



# Helping Hands

Lowe's 2009 Social Responsibility Report



## CEO Message

Being a good neighbor is something we talk about a lot at Lowe's. We believe providing great service means making a difference beyond our stores. It means being there to lend a helping hand when our neighbors need it most.

In 2009, Lowe's helping hands were at work in communities across North America. Led by Lowe's Heroes, and with the support of Lowe's Charitable and Educational Foundation, we delivered help and hope to our neighbors.

In a challenging time for schools and students, we focused our giving on basic needs. Our Toolbox for Education® program assisted nearly 900 public schools in 48 states. We also reached out to help college students and provided \$1 million in scholarships, including new targeted partnerships with UNCF and the Hispanic Scholarship Fund.

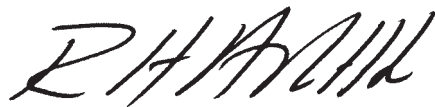
We strengthened our commitment to safe and affordable housing by pledging another \$20 million to Habitat for Humanity® and provided hands-on help to the American Red Cross to assist communities recovering from disasters, ranging from fires and floods to the earthquake in Haiti.

We're also doing our part to help preserve and protect the environment. In fact, our success promoting energy and water conservation helped bring Lowe's a number of coveted awards from the U.S. Environmental Protection Agency and the Department of Energy.

All of this was made possible by the dedication of more than 238,000 employees. We continue to support their growth and success by enhancing our benefits, expanding our training and development programs and providing emergency assistance through our Employee Relief Fund.

I encourage you to click through this report to discover all of the ways Lowe's is making a difference.

We're proud of the progress we made in 2009, and we look forward to new opportunities to serve our communities and improve our workplace in 2010 and beyond.



Robert A. Niblock  
Chairman and Chief Executive Officer



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## Our Vision and Values

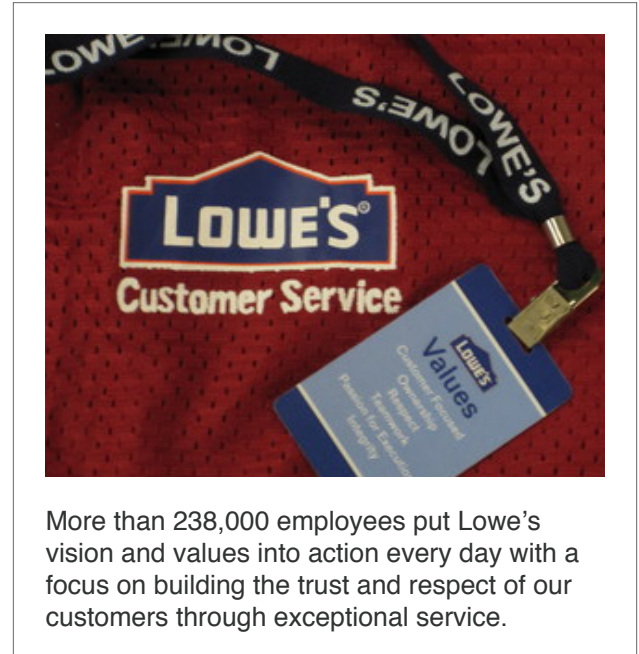
**Lowe's Vision: We will provide customer-valued solutions with the best prices, products and services to make Lowe's the first choice for home improvement.**

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

It is a culture shaped by more than 238,000 men and women who work for Lowe's. They are the foundation that unites us and drives our success, providing the competitive advantage that sets Lowe's apart from other retailers. At the same time, our employees' commitment to our vision and values — customer focused, ownership, respect, teamwork, passion for execution and integrity — is what connects them with generations of Lowe's workers.

We are dedicated to clearly communicating our vision and values to ensure that employees consistently maintain high standards and exceed customers' expectations in more than 1,700 Lowe's stores in the United States, Canada and Mexico. Employees who embody Lowe's vision and values are regularly featured on our intranet and in internal print publications, and our top regional and divisional customer-focused stores are honored each year.

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



## Ethics and Governance

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

Our expectations are contained in the Lowe's Code of Business Conduct and Ethics, which confirms our commitment to maintaining an environment in which all of our employees work together with respect. Every new employee is asked to read, review and understand the Code of Conduct, which is available to them on our intranet site and to the general public on our company site, [www.lowes.com](http://www.lowes.com). Lowe's also offers a company-wide ethics course online to give employees the information they need to use the Code of Conduct as a guide to conducting business. The course also educates employees about the specifics of Lowe's reporting procedures and compliance resources.

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 open access to managers, starting with their direct supervisor. Employees who become aware of conduct that potentially violates the Code of Conduct can call Lowe's confidential 24-hour Open Door hotline.

### Governance

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

Lowe's board of directors consists of 11 members, 10 of whom are independent. Robert A. Niblock, chief executive officer of Lowe's since 2005, is chairman of the board of directors. The fundamental role of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of Lowe's and its shareholders. Directors must disclose to other directors any potential conflicts of interest they might have with respect to any matter under discussion and, if appropriate, refrain from voting on a matter in which they might have a conflict.



Employees are required to take an online course that explains expectations outlined in Lowe's Code of Business Conduct and Ethics.

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 10-member Governance Committee, which is also responsible for developing Lowe's Corporate Governance Guidelines and for overseeing the evaluation of the board and management of the company. Lowe's Corporate Governance Guidelines, including our policy on board compensation and membership criteria and other matters that are fundamental to shareholders' interest, are available at [www.lowes.com](http://www.lowes.com).

## Global Sourcing

**We hold ourselves to high ethical standards everywhere we do business, and we expect the same from those who manufacture and supply our products. Lowe's sources products from all over the world through LG Sourcing (LGS), a wholly owned subsidiary of Lowe's. LGS works with nearly 600 vendors in 19 countries, with the largest concentration in Asia, and provides clear guidelines for product quality and safety, and social responsibility by manufacturers.**

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

With more than 900 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.

In 2009, LGS performed more than 800 factory certifications and more than 2,100 random social compliance audits. In addition, more than 16,000 product tests were conducted at independent third-party testing facilities, with many of our products pulled from production lines for testing during random production audits. LGS also inspects orders at facilities before approving them for shipping, and in 2009 conducted more than 12,000 pre-shipment inspections.

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



Lowe's sources products from 19 countries and performs factory certifications, random social compliance audits, product tests and pre-shipment inspections to help ensure that our vendor partners operate safe and ethical factory environments and produce high-quality products.

## Government and Political Engagement

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

### **Trade organizations**

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

### **Political action committee**

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

- Factors the LOWPAC board considers when making contributions:
- Does the company have significant economic interests (stores, distribution centers, etc.) in the candidate's district?
- The candidate's position or voting record on issues important to Lowe's;
- Does the elected official sit on a committee with oversight of issues of importance to Lowe's?
- Whether other national retail trade associations or business groups also support the candidate.

### **Compliance**

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

## Diversity and Inclusion

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

At Lowe's, inclusion means creating a place where everyone has the opportunity to grow and succeed. Lowe's goal is to treat each customer, coworker, community, investor and vendor with respect and dignity, and to offer each employee the opportunity to build a career. It's how we come together that sets us apart.

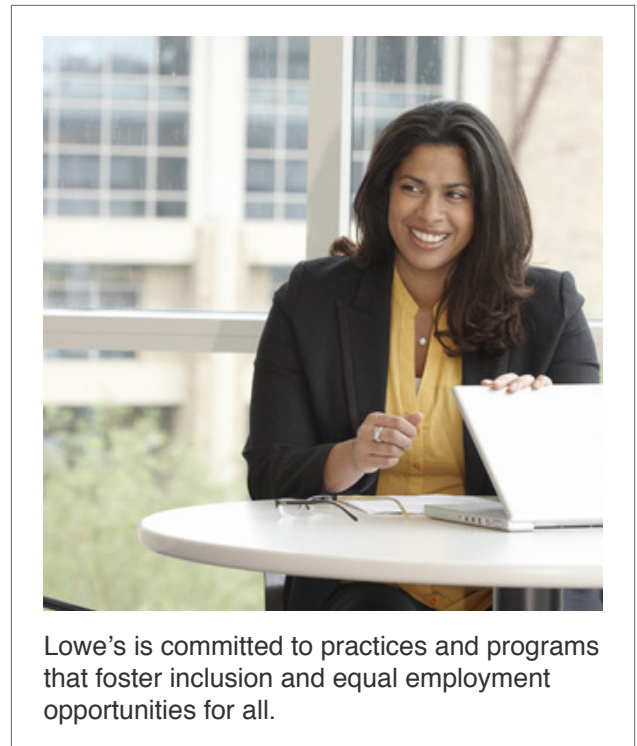
We focus on diversity and inclusion in four areas:

1. Workforce
2. Customers
3. Vendors and suppliers
4. Community

Our Diversity Advisory Council and nine Diversity Leadership Teams are in their third year of existence. Co-chaired by Robert A. Niblock, Lowe's chairman and chief executive officer, and Larry D. Stone, president and chief operating officer, the Diversity Advisory Council meets quarterly to review progress of the Diversity Leadership Teams. Teams include: Recruiting and Retention, Supplier Diversity, Multicultural Marketing, Community Outreach, Training and Development, Work/Life, and Customer Satisfaction.

The broad spectrum of ages, lifestyles, cultures and interests that make up Lowe's customer base is reflected in our workforce, where employees support each other's goals. Employee Resource Groups are voluntary associations for corporate office employees who work together to promote greater awareness of the represented group's business needs. In 2009, the Diversity Advisory Council approved five Employee Resource Groups:

1. Do Good/Sustainability
2. Women in Finance
3. Working Parents
4. ¡HOLA! (Hispanic Organization of Lowe's Associates)
5. ALOE (pan-Asian Lowe's ERG)



Lowe's is committed to practices and programs that foster inclusion and equal employment opportunities for all.



