appliances from LG Electronics in our stores for the first time. LG is a leader in delivering energy-efficient products to the market. More than 600 LG products



Tom Lamb, Lowe's chief marketing officer, shares best practices and discusses future opportunities to partner with EPA officials and other corporate executives at the ENERGY STAR® 20th Anniversary Executive Roundtable.

are ENERGY STAR qualified, including the majority of its refrigerators and washing machines sold in the United States.

Since 2008, we've partnered with the EPA WaterSense program to help homeowners live more efficiently. Lowe's was named the 2012 WaterSense Retail Partner of the Year for our efforts to educate consumers about water-efficient products and practices. Lowe's became the first retailer to win four consecutive WaterSense awards. In addition to helping families reduce utility bills, Lowe's leadership is helping to protect the future of our water supply. We've focused on increasing product assortment in stores and online to better provide customers with the ability to shop for energy-efficient and water-saving products whenever, wherever and however they want. For the third year in a row, 100 percent of bathroom faucets carried in all Lowe's stores were WaterSense qualified.

The number of WaterSense labeled products Lowe's sold in 2012 can save enough water in a year to:

- Fill more than 6,400 Olympic-sized swimming pools (or save more than 4.2 billion gallons of water annually)
- Save customers \$35 million annually on water bills*

*ENERGY STAR and WaterSense savings estimates are based on information from the EPA and calculated using product-specific savings estimates and Lowe's sales data. Due to lack of applicable savings data, ENERGY STAR millwork products were not included.

Product Transportation

With more than 1,750 stores, Lowe's recognizes that how we transport products to our shelves is critical to our success and our commitment to improve the communities we serve. We continue to invest in sustainable transportation practices and collaborate with our partners to promote the adoption of more efficient technologies.

Lowe's has championed transportation conservation strategies since 2005 as a member of the SmartWay® Transport Partnership, a voluntary Environmental Protection Agency (EPA) program dedicated to reducing transportation-related emissions and improving supply chain fuel efficiency. The EPA honored our environmental performance and continued contributions to freight transportation by presenting Lowe's with the 2012 SmartWay Excellence Award. Lowe's is one of only two companies, and the only retail shipper partner, ever to receive four consecutive SmartWay Excellence Awards.

To reduce the environmental impact of our product transportation, we team with our partners to promote sustainable practices. Lowe's was one of the earliest supporters of the Coalition for Responsible Transportation (CRT). In partnership with CRT and Environmental Defense Fund, we were instrumental in the EPA's efforts to develop and launch a SmartWay program aimed at cleaning up the drayage trucks that deliver freight in and around U.S. ports.

Lowe's has worked closely with carriers and ports for several years to reduce pollution from short-haul trucks. We helped develop successful clean-truck incentive programs at ports in Southern California and across the Southeast, and we continue to work with the EPA and CRT to expand the program in the Northeast and Pacific Northwest. Today, more than 75 percent of Lowe's import containers are transported by drayage trucks that are 2004 or newer. Our goal is to increase that number to 100 percent by 2015.

Lowe's encourages third-party carriers to join SmartWay, and we work with them to

examine opportunities to reduce emissions and fuel use. All domestic shipments routed by Lowe's are transported by SmartWay partners. Since 2005, the EPA program has helped reduce our carriers' highway travel by nearly 830 million miles and resulted in diesel fuel savings of more than 150 million gallons and carbon savings of 1.7 million tons.

We continue to use more fuel-efficient modes of transport. We're shipping more products by train and increasing the efficiency of truckload shipments. In 2012, Lowe's joined the Florida Natural Gas Vehicle Coalition and began using alternative fuel vehicles for the first time to ship products from a regional distribution center. In Kissimmee, Fla., we delivered shipments with trucks powered by compressed natural gas (CNG) – a cleaner, safer and lower-priced alternative to diesel fuel. The CNG-powered 18-wheelers deliver about five shipments a week to our store in Fort Myers, logging more than 6,200 miles in the first few months of service.

We remain focused on expanding our efforts to transport products more efficiently and responsibly. We'll continue to evaluate the performance and benefits of alternative fuel vehicles as we determine whether to expand their use across Lowe's supply chain.



The leadership and transportation teams at Lowe's regional distribution center in Kissimmee, Fla., celebrate our first shipment using a truck powered by natural gas.

Recycling



Lowe's customers recycled more than 265 tons of rechargeable batteries and 22 tons of CFLs at Lowe's in-store recycling centers in the United States and Canada.

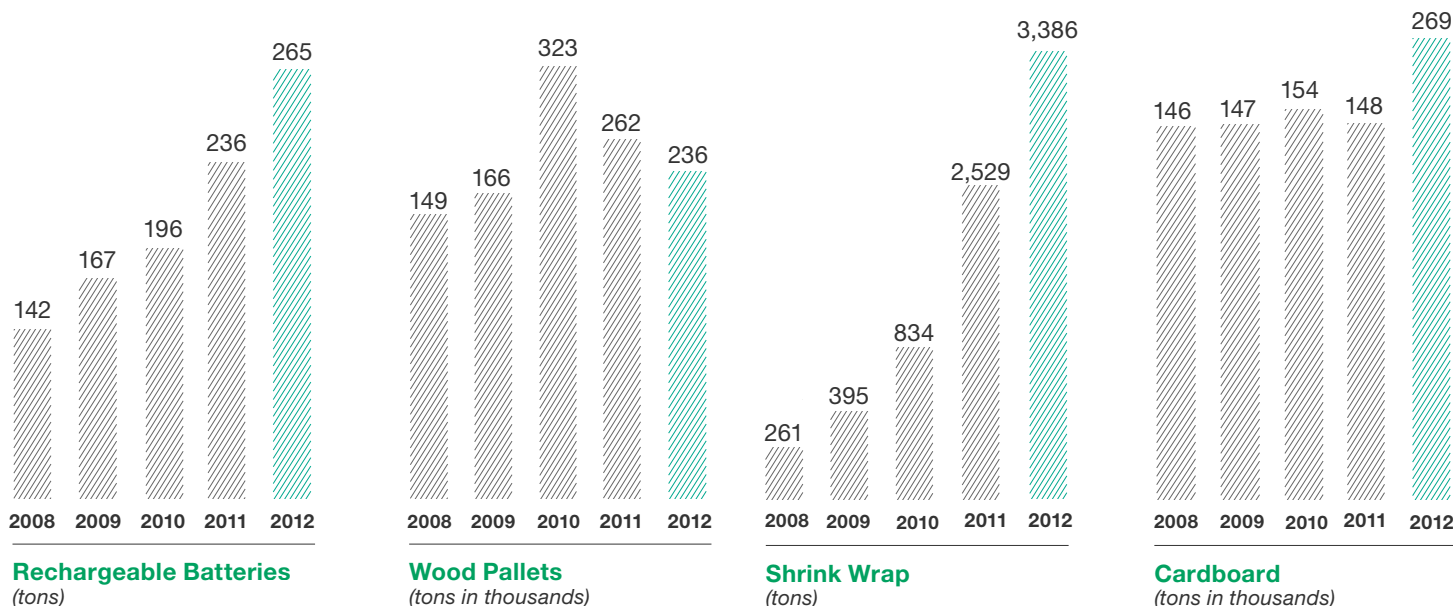
Each year, Lowe's take steps to improve our recycling programs and reduce the amount of waste we generate. Through these efforts, we're able to cut costs and minimize the impact of our facilities while enhancing the quality of life in our local communities.

In partnership with our vendors and employees, we increased our recycling and reuse rates in 2012 by expanding our programs and improving collection processes. Lowe's implemented a return program in which participating stores ship wood pallets, cardboard, plastic and other material to their respective distribution centers for consolidation, reuse and recycling.

Our stores and distribution centers recycled more than 400,000 tons of cardboard and pallets in 2012, the equivalent weight of 10 aircraft carriers. We also increased the amount of plastic we recycled by 35 percent as we improved store participation.

In addition, Lowe's reduced the solid-waste stream by recycling more metals. We recycled an estimated 104,000 tons of appliances and scrap metal. With the purchase of a new appliance, Lowe's will haul away customers' old appliances for free.

We remain focused on promoting community recycling and making it easier for customers. After expanding our Garden Center plastic recycling program to all stores in the continental United States, we launched the program at our stores in Canada in spring 2012. Consumers can drop off plastic plant trays, pots and tags on Garden Center recycling carts regardless of where the nursery items were purchased. Lowe's stores recycled an estimated 3,900 tons of plastic through the program in 2012, bringing our total collection to nearly 7,400 tons in two years.



Our recycling numbers also have grown as we've raised awareness around our in-store recycling centers, permanent collection sites near the entrance of U.S. stores. The centers offer a free and easy way for customers to recycle compact fluorescent light bulbs (CFLs), cell phones and plastic shopping bags. Last year alone, we recycled more than 22 tons of CFLs.

As the use of rechargeable batteries and cell phones grows, we continue to help raise recycling rates. Each year, Lowe's has increased the volume of rechargeable batteries we've collected from customers. Last year, we grew our collections at U.S. stores by 12 percent and 79 percent in Canada. Since the program's inception in 2004, Lowe's has diverted more than 1,250 tons of batteries from landfills. That's equivalent to keeping the weight of

250 school buses out of local landfills.

In addition to local recycling programs we participate in with our nonprofit partners Keep America Beautiful and Habitat for Humanity, Lowe's teams with tool and equipment manufacturers and organizations such as Call2Recycle® to host recycling events at our stores. We also partner with Earth 911 to host a recycling locator at Lowe's.com/Recycle to direct consumers to the nearest recycling center for items such as paint, thinners, fertilizer and pesticides that can be difficult to recycle.

We'll continue to leverage our partnerships and explore new opportunities to help meet the recycling needs of consumers — online, in stores and across the communities we serve.

Responsible Wood Sourcing

From filtering the air we breathe to supplying wood for our homes, forests provide critical resources for building and sustaining communities. Lowe's works collaboratively through our partnerships and policies to safeguard forest resources with a continuous focus on carefully tracking and responsibly managing the source of our wood products.