## WORKPLACE / DIVERSITY AND INCLUSION

These groups support Lowe's efforts to integrate diversity and inclusion throughout our workforce and communities in which we operate while encouraging engagement through partnership. Last fall, members of ¡HOLA! represented Lowe's at the Latin American Festival in Charlotte, N.C., and the Do Good group coordinated a Back-to-School Supply Drive that brought in more than 5,500 donations for children in need at four North Carolina youth centers.

Providing all employees the opportunity to raise awareness and strengthen their understanding of diversity and inclusion forms the solid foundation for Lowe's diversity learning strategy. Lowe's training and development programs are designed to foster open communication, inclusion and equal employment opportunities for all. Through a combination of online courses and Learning Maps, 155,000 Lowe's employees were trained in 2009.

Lowe's remains focused on investing in programs that create value for our customers and our company. In 2009, we continued to seek partnerships with minority- and women-owned businesses. Our supplier diversity program is part of our overall commitment to enhance economic development in the diverse communities we serve.

From the products we sell to the services we offer, diversity and inclusion fosters an environment of varying perspectives. Together, we're building places that employees, customers, communities, investors and vendors are proud to call home.



Lowe's is committed to practices and programs that foster inclusion and equal employment opportunities for all.

## Engaging Employees

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

We are increasingly focused on helping employees build their talents and skills through extensive training and development programs while we remain committed to helping them maintain a work/life balance through our health and wellness program that rewards participation. With the support of engaged employees who contribute to the Lowe's Employee Relief Fund, Employee Giving Campaign and Heroes program, we are able to lend a helping hand to our family of workers and communities.

We reward our most engaged and customer-focused stores with quarterly and end-of-year incentives that are shared by every employee, and we rely on our engaged employees to help us continuously improve our work environment. In addition to feedback generated through our Bright Ideas suggestion program and employee focus groups, our annual Employee Opinion Survey gives all regular full- and part-time employees across the U.S., Canada, Mexico and Asia a chance to voice their opinions about their work experience. The survey helps Lowe's identify trends and create new initiatives to drive the engagement and growth of our employees.



Enthusiastic and engaged employees help Lowe's make an impact inside and outside of our stores, one customer and one neighbor at a time.

## Developing Careers

**In the 2009 fiscal year, we opened 62 new stores throughout North America, creating approximately 6,000 jobs. Lowe's success at meeting the needs of each customer who walks through the door starts with our ability to acquire, train, develop and retain a strong and engaged workforce. Our people are a strategic advantage, and Lowe's is fully dedicated to helping our talented and committed employees build rewarding careers.**

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

Our strategic investment in our employees continued throughout 2009. Our primary focus has been on leadership and managerial skills, plus product knowledge and customer service. We believe this focus enhances our ability to serve our customers while creating employees who are lifelong learners.

As we continued to develop well-rounded leaders, we trained more than 1,700 store managers, and regional leadership, distribution management and corporate office management teams. We also launched a Career Development Web site for corporate employees. At this site, employees can view the learning curriculum related to their profession to help them achieve their career goals at Lowe's.

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



Lowe's managers encourage questions and use a growing number of available resources to ensure all employees receive quality training.

## Benefits/Life Track

**At Lowe's, we are proud of the employee family we have built. With more than 238,000 team members, we are focused on meeting a variety of needs while providing the protection, peace of mind and flexibility to help all of our employees build a better life — both at home and at work.**

We offer a comprehensive benefits program, including health and life insurance plans, a critical illness plan, work/life programs, a 401(k) and a discount stock purchase plan. Our part-time and full-time employees have access to health care benefits, and may choose the coverage that best fits their needs.

Life Track, Lowe's innovative health and wellness program, addresses all aspects of a healthier lifestyle, from diet and nutrition to exercise and stress management. Lowe's pays the entire cost of the program and participating employees receive points that can be redeemed for prizes. Participation is growing, as is the employee success rate. The Quit for Life program, which provides free and unlimited access to trained tobacco treatment specialists, drew more than 13,200 participants, which is 8,000 more than in 2008. With a 56 percent smoking cessation rate, the program is delivering results — more than 7,000 employees stopped smoking. Our weight loss awareness program had a similar impact in 2009 as our employees collectively lost more than 70,000 pounds.

Together, more than 160,000 employees and their family members participated in our 2009 quarterly campaigns — Step It Up, Eat for the Health of It, A Strong Back Pays You Back and Start Your Engines—Stress and Depression awareness. We also introduced online-only campaigns, and more than 72,000 employees participated in our money management, environmental, nutrition and health management campaigns.



Lowe's benefits are designed to support various lifestyle needs in order to help employees lead healthier and happier lives. Employees share in each other's successes by recognizing coworkers' health-related achievements and issuing peer-to-peer rewards points that can be redeemed for prizes.

## Focusing on Safety

**Lowe's is committed to providing a safe environment for customers and employees while complying with safety and health standards established by law, the Occupational Safety and Health Administration and other regulatory agencies. We strive to maintain a safety culture that incorporates safety awareness as a core value and holds our leadership team accountable for creating and maintaining a safe environment for our employees and our customers.**

We're proud of our safety record and the role each store and supply chain employee plays in helping to carry out our commitment to a safety-first culture. Working safely is a condition of employment at Lowe's, and that message is first communicated during our New Hire Safety Orientation training program for all employees. In addition to video and integrated classroom learning, we also promote safety through an interactive training network, daily safety reviews in all retail stores and supply chain locations, a monthly safety report card in all facilities, monthly distribution center communications and quarterly store-wide broadcasts. Lowe's is also part of the Retail Industry Leaders Association safety review board, where we collaborate with America's leading retailers to advance safety education.

In 2009, our store employees voluntarily took more than 4.8 million Employee Awareness Safety & Shrink quizzes. The quizzes, training and consistent communication of our safety expectations have helped improve our safety record.

In each of the past six years, our stores have consistently reduced our number of claims.

In our supply chain, our Flatbed Distribution Center in Henderson, Colo., completed 968 days of injury-free operation, and we've seen other safety successes across our network of facilities over the past three years. Though our company continues to grow, our claims numbers are at an all-time low with our continued focus on our safety culture.

In 2009, we piloted a new safety program at two Regional Distribution Centers and one Flatbed Distribution Center. The STOP™ For Each Other Program, developed by DuPont and adopted by Lowe's, helps participants improve their safety awareness by integrating safety in every action they take at work and away from work. The STOP program will roll out to all Regional and Flatbed Distribution Centers by 2011. We are also developing an Integrated Safety Leadership System to support the execution of the distribution network's safety vision statement.



The safety orientation each new Lowe's employee must complete includes a lesson on operating power equipment. Lowe's is committed to maintaining a culture in which everyone is responsible for safety.

## Lowe's Heroes

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

Our store teams are proud of the thousands of hours they volunteer each year to improve the communities we serve, and that circle of pride continues to grow. The corporate offices took on their first Heroes projects in 2008, and in 2009 the program was rolled out to our Regional Distribution Centers and Flatbed Distribution Centers.

Whether it was helping to rebuild a fire-ravaged disabled children's home or rebuilding a low-income homeowner's pride, Lowe's Heroes extended helping hands to our neighbors across North America in 2009. Lowe's Heroes participated in more than 1,000 projects, and Lowe's contributed more than \$1 million in materials. We also celebrate the dedication of our Lowe's Heroes teams each year at our International Sales Meeting, where winning teams each receive \$5,000 to give to the charity of their choice.



Teamwork is at the heart of the Lowe's Heroes program, bringing together thousands of employee volunteers each year to lend a helping hand to communities across North America.

## Lowe's Employee Relief Fund

**The Lowe's Employee Relief Fund exists so Lowe's employees can lend a helping hand to each other in times of need. The fund, which was started in 1999, has contributed more than \$10 million in assistance to more than 9,500 employees and their families. Making employee donations even more powerful, Lowe's matches each contribution dollar-for-dollar.**

The Employee Relief Fund distributed more than \$1.8 million in 2009. Those dollars helped more than 1,600 employees who suffered a significant financial hardship as a result of a house fire, natural disaster, family death, medical expenses or other unforeseen cause.

The Employee Relief Fund assists individual employees with up to \$1,500 per qualifying event. Employees contribute to the fund through payroll or check contributions, and Lowe's pays for the program's operating costs.

In 2009, Lowe's employees assisted one another across the United States.