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. Approximately 90 percent of the wood we have purchased has come from North America.

Lowe's responsible wood sourcing database actively tracked more than 360 suppliers, 11,000 products and 315 million cubic feet of wood in 2011. Lumber, millwork and outdoor furniture are among the products we sell that have been certified by the Forest Stewardship Council, whose internationally recognized standards are devoted to encouraging the responsible management of the world's forests.

Lowe's commitment to global forest conservation is also reflected in our

continued work with major forest products companies and leading environmental organizations to support the Canadian Boreal Forest Agreement. We're helping to develop an effective conservation solution for millions of acres of forest through the collaboration of both provincial and native First Nations governments.

Additionally, Lowe's Charitable and Educational Foundation has partnered with The Nature Conservancy to support the protection and restoration of forestland, from the important Boreal ecosystem to the forested watersheds of Colorado that supply drinking water and protect the safety of communities across the state. Since 2005, Lowe's foundation has contributed nearly \$9 million to help permanently protect more than 1.5 million acres of forests across the United States and Canada.

Lowe's is committed to advancing responsible forest management solutions and will continue to explore opportunities to work with others to protect the long-term health of our forests. For more information on our commitment to responsible sourcing, visit Lowe's.com/WoodPolicy and Lowe's Wood Sourcing Report.



Lowe's is actively engaged in the Canadian Boreal Forest Agreement in collaboration with many parties, including leading organizations such as The Nature Conservancy and provincial and native First Nations governments. Photo courtesy of © Charlie Ott

Wood Sourcing Report

Sourcing Guidelines

Lowe's remains engaged in the protection of the world's forest resources, a consistent commitment since first publishing our wood policy in 2000. A critical aspect of the policy is determining which forests require protection — forests we've designated as "endangered." The challenge is there is no single definition of an "endangered" forest. Terms such as "threatened" and "high conservation value" have been used interchangeably with "endangered." To help guide the application of our policy, we consider the following to be characteristics of endangered forests:

- Forest types that cannot regenerate either with or without human intervention
- Forests in areas experiencing high rates of illegal logging (harvesting taking place in violation of local laws or regulations, or where traditional land rights are not yet settled)
- Forests in countries experiencing political or social unrest and where forest resources are used to fund armed conflict
- Forests where harvesting leads to the extirpation of indigenous species

Lowe's relies on the following methods to help inform and control sourcing:

- Lowe's buyers consider where the wood in products comes from before offering those products for sale in our stores.
- At the end of each year, suppliers report product-sourcing information, including wood species, volume, forest location and sustainable forest certification status (if available). We review that information for compliance with our policy. Lowe's pays special attention to products with high volume and those sourced from tropical areas.

- As issues are identified, Lowe's engages regularly with environmental groups, including The Nature Conservancy, ForestEthics and Greenpeace.

If we find sourcing in violation of our policy, Lowe's works directly with suppliers to transition the product to an alternate source. If suppliers are unable to redirect sourcing, the product is shifted to alternate suppliers. For example in 2000, Lowe's transitioned from dowel rods commonly made using *ramin*, a tropical wood (genus — *Gonystylus*, multiple species), to a domestically sourced poplar. We continue to use that alternate source today.

Public Engagement

The Great Bear Rainforest in British Columbia provides an early example of Lowe's public engagement. After longstanding disagreements between the forest industry and environmental groups, Lowe's and other forest products buyers engaged with industry, environmentalists, First Nations and provincial governments to address regional conservation issues. Following extensive negotiations, all parties agreed to a management program that respects traditional land rights, needs of forest-dependent species and economic interests of local communities.

Lowe's is also an active participant in the Boreal Business Forum, a group of forest products customers engaged with forest products producers and environmental groups to encourage management of Canada's forests at a landscape-scale with a focus on habitats and species. The extended interest groups include First Nations bands and Canadian provincial governments. The broader group attempts to influence policy and practice at a scale never before attempted.



Lowe's tracks where the wood in our stores was harvested with the help of suppliers who report the wood species, volume, forest location and sustainable forest certification.

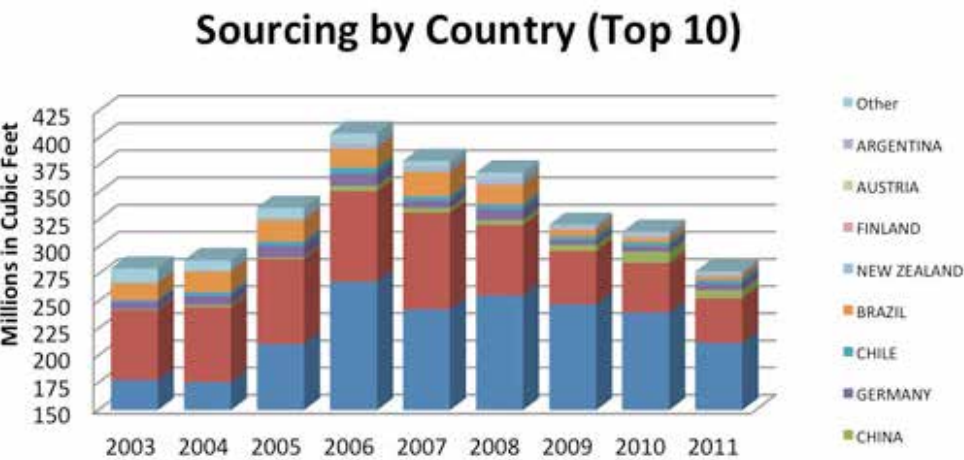
After supporting updates to the U.S. Lacey Act to combat illegal logging globally, Lowe's remains engaged with the Rainforest Alliance, Weyerhaeuser, Sierra Club, the American Forest & Paper Association and other organizations in an American National Standards Institute (ANSI) process to set guidance on appropriate due diligence to satisfy legal requirements contained in the act. This standard, once approved, will represent the official U.S. consensus standard governing legal sourcing of timber products.