- Cindy Quinlan, a nursery specialist in San Marcos, Calif., had more than a dozen coworkers comfort and care for her during the months preceding her death from cancer. More than 40 associates from the San Marcos store — a third of the staff — filled zone manager Dave Brown's backyard for a celebration of Cindy's life. Her coworkers presented a \$1,500 Employee Relief Fund check to Cindy's children, laughing and crying with the family, and overwhelming them in the process. "They were really amazed that so many people felt so strongly about their mother," store manager Ray Pepin said.
- Brenda Rutherford, a Lowe's cashier in Plant City, Fla., said she's been giving to the Employee Relief Fund since she was hired four years ago. She never expected to need its assistance, but when her mother had open heart surgery and suffered complications, Rutherford turned to Lowe's for help. The fund helped her pay for multiple trips to South Tampa to visit her mother in the hospital. "I can't even tell you how thankful I am," she said. "Every time I drove out there, I was thinking about all the folks who gave."
- Rick Fleming, a Lowe's delivery driver in Union Gap, Wash., received assistance after a storm with 100-mph winds totaled his mobile home and severely damaged his barn. He said the funds helped him pay for temporary housing and repair the fences used to keep his horses and dogs on the property.
- Amy Greer, human resources manager at the Lowe's in Elizabethton, Tenn., said employees at her store are "true believers" in the power of the Employee Relief Fund. She said it has come to the aid of several employees, including one who broke down and cried the day he received his check.
- Steve Carey had two surprises when he returned to Arizona after his daughter's funeral in Illinois. The first was an inbox full of condolences, many from Missouri, where word of his 24-year-old daughter's passing had reached his former coworkers at Lowe's of O'Fallon. The second surprise: His human resources manager in Scottsdale mentioning that financial assistance was just an application away. "The timing was perfect," said Carey, a department manager in flooring. "All of a sudden, all of the bills started to come in. What we received from all of the people who have put into this fund came at a great time. We were able to pay some of these extra expenses, which took a lot of stress off of me."



Lowe's and our family of employees have contributed more than \$10 million to the Employee Relief Fund since 1999, standing by each other through difficult times.

## Employee Giving Campaign

**Lowe's has a long history of giving back to the communities where we do business. One way we do this is through our annual Employee Giving Campaign. In 2009, Lowe's and our employees donated more than \$1.9 million to the United Way.**

We expanded the 2010 Employee Giving Campaign to include 10 charitable organizations:

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

Employees chose which charities they wished to support and they pledged more than \$1.8 million to the 2010 Employee Giving Campaign. Lowe's will match their contributions by 50 percent.

During the holidays, Lowe's corporate employees took their giving one step further, collecting donations for local nonprofit agencies near our Mooresville and Wilkesboro, N.C., offices. Employees donated 700 pounds of food, new toys and clothing for 250 local children, eight large bins of travel-sized supplies for troops, and warm coats, hats and mittens for the homeless.



Employee gifts surround the Christmas trees in the lobby of Lowe's headquarters in Mooresville, N.C. Employees at Lowe's corporate offices helped brighten the holidays with their donations, including new toys and clothing for 250 local children and more than 700 pounds of food.



## Awards

**Our commitment to a healthy workplace received special recognition when the National Business Group on Health presented Lowe's with its 2009 Best Employers for Healthy Lifestyles award. The nonprofit group honored Lowe's as an employer that has launched programs to promote living a healthier lifestyle.**

Now in its fifth year, the Best Employers for Healthy Lifestyles awards acknowledge employers that have responded to the urgent need to improve their workers' health, productivity and quality of life. The companies honored by the National Business Group on Health offer various wellness and lifestyle improvement programs, including onsite health clinics, weight management and tobacco cessation programs, health coaches, Web-based health and fitness tools, financial incentives for participating in fitness programs, and health risk assessments.



Helen Darling, president of the National Business Group on Health, presents the 2009 Best Employers for Healthy Lifestyles award to Lowe's Vice President of Benefits Kyle Wendt.

## Discovering Lowe's Culture of Caring

**“So we had the C-section and the doctor walked around and he was holding her in one hand. He said, ‘Congratulations, this is your little girl.’ When the doctor brought her to me in one hand, it was over for me. Next thing I know, they’re escorting me out. I guess I lost it at that point. You know, you can’t prepare yourself to see a baby that small. You just can’t.”**

**– Shawn Clements, installed sales coordinator, Lowe’s of Pooler, Ga.**

Delivered at just 27 weeks, Parker Grace Clements weighed 1 pound, 9 ounces and measured 12 inches long. She battled to breathe during those first few hours and spent the first eight weeks of her life in the hospital. Parker wasn’t Shawn Clements’ only concern. His wife, Roxanne, diagnosed with preeclampsia, remained hospitalized for two weeks with dangerously high blood pressure. Meanwhile, his 5-year-old son, Thomas, was trying to make sense of it all.

With all that swirling around him, Shawn didn’t need to worry about work. That reassuring message came from Daniel Roberts, his store manager at Lowe’s of Pooler, Ga.

“Daniel said, ‘Your family comes first. Work will be here when you get back. You take care of your family, and we’ll take care of the rest,’” said Shawn, 36. “When my world came crashing down, Lowe’s was there to help me put the pieces back together.”

Shawn said the conversation with Roberts brought enormous relief. It also initiated a wave of support that ranged from coworkers who covered for Shawn to company-wide benefits programs that provided assistance. As his family went through the most difficult stretch of their lives, Shawn said Lowe’s culture of caring revealed itself at almost every turn.

### **Lowe’s team lends support**

He spent that first week at the hospital watching Parker dip to 1 pound, 7 ounces but surprise doctors with her resiliency and strength. Back at work, Shawn received cards and encouragement from coworkers, including human resources manager Eustache Cummings. Knowing he’d be needed back at the hospital, Shawn asked Eustache if there were any programs that would allow him the flexibility to leave as needed without jeopardizing his position. Eustache introduced him to intermittent leave, a provision in the Family Medical Leave Act that provides leave, whether it’s two or three hours or two or three days, to employees who need to care for a spouse, child or parent with a serious health condition. It would come in especially handy a few weeks later.

During a feeding when she was 6 weeks old, just a week away from going home, Parker aspirated and stopped breathing. “Her gaze was affixed and she started turning blue,” Shawn recalled. “That is burned in my memory I think for the rest of my life.” But while Shawn and Roxanne thought Parker would have to start over, being placed back in the neonatal intensive care unit, “Parker thought otherwise,” Shawn said. Within two days, her release from



Born at 27 weeks, Parker Grace Clements weighed 1 pound, 9 ounces and was 12 inches long. Shawn and Roxanne Clements say without the support of Lowe’s, they don’t how they would have made it through Parker’s eight-week hospital stay.

the hospital was back on schedule. Still, Shawn was able to be there for it all, thanks to the intermittent leave and the coverage provided back at the store.

Chuck Wilson, the sales manager, often filled in for Shawn in the installed sales office, with other coordinators, sales specialists, operations managers and zone managers all chipping in while Shawn stayed in contact. Shawn said when he returned, it was like he never left. Knowing her husband was fully supported at work provided peace of mind for Roxanne.

"It's amazing to know your husband goes to work every day for a company that cares so much," said Roxanne, a kindergarten schoolteacher. "I don't know if you can find many people who are going to step it up like the people around Shawn did. When he's there, he gives 110 percent. It was just nice to know that Lowe's was going to give 110 percent back to us when he couldn't be there."

### **Employee Relief Fund, benefits help out**

The giving wasn't confined to the store. With Shawn's reduced schedule and Roxanne missing three months of work, their bills quickly mounted. Shawn returned to Eustache, who pointed him to Life Track, Lowe's comprehensive health and wellness program that offers employees free resources for a variety of life issues. That led Shawn to the Employee Relief Fund, a financial assistance program funded through employee donations and matched dollar-for-dollar by Lowe's. Barb Green, a community relations coordinator, walked Shawn through the application process. A week later, Shawn received a check for \$1,500 that helped pay the bills.

"So now not only was Lowe's helping me out at the store level," Shawn said, "but we had people at a corporate level that wanted to jump in and help us out. I had to send Barb pictures of the baby. I said, 'Do you need proof?' She said, 'No, I just want to see how cute the baby is.' "

When another financial concern arose, the family needed professional legal advice. But Shawn said he didn't have the time to call around and wasn't sure where to start. Again, he turned to Life Track, figuring "they had a program for everything else." Lowe's confidential employee service located an area attorney who provided a free initial consultation and agreed to work at a 25 percent discount.

"That's what was amazing," Roxanne said. "We would hit a bump ... and I'd be crying, and Shawn would say, 'I'll make the call.' And he'd make one phone call, and he would call me and say, 'OK, so and so is taking care of it.' "

With all the assistance he's received from Lowe's, Shawn is intent on letting other employees know about the help that's available. He began researching Life Track — he now calls himself a "Life Track junkie" — and came across Lowe's tuition reimbursement program. As a result, he received reimbursement for college coursework he completed online. Shawn is considering completing his undergraduate studies at nearby Strayer University, one of three universities Lowe's has partnered with to offer discounted tuition to employees and their immediate family members.

Shawn said he's "forever grateful" for Lowe's help. He said doctors had put Parker's chances of living with complications at 50-50 before her birth, but she passed her eight-month milestone without any foreseen long-term issues. The Clements can't believe how far Parker and the family have come, and they credit Lowe's for having a big hand in the journey.

"Our life was upside-down, literally," Roxanne said. "I think had Lowe's not been here, I don't know if things would have turned out the way they did. I can never thank Lowe's enough for everything that they did. Our lives are forever changed because of Lowe's."

## Welcoming Workers With Disabilities

### Let's Build Something Together™ has taken on a new meaning at Lowe's Regional Distribution Center in Pittston, Pa.

Hiring managers have piloted an outreach program that not only fills positions with highly qualified individuals, but provides opportunities to people with disabilities.

As part of the facilities start-up, Mike Kinger, regional general manager for the distribution center, was eager to begin the hiring process. In early 2008, Kinger made a commitment to reach out to individuals with disabilities to encourage them to apply for work at Lowe's.

"Individuals with disabilities often have a difficult time finding employment," Kinger said. "Lowe's is making a difference by helping them find jobs. These employees make a great addition and are an asset to our team."

The distribution center, which has an employee base of roughly 550, hired 32 employees from this initiative. They are partnered with a job coach who provides one-on-one training and helps employees acclimate to the workforce and distribution environment.

Chad Guerrero is legally blind, but has found his niche working in the shipping department as a loader.

"This is Chad's first job in 10 years," Kinger said. "Watching him do what he does each day motivates you. He is a top performer. Chad has learned the fundamentals of cornerstone loading while also understanding the importance of safety. Within distribution, safety is our primary focus and everyone's responsibility. This includes personal safety, as well as collaborative safety."

#### Thankful for opportunities

Even with the distribution center's diverse hiring practices, all employees are required to meet the company's safety and efficiency expectations. All employees are eligible to receive performance payouts and also can enjoy growth potential with many different job functions within the distribution center.

Guerrero is thankful for being recognized for his abilities, and says the job means much more than a paycheck.

"Sitting at home is hard to do," he said. "Having an opportunity here at Lowe's is great. You can move up. There's plenty of opportunity for a lot of things."

"This outreach program is such a good thing for the community because it gets people who are willing to work out of their houses and into a good job, and that's important. It helps the community. It helps people feel better about themselves. The families feel better about you, and it's just awesome."



Chad Guerrero works in the shipping department at Lowe's Regional Distribution Center in Pittston, Pa. Guerrero, who is legally blind, is one of 32 workers with disabilities to join the diverse workplace since the facility opened in January 2009.

**Model for others**

The early success in Pittston spurred four other distribution centers to initiate their own outreach programs in 2009, and Pittston continues to serve as a good example to follow. A distribution center that is synonymous with heavy powered-equipment, a noisy conveyor system and thousands of products stored in multi-tiered metal racking can instill a culture that rewards individual ability and provides opportunities for all.

“Recognizing one’s abilities is what really makes our hiring practices successful,” Kinger said. “Expanding our labor pool with talented individuals, increasing our facilities performance and focusing on personal enrichment are what we strive for. We have a great team and we continue to build on that every day.”

## Fighting Back With Lowe's Help

### Mary Jean Keller doesn't like wearing the protective mask. But that's not going to stop her from having some fun.

Susan Slate chuckles as she describes the little game Keller likes to play. Slate, human resources manager at Lowe's of Mount Airy, N.C., says Keller will come out without the mask and look at her. Getting the reaction she wants, Keller will then "pop back in and come out with it on." She knows she needs the mask to stay healthy.

Whatever she does, Mount Airy's freight flow department manager usually does it with a smile. Amazingly, after 12 sessions of chemotherapy, the smile remains. And for that, Keller says, she's has Lowe's to thank.

"I have been touched by a lot of people, a whole lot of people," says Keller, who was diagnosed with Stage 4 lymphoma in July 2009 but says treatments have limited the cancer to two spots. "I attribute all of my success to support I've gotten from the store. It's unreal to me. I don't think I could have done this without the store."

Keller, 36, says Lowe's has helped in many ways and through many people, many she'll never know, including those who give to the Employee Relief Fund (ERF).

Employees interested in assisting those who have suffered a significant financial hardship can make donations to the ERF, and Lowe's matches each contribution dollar-for-dollar. The Fund has contributed \$10 million to more than 9,500 employees and their families since 1999.

#### Caring comes from all corners

Thanks to the generosity of fellow Lowe's employees, Keller received a \$1,500 ERF check in October. She says it enabled her to pay some of her small medical bills, which has helped her get a handle on debt. Lowe's employees in Mount Airy and elsewhere also rallied others to help Keller manage her finances.

Jennifer Hall, a customer service associate in Mount Airy, held a church benefit that raised more than \$1,500 for Keller. More than \$1,200 was raised in August, when about 20 to 30 employees made baked goods and sold them at an archery club event organized by Teresa Pell and Ricky Hiatt of the Mount Airy Lowe's and Teddy Dickerson of the Wytheville Lowe's.

Keller says she didn't know anything about the archery benefit until she got to work and was handed "a big old envelope of cash."

"I couldn't ask to work with a better group of people," says Keller, who has worked in North Carolina stores in Winston-Salem, Wilkesboro, Boone, Elkin and Mount Airy, twice, since joining Lowe's in 1994.

She has a lot of people to thank. So she starts to rattle off names: "Susan Slate, Ricky Hiatt, Chuck Elledge, Kelly Brindle, Jennifer Hall, Jeff Hart, Cathy Surratt, Annette Bowman, Eddie Hall, Cheryl Palmer, Heather Burge, Larry Padgett ..."

And then she thinks better of it.



Mary Jean Keller (right), with Human Resources Manager Susan Slate, says the support from the Lowe's family has been "unreal" and it goes beyond the assistance she's received from the store in Mount Airy, N.C.

"There are so many people, I can't begin to name them all," Keller says. "That would take forever."

**Cooking, calling and keeping her company**

Her husband, Jonathan, works at the Elkin store, and Elkin employees have sent home vegetable beef soup with him so Mary Jean wouldn't have to worry about fixing supper.

Chuck Elledge, her district manager and former colleague in Wilkesboro, gave Keller his cell phone number and told her to call if she needs anything. But he's not waiting for her to ring. Keller says he calls on Wednesdays, when she goes in for chemotherapy, "just to make sure I'm OK."

Kelly Brindle, operations manager in Wilkesboro, has alternated with Mount Airy associates on Wednesdays, sitting with Keller during her 2½-hour chemotherapy sessions. Keller says they watch TV, talk and laugh during the treatments.

"The oncology nurses ask if I'm always in a good mood," says Keller, who has been known to make breakfast and birthday cakes for the Lowe's crew that works in receiving.

Slate says Keller has never showed any sign of sadness.

"She's about 4-foot-11, just a ball of energy," Slate says. "She makes everybody laugh."

Keller says the job keeps her smiling, and after 15 years, it's impossible not to be optimistic.

"This is a great company to work for," she says. "I have had a lot of prayers answered."

## Our Mission

**Customer service and community service are core commitments at Lowe’s – and they have been for more than 60 years. Since 1946, when we got our start in the western North Carolina foothills, we’ve worked hard to be a good neighbor.**

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, and we’ve grown that investment as Lowe’s has grown from a small-town hardware store in North Wilkesboro to the second-largest home improvement retailer in the world.

In 2009, Lowe’s and Lowe’s Charitable and Educational Foundation supported more than 2,300 community and education projects in the United States and Canada through grants totaling more than \$30 million to schools and community organizations in the United States and Canada. With Lowe’s recent expansion to Mexico and from eastern to western Canada, we continue to build new relationships that will help us serve our growing family of neighbors.



Lowe’s has been serving the needs of neighbors since opening our first stores in the North Carolina foothills.

Our mission to provide impactful support to our communities has never been more important. While philanthropic giving has been down across the nation, we have stepped up our efforts to help families and communities manage through challenging economic times.

- With schools scrambling to fill fundamental needs at a time of budget, staff and program cuts, Lowe’s and Lowe’s Charitable and Educational Foundation contributed more than \$2.5 million in regional grants to benefit K-12 public schools in the United States and Canada.
- Lowe’s and the Foundation came to the aid of recession-impacted college students by donating \$150,000 to the Hispanic Scholarship Fund and \$250,000 to the United Negro College Fund. Lowe’s scholarships provided immediate relief for seniors who were at risk of having to leave college because they were unable to pay the total cost of tuition.
- Lowe’s developed a new partnership with the Boys & Girls Clubs of America, contributing \$1 million to fund needed repairs and renovations to local facilities.

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 — 238,000 employees who are dedicated to making their community a better place to live. Employee volunteers have been lending a hand — and thousands of hours of support — to communities since the late 1990s as part of the Lowe’s Heroes program. Our employees’ willingness to roll up their sleeves and get their hands dirty has helped engage our entire workforce. As Lowe’s ambassadors, they reinforce our culture of caring and spread awareness of our mission to every new community we enter.



## Our Foundation

Whether it's preserving our homes or our history, caring for the needs of kindergartners or college seniors, Lowe's is building a better world from the foundation up. Lowe's Charitable and Educational Foundation is helping communities across North America by supporting partnerships and programs that share our commitment to education, safe and affordable housing, and community improvement.



## Lowe's Charitable and Educational Foundation

**Founded in 1957, Lowe's Charitable and Educational Foundation has a long and proud history of improving the communities we serve. The Foundation's support has grown to match the growing needs of our communities, going from \$3 million in contributions in 2004 to more than \$19 million in 2009.**

The Foundation funds nonprofit organizations and public agencies that support our charitable goals. The Foundation's primary philanthropic focus centers on three areas: K-12 public education, safe and affordable housing, and community improvement. Within those focus areas, the Foundation is committed to supporting projects that have the greatest impact on our communities and align with our core business — home improvement.

We believe education is the cornerstone to building bright futures and stronger communities, and our long-established commitment to improving educational opportunities is best exemplified by our signature grant program, Lowe's Toolbox for Education®. Since its inception five years ago, Toolbox for Education has contributed more than \$20 million to more than 4,400 schools in the United States. In 2009, with schools and community groups struggling to make ends meet, Lowe's Charitable and Educational Foundation focused on basic, one-time school project needs. The Foundation gave more than \$2.5 million in regional grants to fund a variety of essential repairs, including patching roofs, painting classrooms, replacing broken windows and repairing restrooms and floors.

The same focus on basic needs applied to groups seeking a hand with community improvement projects such as community centers, parks, senior centers and Boys & Girls Clubs. These are the places where community is built and strengthened, and where the long-term health of our neighborhoods is shaped every day. With that in mind, in 2009 the Foundation pledged \$1 million to the Boys & Girls Clubs of America for repairs and renovations, helping to improve clubs from Los Angeles to Atlanta.