Supplier Engagement and Progress Indicators

Since 2003, Lowe's suppliers have reported sourcing information, including where the wood was harvested, sustainable forest certification, wood species and volume. This information enables Lowe's to evaluate supplier adherence to our wood policy and allows us to change sourcing profiles that don't meet our expectations. Suppliers self-report information that is not verified by external third parties.

Sourcing Metrics

Sourcing by Country — The top 10 countries by volume account for more than 99% of all volume supplied to Lowe's stores. Most of the volume of product we have purchased has come from North America, with 76% from the United States and 14% from Canada. Since establishing our supplier database in 2004, the volume from North America has ranged from 85% to 92%. The volume of product coming from countries other than the top 10 represents less than 1% of Lowe's total volume.



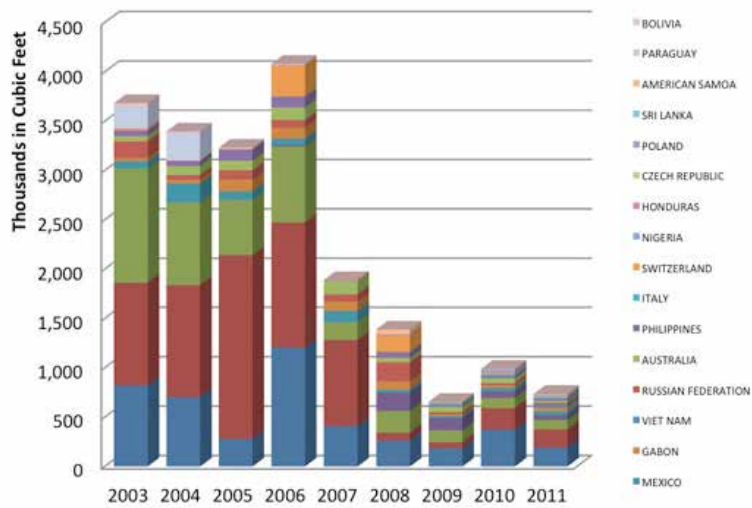
Sourcing by Certification — Sustainable Forest Management (SFM) helps provide assurance that trees are grown and harvested responsibly. Certification to an SFM standard is our goal for all products sold in our stores.

Arriving at full certification has been a challenge because of land ownership patterns and available volume of certified product. For instance, of the total volume of reported uncertified product, 85% comes from the southeastern United States, where the majority of land is owned by small, non-industrial private landowners owning 50 acres or less. Certification costs become fiscally difficult to justify with increasing taxes and processing costs. It is also difficult to coordinate certification with such a fragmented ownership base.

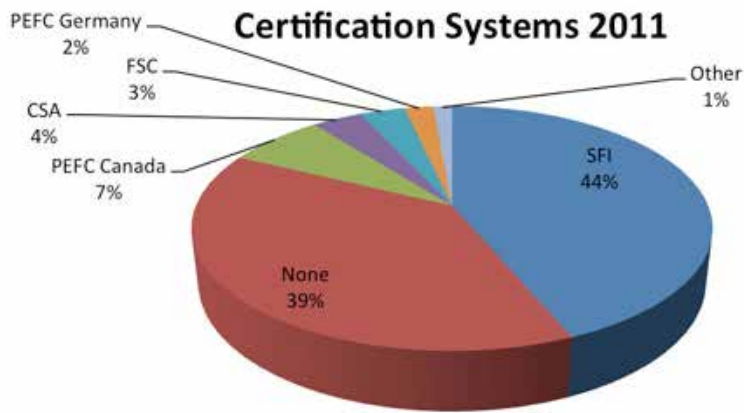
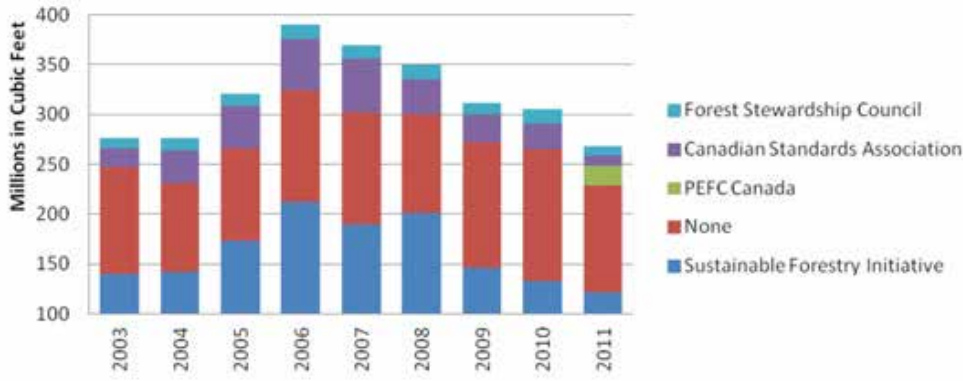
The second-largest volume of uncertified product comes from China (6%). While China has vast forest resources ranging from tropical to temperate, not many of these forests are certified.