With the Foundation's support, Lowe's also helped address the growing skilled worker shortage by expanding one partnership and developing another in 2009. The Foundation boosted its support of trades education organization SkillsUSA® with a \$1.5 million grant and began a new alliance with Skills Canada-Ontario, providing a \$200,000 grant. The contributions marked the largest annual corporate donations in history for SkillsUSA and Skills Canada-Ontario.

The Foundation, which also funds Lowe's scholarships and supports partnerships with The Nature Conservancy, the National Trust for Historic Preservation, the Home Safety Council® and Rebuilding Together®, is comprised of a nine-member Board of Directors. The board includes representatives from various departments within Lowe's, from store operations and human resources to the legal and tax teams, supplying a diversity of thought, leadership and experience to help shape the Foundation's work. Larry Stone, Lowe's president and chief operating officer and a 40-year company veteran, is chairman of the Foundation.

For more information about Lowe's Charitable and Educational Foundation, including application guidelines, visit [www.lowes.com/community](http://www.lowes.com/community).



Thousands of Lowe's employees across North America step in to support community projects funded by Lowe's Charitable and Educational Foundation.

## A Commitment to Education

Improving the educational experience for students has been a longstanding priority for Lowe's. With each improvement we make, we are positively impacting generations to come. As schools and students grappled with the economic challenges of 2009, we worked harder to help those most in need, funding basic repairs at K-12 public schools and emergency aid for college seniors while helping to develop the skilled workforce in Canada.



Lowe's Charitable and Educational Foundation focused on helping schools and students with critical needs. The Foundation distributed more than \$2.5 million in regional grants, including \$100,000 to the Whitesboro Central School District in New York.

## Lowe's Toolbox for Education®

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

In 2009, our grant program contributed more than \$3.8 million to 883 schools in 48 states, creating more opportunities for learning, safe recreation and parent interaction. Since 2006, Lowe's Charitable and Educational Foundation has donated more than \$20 million through Toolbox for Education to more than 4,400 K-12 schools, benefiting more than 2.4 million schoolchildren.

Lowe's also teamed up with four-time NASCAR champion Jimmie Johnson in 2009 to give additional support to schools across the United States. The Jimmie Johnson Foundation partnered with Lowe's Toolbox for Education program to distribute \$922,000 to K-12 educational programs in Johnson and his wife's hometowns in California, North Carolina and Oklahoma.

Lowe's, the primary sponsor of Johnson's No. 48 Chevrolet, helped administer the Champions Grants. The contribution included \$347,000 for science and technology needs, \$357,000 for outdoor classrooms, playgrounds and athletic facilities and \$27,000 for accelerated reading programs.

"We know there is so much need in these areas, and the great thing about our program is it's a part of what Lowe's is doing," Johnson said. "Lowe's has a much broader program that's in effect throughout the entire country, so hopefully between the two programs, we can hit some of the hot spots and make a difference."



Four-time NASCAR champion Jimmie Johnson has his hands full as he takes a victory lap at his former school, Crest Elementary in El Cajon, Calif., with his wife, Chandra. Teaming with Lowe's Toolbox for Education®, Johnson handed out grants totaling \$922,000 to K-12 schools in California, North Carolina and Oklahoma.

## SkillsUSA®

**At Lowe's, we view our partnerships through the widest lens possible, looking for ways to help fill immediate needs while providing solutions with long-term benefits. In joining hands with students, educators and our nonprofit partners, we know the hard work we put in together today will produce our leaders of tomorrow. For the third consecutive year, Lowe's continued that work through our support of SkillsUSA®.**

There is a shortage of skilled workers across the United States, and the gap is expected to widen between workers the country needs and workers who have the necessary skills. To help close the skills gap, Lowe's Charitable and Educational Foundation will contribute \$1.5 million annually through 2014 to SkillsUSA, a national nonprofit, student-led organization with more than 300,000 members. SkillsUSA helps high school and postsecondary students excel by augmenting their technical education with training in leadership, citizenship, team-working skills and character development.

As part of the largest annual corporate donation in SkillsUSA history, Lowe's awarded 36 grants of up to \$10,000 each to SkillsUSA chapters and nearly \$250,000 to support TeamWorks construction-trade competitions at the state level. We also equipped construction labs nationwide with much-needed tools. Partnering with Kobalt Tools, Lowe's donated \$327,000 worth of tools to more than 500 SkillsUSA building and construction trades classes. Four-time NASCAR champion Jimmie Johnson delivered the first set of tools to Lovejoy High School outside Atlanta.

In 2009, Lowe's Charitable and Education Foundation also donated \$200,000 to Skills Canada-Ontario. It is the largest corporate contribution ever received by Skills Canada-Ontario, and it was matched by the provincial government. The Lowe's grant will support community service projects, instructional program enhancements and the Ontario Technological Skills Competition, an event that encourages skills education for youth. Since 1989, Skills Canada-Ontario has been promoting skilled trades and technologies as first-choice career options for Ontario's youth.



Lowe's Charitable and Educational Foundation's \$1.5 million annual contribution helps SkillsUSA® students develop valuable occupational and leadership skills.

## Lowe's Scholarships

**A decade of tuition and fee hikes has put the cost of a college education at an all-time high. While the recent economic downturn has only added to the growing burden on families, Lowe's is helping students across the United States manage the financial challenges of a higher education.**

In 2009, Lowe's Charitable and Educational Foundation awarded 190 scholarships totaling \$600,000 to students based on academic achievement, leadership and community involvement. Students must have a minimum 3.25 GPA. A \$2,500 Lowe's Scholarship was given to 140 high school seniors nationwide, and 50 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 1,000 scholarships in the past three years.

For more details on the 2010-2011 scholarship programs, visit [www.lowes.com/scholarships](http://www.lowes.com/scholarships).



Purdue University's Ruth Ozug was one of 50 students who received a \$5,000 Carl Buchan Scholarship. In 2009, Lowe's awarded \$1 million in scholarships and emergency student aid.

## Emergency Student Aid

**The rising cost of tuition and a challenging economic climate made the pursuit of a college degree even more difficult for many minority students in 2009. Lowe's Charitable and Educational Foundation extended its financial assistance to help thousands of recession-impacted students continue their pursuit of a college degree.**

The Foundation contributed \$250,000 to the United Negro College Fund (UNCF) and \$150,000 to the Hispanic Scholarship Fund to support their emergency student aid initiatives. The funding offered immediate help to seniors who are on track to graduate but unable to pay the total cost of tuition. The grant reached all 39 UNCF-member institutions, with the primary focus in 2009 on assisting students at UNCF-member colleges in North Carolina, Georgia, Louisiana and Virginia.

"Lowe's contribution to UNCF's Emergency Student Aid Campaign is a lifeline to students whose college education is threatened by the recession," said Michael L. Lomax, Ph.D., UNCF president and CEO. "Thousands of students at UNCF-member colleges have seen family contributions reduced or eliminated due to job loss and pay cuts. Many of these students wouldn't have been able to register this fall if Lowe's hadn't stepped up."

The grant given to the Hispanic Scholarship Fund focused on assisting students at colleges and universities in California, Colorado, Nevada, New York and Texas. Lowe's Charitable and Educational Foundation worked with UNCF and the Hispanic Scholarship Fund to determine where we could provide the most impact to students who were in danger of not graduating because of financial needs. In addition to ensuring that students don't have to put their academic dreams on hold, the grants are helping minority students close the achievement gap in higher education.

In all, our community outreach initiatives include partnerships with more than 50 nonprofit organizations at the national, regional, state and local levels — organizations such as the National Urban League, National Association for the Advancement of Colored People, United Negro College Fund, National Council of La Raza and the Hispanic Scholarship Fund.



## Lowe's Senior CLASS Award

**The Lowe's Senior CLASS Award honors the most outstanding senior student-athlete in nine NCAA Division I sports.**

An acronym for Celebrating Loyalty and Achievement for Staying in School™, the Lowe's Senior CLASS Award focuses on the total student-athlete and encourages students to use their platform in athletics to make a positive impact as leaders in their communities. The award identifies personal qualities that define a complete student-athlete, with criteria including excellence in the classroom, outstanding character and community service, in addition to competition on the field. For more on the Senior CLASS Award, go to [www.seniorclassaward.com](http://www.seniorclassaward.com).



Lowe's honors athletes like Belmont University's Andy Wicke, a Senior CLASS Award basketball finalist, for their ability to connect off the court as well as on it.



## Supporting Safe and Affordable Housing

Lowe's is engaged in meeting the critical needs of our communities by helping to provide and preserve safe and affordable homes for low-income homeowners. Our dedication can be measured in hours and years — the thousands of hours our employee volunteers put in at building and rebuilding projects and the five-year, \$20 million commitment that extends our partnership with Habitat for Humanity® International through 2013.



Lowe's is building brighter tomorrows through a longstanding commitment to safe and affordable housing. Our support includes a new five-year, \$20 million pledge to Habitat for Humanity® International.

## Habitat for Humanity® International

**Habitat for Humanity® International is one of Lowe's most cherished partners. We share a dedication to improving our communities through home ownership. Like Habitat, we believe that improving communities is not a do-it-yourself project. Since 2003, we've worked together to combat substandard housing across America. Through our growing support, Lowe's is helping Habitat achieve its mission of giving families in need "a hand up, not a handout."**

In 2009, Lowe's employees put in thousands of hours alongside partner families across the United States, from Akron to Anchorage, Honolulu to Hartford. Lowe's contributed more than \$1.4 million in grants, and we renewed our commitment to Habitat's affordable-housing work with a five-year, \$20 million pledge. The new commitment through 2013 will bring Lowe's Habitat contributions to nearly \$40 million since the partnership began. Lowe's has supported nearly 1,500 Habitat houses built or renovated in the United States.

"We realize our help in building affordable housing and promoting safe, secure communities is more relevant than ever," said Robert A. Niblock, Lowe's chairman and CEO. "We believe extending our partnership with Habitat for Humanity will help communities continue to address the tremendous need for affordable housing."

More than 200 Lowe's volunteers celebrated the expanded commitment by taking part in a home build in Charlotte, N.C.

"Lowe's prides itself on providing excellent customer service, and to do it by giving back to the community is the ultimate thrill," said J.R. Fernandez, a building materials department manager from Charlotte's Northlake store.

Lowe's also extended its work with Habitat beyond traditional builds, participating in Habitat Critical Home Repair projects designed to help low-income homeowners receive urgent, major repairs to their homes to keep them from being condemned or razed. Lowe's also had a hand in bringing together two collegiate rivals, when Lowe's volunteers joined students from Saint Augustine's College and Shaw University in Raleigh to build Habitat for Humanity of Wake County's first green home. The home is a pilot project that Habitat Wake hopes will provide significant savings on energy bills for partner families served by the organization.



Since the partnership began in 2003, Lowe's has committed nearly \$40 million to Habitat for Humanity® International and helped build or renovate nearly 1,500 Habitat houses in the United States.

## Habitat for Humanity Women Build®

**As the national underwriter of Habitat’s Women Build® program since 2004, Lowe’s has brought women from all walks of life together to build homes with partner families and raise awareness of the need for affordable housing in every state. Lowe’s how-to clinics have put hammers in the hands of thousands of women, teaching them construction skills and empowering them to be part of the solution to end poverty housing.**

In May, Lowe’s sponsored Habitat’s second annual National Women Build Week. We committed \$875,000, contributing grants of \$5,000 to 175 projects in all 50 states. Recording artist Trisha Yearwood and her husband, country music legend Garth Brooks, joined construction crews of female volunteers in Georgia and Oklahoma to support the nationwide initiative that challenges women to devote at least one day to help eliminate poverty housing. Yearwood did her best to inspire more women to join in, even saying she had changed her mind about what she wanted for Mother’s Day. Now atop her wish list? A new nail gun.

Two more firsts were checked off in Mobile, Ala., where Lowe’s provided a \$50,000 grant to fund the affiliate’s first Women Build for female volunteers age 50 and older. The home was also the first built by 100 volunteers in 100 days. Brenda Carson Lawless of Habitat for Humanity in Mobile County came up with the 100 concept to give senior women an opportunity to show they can do whatever they put their minds to.



Recording artist Trisha Yearwood seemed as comfortable around a two-by-four as she is with a guitar while volunteering in Georgia and Oklahoma to support National Women Build Week.

## Rebuilding Together®

**Lowe's is in the business of helping people improve and maintain their homes, which makes our work with Rebuilding Together® a natural and rewarding partnership. Since 2007, Lowe's Charitable and Educational Foundation has contributed \$3 million to support Rebuilding Together, the largest all-volunteer home rehabilitation organization in the United States. We have funded nearly 70 percent of Rebuilding Together affiliates and helped rehabilitate more than 230 homes, providing low-income, elderly and disabled homeowners with critical repairs, accessibility modifications and energy efficiency upgrades.**

As low-income homeowners fell in deeper need of assistance in 2009, we continued to work to ensure their safety and comfort. Lowe's contributed \$1 million in 2009 to help Rebuilding Together assist families in need. Our contribution included \$350,000 to support a Lowe's Employee Volunteer Day that coincided with Make a Difference Day on Oct. 24. Lowe's employees marked the event by participating in 35 rebuild projects around the country.

Our \$1 million grant also included \$250,000 to fund 50 projects during National Rebuilding Day in April 2009 and \$100,000 for Rebuilding Together's AmeriCorps program, CapacityCorps. CapacityCorps supports tomorrow's leaders, program development and building at more than 30 affiliate sites. As lead sponsor, Lowe's is advancing Rebuilding Together's national outreach.



Lowe's Charitable and Educational Foundation has contributed \$3 million and Lowe's employees have volunteered thousands of hours since 2007 to respond to the critical needs of low-income homeowners.

## Home Safety Council®

**Helping to improve the quality of life for our neighbors is important to Lowe's, and safety is a vital part of that commitment. Founded by Lowe's in 1993, the Home Safety Council®, now an independent, nonprofit organization, is dedicated to helping prevent the nearly 21 million medical visits that occur on average each year from unintentional injuries in the home.**

Lowe's and the Home Safety Council teamed up for Safety Saturday on Sept. 26 in advance of Fire Safety Month. Every Lowe's store in the U.S. and Canada held a Build and Grow workshop where children could build a wooden fire truck to take home. Many Lowe's stores hosted safety fairs to help families rid homes of hidden dangers. Nearly 200,000 people attended the event and more than 68,000 fire trucks were built, but children took home more than the toy fire trucks; they also took some important safety lessons with them.

Lowe's stores distributed more than a quarter of a million home safety tip sheets, fun books and safety badge stickers. To demonstrate how quickly a fire spreads when homes are not equipped with fire sprinklers, 11 Lowe's stores also hosted side-by-side burn demonstrations. Lowe's of Douglasville, Ga., took Safety Saturday a step further after the area was devastated by heavy flooding. The store distributed free cleanup kits to 1,000 families, donating thousands of gloves, brushes, trash bags and mold-prevention products to aid recovery efforts. "We had people literally cry when they got the bag, just thanking us to no end," said Janet Boyd, human resources manager. "People were shocked to see what we had done."



Theresa DeMarco, a customer service associate at Lowe's of Canton, Ga., passes out a free cleanup kit during Safety Saturday at the Douglasville store. Lowe's distributed 1,000 free kits to residents after heavy floods swept through the Atlanta area.

## Caring for Our Communities

We pride ourselves on doing what's right for our communities, and that means caring for the people and places that make them special. Whether it's expanding our effort to restore historic schoolhouses from the days of segregation or funding repairs at Boys & Girls Clubs that serve today's young people, Lowe's is committed to the causes that are important to our customers and employees.



Lowe's is helping restore 33 Rosenwald schools, a collection of historic African-American schoolhouses that hold a special place in the hearts of our customers and employees.

## National Trust for Historic Preservation

Since Lowe's was founded more than 60 years ago, we have been committed to honoring the past and preserving the rich history that has made us who we are. Preserving the history of our communities is just as important to Lowe's. Since partnering with the National Trust for Historic Preservation in 2005, Lowe's Charitable and Educational Foundation has donated \$4 million in grants to support the restoration of important historic sites open to the public.

Our focus over the past two years has been on preserving and stabilizing historic schools. The Foundation has contributed \$2 million since 2008 to restore 33 Rosenwald schools in 11 states. The schools were built in the rural South and Southwestern United States during the early 20th century and played a major role in the education of African-American students during decades of racial segregation. Today, with Lowe's help, the schools are once again vital community gathering places.

As 2010 arrived, 14 of the 33 Lowe's-funded restorations had been completed, and 10 of the Rosenwald schools were serving their neighborhoods again. The schools, many of which were abandoned and neglected for more than 40 years, have been transformed into senior facilities, adult education centers, public meeting places, museums and even computer centers.

"America's story isn't told only at famous landmarks like Independence Hall and the Alamo," said Richard Moe, president of the National Trust for Historic Preservation.

"The Rosenwald schools represent an important chapter of that story, too, and we are enormously grateful to Lowe's for helping us ensure that these special places continue to play an active role in the life of their communities."

In West Columbia, Texas, alumni stepped through the doors of the Columbia Rosenwald School on Oct. 24 for the first time in nearly 60 years. Efforts to rehabilitate the school began in 1995 after it was used as a hay barn for decades, but funding had dried up and the hammering had halted — until Lowe's provided a \$50,000 grant in March 2009.

"The grant was our salvation," said Naomi Antill Smith, chairman of the school's steering committee. "It would have never happened without Lowe's."

Lowe's has pledged to continue its commitment to the preservation of Rosenwald schools and other historic multicultural schools nationwide in 2010.



Eighty-eight years after opening its doors, the Columbia Rosenwald School was reborn with the help of a \$50,000 grant from Lowe's. Used as a hay barn for decades, the historic schoolhouse is now a museum in West Columbia, Texas.

## Muscular Dystrophy Association

Since 2001, Lowe's stores have supported the Muscular Dystrophy Association's Shamrocks Against Dystrophy campaign, an annual initiative to battle neuromuscular diseases. In 2009, we expanded the program to our Canadian stores through Muscular Dystrophy Canada's Buck for Luck campaign. Together, our North American customers and employees raised more than \$4.3 million, a record for retailers supporting the Shamrocks campaign. Lowe's and our customers have raised more than \$9 million since the program began.

The money raised through Lowe's campaigns helps fund MDA summer camps. It provides financial assistance for families to purchase necessary medical devices, including 2,100 wheelchairs and leg braces. It also helps fund 51,000 research minutes — that's more than 850 hours of research dedicated to curing muscular dystrophy, amyotrophic lateral sclerosis and related diseases that affect more than one million Americans.