Finally, it is important to note that while 39% of the wood product volume is not certified, we are confident in the legal sourcing of that product. Nearly 90% of that volume comes from the U.S. and Canada, and we’ve received legal harvesting documentation on the 6% sourced from China.

Sourcing by Country (others)



Sourcing by Certification



“Other” certification systems represent less than 1% of the total volume.

Awards and Recognition

Lowe's representatives receive the 2012 ENERGY STAR® Sustained Excellence Award from the EPA.



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

The U.S. Environmental Protection Agency (EPA) honored Lowe's with the ENERGY STAR® Sustained Excellence Award for the third consecutive year in 2012. The Sustained Excellence Award recognizes our leadership in promoting energy efficiency year after year and honors our achievements in customer outreach, employee training and product selection. Lowe's has received 10 consecutive ENERGY STAR awards for product retailing, more than any other retailer.



Lowe's environmental performance and continued contributions to the freight transportation industry were recognized by the EPA's SmartWay® Transport Partnership. Lowe's received a 2012 SmartWay Excellence Award for implementing initiatives that resulted in reduced emissions, greater fuel efficiency and leading practices in supply chain operations. Lowe's has collaborated with carriers to adopt innovative technologies and strategies while increasing the use of more fuel-efficient modes of transport, such as rail. Nearly 3,000 partners participate in SmartWay. Lowe's is one of only two companies, and the only retailer shipper partner, ever to receive four consecutive SmartWay awards.



The EPA also honored Lowe's with the 2012 WaterSense® Retail Partner of the Year award. Lowe's is the first retailer to win a WaterSense award in four consecutive years. The Retail Partner of the Year award, our third in four years, honors Lowe's for being on the cutting edge of water-efficiency innovation, collaboration and outreach. We received recognition for employee training, consumer education and national efforts that included supporting the Wasting Water Is Weird campaign to promote water conservation.



The Nature Conservancy

We're proud to work 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. Now in its ninth year, Lowe's partnership with The Nature Conservancy continues to focus on advancing conservation at a scale needed to protect biodiversity and natural areas for future generations.

Our work with The Nature Conservancy is an extension of the environmental commitment we make throughout our retail operations and through the types of products we offer customers. Since 2005, Lowe's Charitable and Educational Foundation has contributed nearly \$9 million to help permanently protect more than 1.5 million acres across the United States and Canada. We've focused our assistance this past year on conservation projects that provide meaningful benefits to the communities that Lowe's serves.

The foundation's donation of \$1.25 million in 2012 supports six conservation projects that span North America: from the Boreal Forests in Canada to communities in Central Texas.

- In Albuquerque, N.M., support from Lowe's is being used to protect the city's watershed from pollution and helping to keep the city's water clean and safe. Additionally, Lowe's support has enhanced conservation work related to Santa Fe's freshwater resources through community education and outreach initiatives involving youth groups, nonprofits and the city of Santa Fe.
- Lowe's foundation has partnered with The Nature Conservancy in Texas to advance three major strategies for freshwater protection: local engagement, water science decision and support tools, and water policy leadership. Support from Lowe's has helped Texas protect its valuable freshwater resources through the creation of the 1,244-acre old-growth oak-juniper forest preserve at Cibolo Bluffs.
- In Illinois, Lowe's foundation has helped connect volunteers to projects in natural areas through support of The Nature Conservancy and the Volunteer Stewardship Network. The volunteer groups manage some of the best examples of Illinois' native lands: prairies, forests, wetlands and coastal dune systems. Each year, the program connects more than 20,000 volunteers of all ages and backgrounds to opportunities at approximately 350 natural areas, nearly all of which welcome the public for hiking, birding, picnicking and more.
- In 2010, large portions of the Virginian Chesapeake region at Dragon Run were placed under perpetual protection when The Nature Conservancy completed the largest conservation easement in the state's history. Lowe's foundation has played a critical role in supporting the continued protection of the Dragon Run Preserve and its rich collection of fish, bird and plant communities.
- In Colorado, Lowe's foundation and The Nature Conservancy are working to restore large portions of the 1.5 million acres of forested watersheds of the Front Range. These watersheds supply drinking water for the majority of Coloradans and protect the safety of communities where wildfires pose risks to lives and property. The foundation's support has increased the extent, pace and quality of forest restoration to create healthier forests and safer neighborhoods.
- In Canada, funding from Lowe's has been instrumental in supporting The Nature Conservancy's work to protect the Canadian Boreal Forest. The region is 630 miles wide and encompasses nearly 25 percent of the planet's wetlands. It's home to more than 4 million people who rely on the forest for subsistence, livelihoods and culture. Lowe's foundation has supported restoration activities to protect and restore the important Boreal ecosystem and its communities.