Lowe's store employees' enthusiastic support for the MDA campaigns has increased fundraising year after year, building on the \$53,000 raised during our first year participating. From dedicated cashiers who promote the program to the teams that donate as a group project, our store employees bring out the best in each other to make things better for the physically challenged in local communities. There are friendly competitions among Lowe's operating regions, and each store gets creative to drive shamrock sales in its own unique way. All of the funds raised in each community benefit the local MDA chapter.



Employees from Lowe's stores in Atlanta help bring smiles to area children at the Build and Grow clinic during the MDA Walk of Hope at Zoo Atlanta.

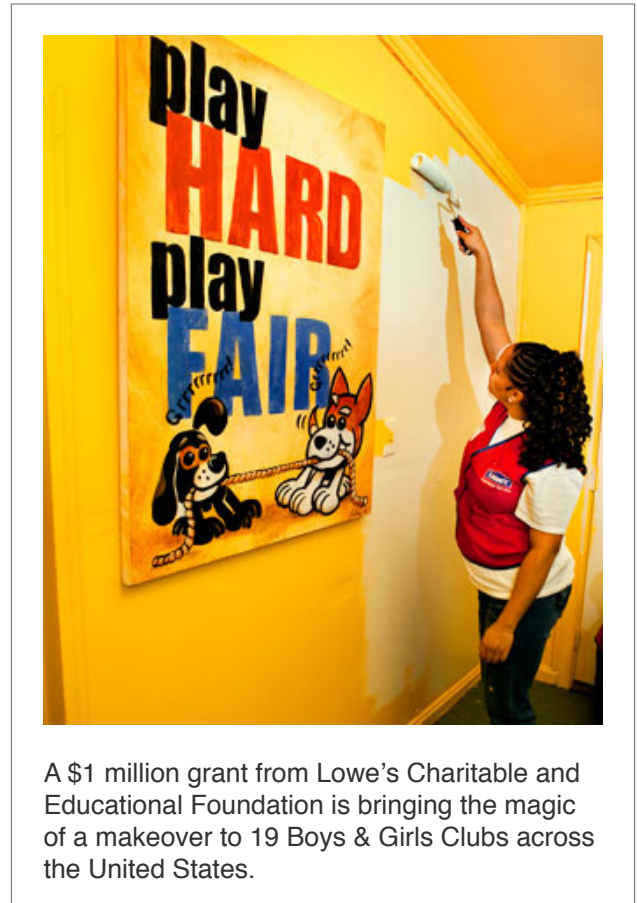


## Boys & Girls Clubs of America

**Lowe's was proud to launch a national partnership with the Boys & Girls Clubs of America in 2009. The long-term health of our communities is enhanced through better opportunities for today's youth, which starts by ensuring they have safe and productive places to develop. Boys & Girls Clubs have been providing hope, opportunity and a safe environment for young people for more than 100 years, and we're excited to help further that effort.**

Lowe's Charitable and Educational Foundation announced a \$1 million contribution to the Boys & Girls Clubs in December. The grant will fund repairs and renovations at 19 clubs across the United States. The improvements range from safety and security renovations in Los Angeles to the creation of a multimedia center in Nashville, reflecting a wide range of organizational needs. Lowe's Heroes, our employee volunteers, will work with club staff to help complete many of the projects.

Lowe's assisted with several projects in 2009, including a Pasco, Wash., club that received a new gym floor and renovations to the art room and auditorium stage. More than 60 Lowe's Heroes helped out, including Lindsey Page, a department manager who donated a week's worth of vacation time to get the job done.



A \$1 million grant from Lowe's Charitable and Educational Foundation is bringing the magic of a makeover to 19 Boys & Girls Clubs across the United States.

## American Red Cross

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

When a disaster happens, Lowe's stores and employees mobilize quickly to meet the needs of the community and the Red Cross. Sometimes that means setting up the customer donation program, store credits or our Racing for Relief program that builds awareness and funds. Other times, area Red Cross shelters are in need of volunteer assistance or in-kind product donations. Through our longstanding partnership with the Red Cross, we've helped provide shelter, food, emotional support and other relief to thousands of people.

Lowe's is committed to continuing that support in 2010, extending assistance through the Your Help Counts customer donation program and Racing for Relief. As part of Racing for Relief, Team Lowe's Racing rallies the support of race fans after major disasters by displaying the Red Cross logo on the No. 48 car of four-time NASCAR champion Jimmie Johnson. Lowe's donates \$48 for every lap Johnson completes and \$4,800 for a victory. Since introducing the program in 2000, Lowe's Racing for Relief has generated more than \$340,000.



Lowe's partnered with the American Red Cross to offer relief after an ice storm knocked out power to 700,000 homes and businesses in Kentucky.

Photo courtesy of American Red Cross

## Awards

### **Rebuilding Together® honored Lowe’s Charitable and Educational Foundation with the Patty R. Johnson Community Builder Award for dedicated service and unparalleled leadership to communities in need.**

Rebuilding Together cited Lowe’s sustained assistance since 2007, which has helped the organization implement programs, projects and ideas that otherwise would not have reached low-income homeowners. “The Foundation’s continued support has allowed Rebuilding Together to experience incredible growth, specifically in our Safe at Home and Green Housing National programs,” said Gary A. Officer, CEO and president of Rebuilding Together. “They have been a great leader in the housing community and we are proud to give them this award.”



Left to right: Mary Herche and Gary A. Officer of Rebuilding Together® present the Patty R. Johnson Community Builder Award to Chris Ahearn, Lowe’s vice president of public relations.

## Giving Coast to Coast

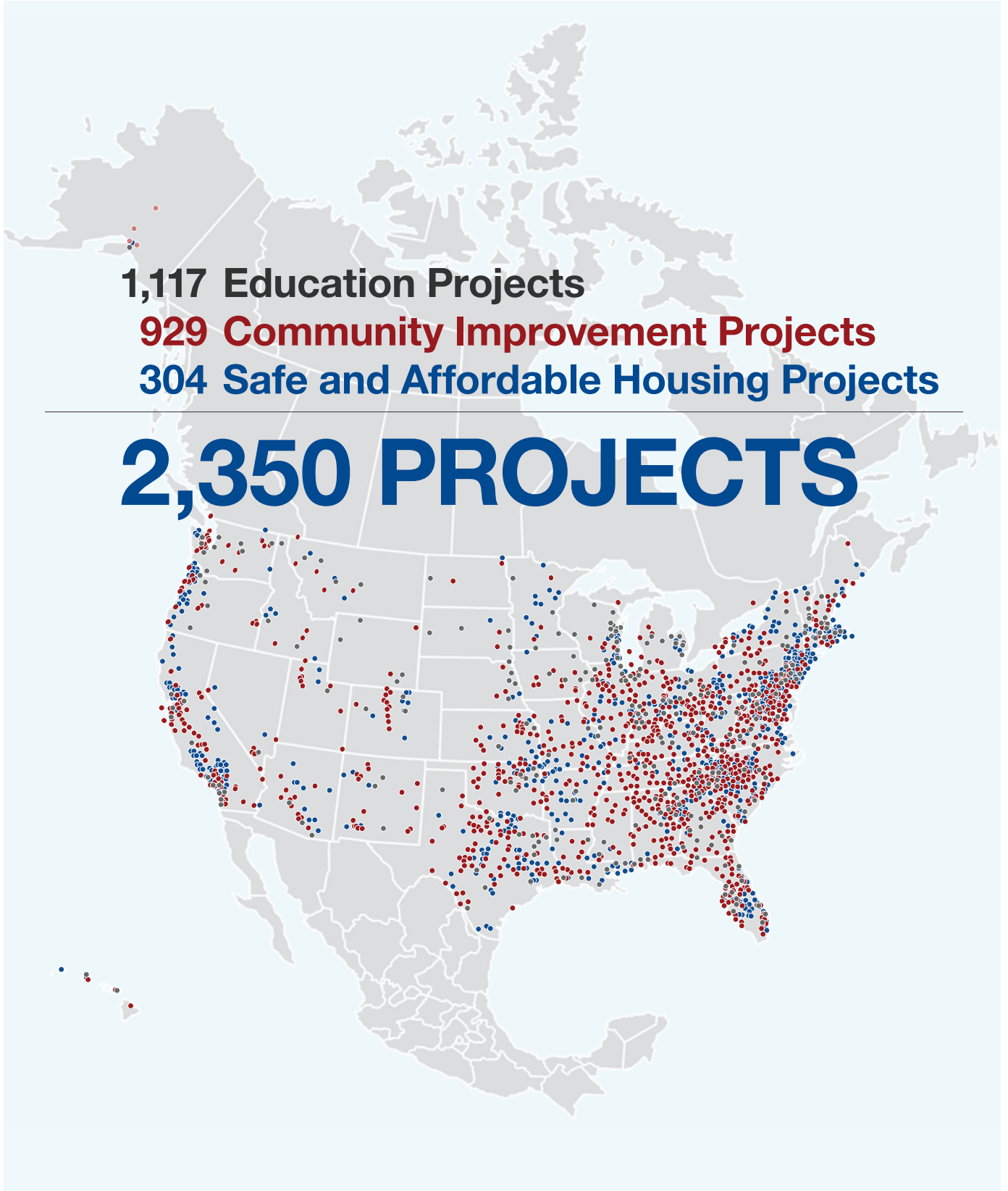
**1,117 Education Projects**

**929 Community Improvement Projects**

**304 Safe and Affordable Housing Projects**

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**2,350 PROJECTS**



## Making an Old Club New Again

**It was a club that needed some love. That's about as much as Sondra Shreve knew about the East DeKalb Boys & Girls Club in Lithonia, Ga. The rest she found out when Lowe's Heroes project leader Randall Burks read the list of planned renovations to Shreve and dozens of other Lowe's associates in the club's parking lot.**

"I was looking at everyone's expression when Randall gathered us around," Shreve recalls. "Everyone was wondering, could we really do this and make this happen — in two days?"