Lowe's has teamed with The Nature Conservancy since 2005 to protect and restore natural areas across the United States and Canada. Photo courtesy of © Charlie Ott

Keep America Beautiful

Lowe's carries out our commitment to community improvement through impactful partnerships that inspire our employees to take a hands-on approach to environmental stewardship. Led by our Lowe's Heroes volunteer program, we work with leading nonprofit organizations in communities nationwide to improve the health, economy and beauty of the places we serve. In 2012, we strengthened our partnership with Keep America Beautiful, the nation's leading nonprofit that brings people together to build vibrant communities.

Lowe's Charitable and Educational Foundation donated \$1 million to Keep America Beautiful to create clean, beautiful public places, reduce waste, increase recycling and generate a positive impact on the local economy through community improvement projects such as disaster restorations, community gardens, tree plantings and downtown enhancements. Lowe's foundation awarded more than 100 grants, from \$5,000 to \$20,000, to Keep America Beautiful affiliates and participating organizations to complete improvements.

Nearly 500 Lowe's Heroes were among the volunteers who donated more than 100,000 hours of service to their local communities through Lowe's-supported projects. Together, Lowe's and Keep America Beautiful completed nearly 900 community improvements projects in 2012.

The impact was seen from coast to coast and included:

- 406,631 pounds of litter collected
- 130,175 acres of parks and public land cleaned
- 375 miles of shoreline and 124 miles of roads cleaned
- 3,299 acres of wetlands cleaned
- 3,500 trees planted
- 17,000 flowers and bulbs planted
- 133 playgrounds restored

Keep America Beautiful celebrates its 60th anniversary in 2013 and shares Lowe's commitment to civic engagement. Each year, the organization inspires millions of volunteers to take action through programs that improve their community environment.

"Our strategic partnership with Lowe's has enabled Keep America Beautiful to drive positive, lasting change in communities across the country," said Matt McKenna, president and CEO of Keep America Beautiful. "Working with our strong affiliate network and the hard-working local Lowe's Heroes, we activated essential community improvement projects in more than 30 states."

The Lowe's grants and volunteer assistance supported improvement projects in 93 cities, from San Diego, Calif., to Norwalk, Conn. The work ranged from the revitalization of a 15-mile urban business corridor in Detroit to the restoration of Harveyville, Kan., a town with a population of 250 that was torn apart by a tornado. More than 21,000 volunteers joined with Lowe's and Keep America Beautiful to improve communities across the country.



Nearly 500 Lowe's Heroes helped clean, green and beautify communities across the country in partnership with Keep America Beautiful. Photo courtesy of Keep America Beautiful

Building Brighter Solutions

More than 3,100 high-efficiency LED fixtures light Lowe's newest regional distribution center, a 1.4 million-square-foot facility in Rome, Ga. The distribution center serves Lowe's stores in Georgia, Alabama and Tennessee.



Guided by our commitment to continuous improvement, Lowe's invests in technology that will help us operate our facilities more efficiently and responsibly. At our recently opened regional distribution center (RDC) in Rome, Ga., a pair of new technologies are putting Lowe's commitment in brighter focus.

Overhead, more than 3,100 high-efficiency LED fixtures light the distribution center, from the offices and warehouse space inside to the employee parking lots and truck yards outside. The facility located just northwest of Atlanta is Lowe's first distribution center to be lit nearly entirely by LED technology.

The Rome facility also features another first for Lowe's — an entire fleet of high-efficiency lift trucks powered by hydrogen fuel cells. Together, these innovative technologies will deliver substantial energy savings while helping create a safer and more productive work environment.

Because distribution centers are vast in size and operate around the clock, lighting costs can represent a large expense. By actively managing our energy use through efficient lighting solutions, we're able to significantly reduce costs as well as the carbon footprint of our facilities. We tested LED fixtures at several locations before the new distribution center in Rome provided the opportunity to plan and install LED lights throughout an entire facility.

Hubbell Lighting, a market leader in innovative lighting technology, manufactured the two types of LED products used in Rome and has supplied LED fixtures for about a half-dozen Lowe's stores. The Rome RDC is one of the largest U.S. projects Hubbell has worked on.

Lowe's estimates the lighting costs at the 1.4 million-square-foot facility will be approximately 60 percent less than costs at similarly sized distribution centers with less-efficient fluorescent systems. In addition, the LEDs turn on instantly, enhancing the effectiveness of motion sensors installed throughout the RDC. The LED bulbs burn for eight to 10 years, so they also reduce maintenance costs in addition to providing increased light levels that create a safer and more comfortable environment for employees.

To further reduce energy and labor costs and improve productivity, Lowe's introduced the hydrogen fueling system to power our fleet of 157 lift trucks in Rome after piloting the new fuel cell technology at RDCs in California and Connecticut. The GenDrive® hydrogen fuel cells are an energy-efficient alternative to the batteries that traditionally power the forklifts we use to move products around our distribution centers.

We anticipate the new technology will provide a payback of 2½ years. The fuel cells free up valuable facility space that would otherwise be dedicated to a room needed to store and charge batteries, which reduces the building's electrical consumption.

It takes about three minutes to replenish a lift truck with hydrogen gas from one of six dispensing stations at the RDC compared to the 10 to 15 minutes typically required to change a battery. Unlike batteries that lose their charge over the course of a shift and degrade the performance of a lift truck, power delivered by the fuel cell remains constant until the fuel is depleted. Fuel cells also are safer to maintain, require less routine maintenance and offer the potential to reduce greenhouse gas emissions. Hydrogen is a clean-energy fuel whose only byproducts are heat and water.

Lowe's goal is to work smarter at all of our facilities. We'll continue to invest in new strategies to operate more efficiently as we strive to reduce our footprint, increase savings and create a better place for our employees to work.

Expanding Recycling Programs

It's a win-win for Lowe's and our communities when we're able to generate savings and environmental benefits through improvements in our operations. Our recycling programs at our stores and distribution centers help us deliver on both of those goals, reducing waste and greenhouse gas emissions while bringing in additional revenue.

One of the better examples of the shared success we've had through recycling is the DC Return Program we launched in late 2011. Previously, after trucks delivered products from Lowe's regional distribution centers (RDCs) to our stores, many of those trucks returned to our RDCs empty. Lowe's transportation, store operations and supply chain teams worked together to identify those stores and begin using the return trips to ship cardboard and wood pallets back to their servicing RDCs for consolidation and recycling.

The DC Return program reduces the need to buy new pallets to ship freight; participating distribution centers simply reuse store pallets. The program could save Lowe's RDCs as much as \$1.5 million in pallet costs each year. And by shipping store cardboard bales to our distribution centers and consolidating them there, we're able to maximize recycling revenue by shipping the consolidated bales directly to a paper processor. Lowe's backhauled more than 75,000 tons of cardboard and pallets from stores to RDCs in 2012.

Our stores also send their used boxes and wood spacers to select RDCs, which reuse them to transport freight that's not palletized.

"We used to have to purchase pallets and wood spacers from a third-party vendor," said Kelly Hill, assistant operations manager at Lowe's RDC in Statesville, N.C., which services 156 area stores. "All those stores now channel the recyclables back here to our RDC. Just recycling the wood spacers has been a huge cost savings."

Nearly 300 stores and 12 Lowe's RDCs participated in the DC Return Program last year. Our newly constructed distribution center in Rome, Ga., is expected to join the program in 2013.

We're also finding other ways to recycle store-used materials and close the loop. Last year, landscaping at 180 Lowe's stores was mulched with material made from damaged pallets. In a process similar to the DC Return Program, our distribution centers generate additional revenue by working with our cardboard recycling vendor to ship cardboard bales to overseas markets in containers provided by our suppliers.

Lowe's has reduced total expenses for our waste and recycling programs by 80 percent over the past six years with the help of new initiatives such as the DC Return Program. We look forward to continuing to build on that progress. Lowe's distribution centers in Texas and Illinois have added plastic to the materials shipped from our stores for recycling, and we expect to recycle plastic shrink wrap and bubble wrap at all 16 regional distribution centers in 2013.

Our goal is to expand the DC Return Program to two millwork centers and Lowe's 15 flatbed distribution centers in 2013 and bring more stores into the program. Our long-term plan is to allow all stores an opportunity to divert their materials through the program. Ultimately, we expect to have more than 1,000 stores fully participating.



Regional distribution centers participating in Lowe's DC Return Program use return trips from store deliveries to ship cardboard and wood pallets for recycling and reuse.

Fighting Fire With Fire



Massive clouds of smoke have become a common sight over Colorado's forests in recent years. Together with Lowe's, The Nature Conservancy is working to restore forests to more natural conditions to reduce the threat of large, destructive wildfires. Photo courtesy of © The Nature Conservancy Fire Module

During the last decade, Colorado's record-setting wildfires have engulfed the state in flames, smoke and ash. The fires have resulted in hundreds of millions of dollars in damage to homes, communities and Colorado's iconic forests.

The destructive nature of these wildfires can be attributed to poor forest conditions. Colorado forests are overgrown and stressed by competition for sunlight, water and other resources. As a result, these dense forests have become susceptible to uncharacteristically large and destructive wildfires. When a severe wildfire occurs, Colorado neighborhoods and wildlife are at risk and forest soils can be seared to the point that they no longer absorb rainwater or other runoff, leading to significant risks of flooding and erosion. These events pose a serious threat to Colorado communities, drinking water supplies, economic enterprises and infrastructure that can result in massive rehabilitation costs.

At the same time, many plant and animal species in these forests rely on periodic fire to maintain their overall well-being. For example, the ponderosa pine forests across the Front Range evolved with frequent, low-intensity fires. These natural fire cycles created healthy mosaics of large, old, fire-resistant trees intermixed with open meadows. If Colorado's forests are restored to more natural conditions, when

a fire does ignite, it can benefit nature while not posing a severe threat to people.

Lowe's Charitable and Educational Foundation has invested more than \$200,000 in The Nature Conservancy's efforts to safeguard Colorado's Front Range forests for nature and people. Through a combination of science, collaboration and on-the-ground activities, The Nature Conservancy is implementing a wide range of forest management solutions, including prescribed fire. It also is working with partners to improve the health of forests by re-planting in fire-scarred areas, controlling invasive weeds, using controlled burns and thinning to restore forest resilience, rehabilitating waterways and helping to educate communities on forest health issues.

"Our objective is to actively increase the extent, pace and quality of forest restoration to create healthier forests, which will result in safer communities," said Paige Lewis, director of The Nature Conservancy's Forest Health and Fire Program in Colorado.

With more than 3.7 million people residing, working and playing in the forests surrounding Denver and nearby metropolitan communities, Lowe's is hopeful that together we can restore Colorado's spectacular forests to a healthy and safe condition for all of us to enjoy for years to come.

Keeping Ohio Beautiful

In 2012, Lowe's Charitable and Educational Foundation donated \$1 million to Keep America Beautiful in the form of competitive grants to support the environmental and community improvement work done by the organization's nearly 600 local affiliates. It's the largest single donation directly supporting its affiliates in the organization's history.

The grant funds projects across the country and into Canada, ranging from tree plantings and coastal cleanups to park restorations, edible gardens and entire community revitalizations. Employees from Lowe's stores, distribution centers and offices volunteer their skills and time to participate in projects and events in their community.

In Ohio, four groups were selected as grant recipients: the Brown Family Environmental Center at Kenyon College, Keep Cincinnati Beautiful, Keep Columbus Beautiful and the Monday Creek Restoration Project run by Rural Action. The Ohio projects brought together more than 1,000 volunteers, including more than 200 Lowe's Heroes. Together, the volunteers collected 11,000 pounds of litter and debris, cleaned and beautified 42 miles of highway, abated graffiti at 336 sites and revitalized 40 merchant storefronts.

Kenyon College

Lowe's Charitable and Educational Foundation contributed a \$5,000 grant to fund the construction of a pavilion at the Brown Family Environmental Center at Kenyon College. The pavilion is designed to serve

as an event space and outdoor classroom to support the educational goals of Kenyon College and benefit the broader community of Knox County. Long term, the plan is to make the pavilion available to visitors to the Kokosing Gap Bike Trail and the Kokosing River, which run adjacent to the center's main entrance and feature scenic natural areas and abundant recreational opportunities.

Keep Cincinnati Beautiful

Lowe's Heroes partnered with Keep Cincinnati Beautiful to complete a pair of beautification projects. Seventy-five Lowe's Heroes from 12 stores joined city workers and the local Keep America Beautiful affiliate to paint more than 120 poles and parking meters and prepare the downtown business district for the 2012 World Choir Games. Two months later, Keep Cincinnati Beautiful created graffiti-free zones in four of the city's hardest-hit business districts with support from a \$5,000 Lowe's grant. To help the city manage a heavy load of graffiti removal projects, Keep Cincinnati Beautiful teamed with Lowe's of Western Hills to create graffiti-removal kits and distribute them to business owners and residents in the four communities. Each kit included a paint tray kit, spray paint, graffiti remover, gloves, goggles and other items to help with the removal.

Monday Creek Restoration Project

A \$5,000 grant from Lowe's foundation has improved a local attraction, given new life to Main Street and provided additional

More than 100 Lowe's Heroes from 10 area stores volunteered their skills to rehabilitate merchant properties along historic Parsons Avenue in Columbus.



equipment for the village park in New Straitsville. With Lowe's support, Robinson's Cave, a historic site, is being enhanced through the addition of a new footbridge, park bench and lighted signage. In the village park, new picnic tables have been provided for the community shelter. The grant also has funded new planters on Main Street along with park benches to provide additional seating for residents and visitors.

Keep Columbus Beautiful

More than 100 Lowe's Heroes from 10 area stores volunteered their skills and Lowe's Charitable and Educational Foundation contributed a \$20,000 grant to rehabilitate merchant properties in Columbus' historic Parsons Avenue business district. The grant empowered community leaders to revitalize the private and public sections of the 2-mile

corridor simultaneously at no cost to private property owners or the city. Volunteers upgraded 40 well-worn merchant and vacant storefronts. They replaced rotted wood, painted fences, poles and posts, and cleared litter and debris to give the district a brighter, cleaner and more inviting appearance. Mayor Michael B. Coleman and Public Service Director Mark Kelsey expressed their gratitude to Keep Columbus Beautiful and Lowe's. "Your latest work on Parsons Avenue has resonated throughout the city, making the mayor and the Department of Public Service very proud," Kelsey said.