By the second day, Shreve says, "the transformation was incredible. Everyone was so excited. We could see it coming back to life."

While Burks' 70-person team revitalized the East DeKalb Club, an additional 60 Lowe's employees volunteered their time and skills to help restore two other Atlanta-area clubs — the Warren/Holyfield Boys & Girls Club and the W.W. Woolfolk Boys & Girls Club. In all, Heroes from 32 Lowe's stores came together Oct. 21-22 to benefit the children and teens who attend Boys & Girls Clubs of Metro Atlanta.



Employees from 20 Lowe's stores spent two days revitalizing the 31-year-old East DeKalb Boys & Girls Club in Lithonia, Ga.

Lowe's Charitable and Educational Foundation contributed \$1 million to the Boys & Girls Clubs of America in 2009, demonstrating the company's nationwide support with the assistance of an army of dedicated volunteers. The Foundation funded repairs and renovations to help the clubs make good on their mission to give young people a safe place to learn and grow.

### Checking off the list, and then some

In Lithonia, 20 stores contributed volunteers, some driving from as far as two hours away, to work through the long list of major repairs: painting the main program building and replacing its carpet, renovating the kitchen and replacing appliances, installing new storage areas, expanding the basketball court, repairing the picnic area, laying down gravel and pouring cement. And they didn't stop there.

"We went a little overboard," Burks, the store manager in Alpharetta, says with pride.

Occasionally, one update revealed the need for another. As workers applied a fresh coat of cream-colored paint, they noticed the blinds didn't look right. So they ended up replacing them.

In the kitchen, associates noticed a lack of storage space. So they knocked out a window, closed the wall and added cabinets. Then they brought in plenty to fill up the cabinets. After noticing how beat-up the kitchen supplies were, the Heroes delivered new pots, pans and plates.

"Things we weren't talking about the first morning, we knew we had to do in order to pull it all together," says Shreve, a product service associate in Snellville. "We had to make it right by doing it the Lowe's way."

Pamela Nealey, executive director of the East DeKalb Club, marvels at the dedication and attention to detail displayed by the volunteers.

“Every employee that came in added something to our project,” Nealey says. “You could tell their heart was really into it. On top of the huge things, they did the small things. We had a bathroom door that scratched the floor. The next thing you know they had the door off the hinges and were sawing off the bottom. I couldn’t believe it.”

**Club staff goes from worried to wowed**

Older and smaller than most Boys & Girls Clubs in the area, the East DeKalb Club is housed in two buildings. One includes staff offices, a computer lab and a gym. The other building is a 1,300-square-foot home that features a program area for younger members, a recreation room for teens and a kitchen. The 31-year-old home is set up to be a safe haven for at-risk and underprivileged youth. But some features, like the lack of a window at the membership desk, worried employees.



Nealey recalls a 7-year-old boy who wandered outside to look for his grandfather. No one knew he had left the building because the membership clerk sitting near the front door didn’t have a window to keep tabs on members. Lowe’s Heroes added the window.

They also added two rows of fluorescent lights to the front room, making it bright enough to serve as a library where kids can do their homework. By painting, replacing the carpet and tearing out cabinets, they opened up existing space and converted it into a dedicated teen room.

Nealey considers the makeover an absolute blessing.

“Times the way they are, we don’t have the money to knock the club down and build a whole new club,” she says. “It’s amazing that Lowe’s came in and in two days turned it into a different place.”

Nealey says the compliments have come in all sizes. “One little girl about 10 walked in and said, ‘Whew! It looks so professional.’”

Steve Burrell, Lowe’s store manager in Lilburn who helped oversee the project, says the greatest compliment he received wasn’t a before-and-after comparison. It wasn’t even spoken.

“When the kids got off the bus in the afternoon, to see the expressions on their face,” Burrell says, pausing for a moment. “What we were able to do meant the world to those kids. At the end of the day, standing back and looking at them, you realize why we do this.”

## Helping a School Take Flight

**Mark Southern said the swirl of activity was like “a swarm of bees.” When more than 30 Lowe’s employee volunteers began sweeping through Cook Elementary School, they moved from courtyards to classrooms, rejuvenating the 55-year-old campus in Winston-Salem, N.C.**

The three-month Lowe’s Heroes project, in tandem with a \$100,000 grant from Lowe’s Charitable and Educational Foundation to fund technology upgrades, created both a new look and a new outlook for the high-poverty school. Southern, Cook’s technology facilitator, was impressed by how completely Lowe’s employees were able to alter the school environment.

“They changed us from a caterpillar to a butterfly,” he said.

Being compared to a butterfly is new territory for Cook Elementary, where the mean income of students’ families, about \$18,000, is the lowest among all 70 schools in the Winston-Salem/Forsyth County system, according to principal Ted Burcaw. But the butterfly analogy fits. The Lowe’s team decorated Cook’s walls and trees with colorful metal butterflies, dragonflies, ladybugs and stars, and enlivened the grounds by building new courtyards, planting flowers, adding greenhouses and picnic tables and even replacing an oak tree that was struck by lightning.

Lowe’s also brought in Winston-Salem artist Jennifer Wynn O’Kelly to splash some color and creative inspiration onto the walls. Lowe’s provided the paint through a vendor donation and O’Kelly volunteered her time. Her two murals — a beach scene and a rainbow-dominated piece — brought a new “vibrancy” to the campus, Burcaw said. “Even the neighbors who don’t have children in school, stop by and say how much they appreciate it,” he said.

### Dressing up more than the rooms

The transformation inside the buildings was just as impactful. Employee volunteers from four Lowe’s stores painted classroom entrances, repaired a cafeteria wall, updated rooms with new tile, carpeting and shelving and replaced 175 classroom windows that had been broken for years.

“The windows were vandalized and the glass was laying everywhere,” said Joy Simmons, Lowe’s district manager who oversaw the Heroes project. “The kids could put their hands through holes. You could see where the teachers put tape on it, but it wasn’t working.”

Nearly all of the 240 kindergarten through fifth-grade students receive free or reduced-price lunches, and Simmons recalls hearing that administrators have had to go to homeless shelters to meet with students’ parents. She wanted to do more to help after hearing other accounts, including how some students came to school during winter in short-sleeve T-shirts because they don’t own a coat. One student spray-painted his only pair of shoes to keep them looking new while others attending Cook cut out the backs of their shoes so they’d still fit, Simmons said.



Lowe’s Heroes spent three months revitalizing Cook Elementary School, replacing broken windows and brightening up the 55-year-old campus’ courtyards and classrooms.

So she started a new project. With the help of a private donation, Simmons collected new clothes and shoes to distribute to families at Cook's open house. The event drew a record turnout, and each family received a bag with new outfits, including shoes. Simmons took the remaining clothes and created a campus clothes closet that Lowe's employees helped fill with donations.

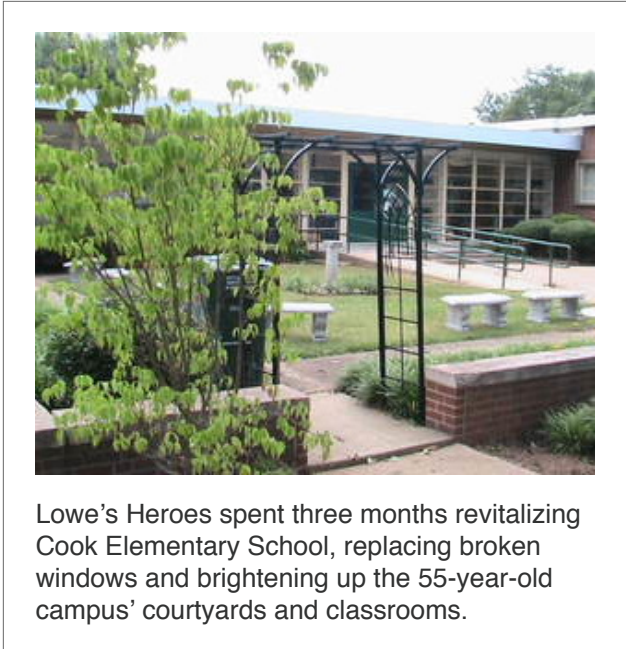
"The great thing about school," said Simmons, "is it's a chance to change your path, and for the kids to see there are opportunities if you work hard and stay out of trouble. We're trying to change their outlook and their lives, and you have to start with their self-esteem. Children want to feel good about themselves. Every child that came on the first day of school had on their new shoes."

**Smart start funded by \$100,000 grant**

Soon, they had more to feel good about. The Foundation's \$100,000 grant funded eight smart board systems, one for every classroom from second through fifth grade. The interactive, electronic whiteboards give Cook Elementary students the same hands-on technology found at new schools in the Winston-Salem/Forsyth County school system. "The potential positive impact on instructional capabilities is enormous," said Burcaw, noting that Cook would have had to wait five years to receive the new technology from the school system.

For many of the students who have never left the city limits, the smart boards, like the murals, opened up a new world of possibility and contributed to the cultural shift at Cook. "It began with what Lowe's did to the grounds to create an improved child-centered environment," Burcaw said. "It raised the pride of the staff, the students, the parents and the community."

That was evident last fall when Winston-Salem/Forsyth County school officials broached the idea of merging Cook with Brunson Elementary School to create a new magnet school. Cook parents let it be known how happy they were with their school. "Our parents turned out to public meetings and said our school has generous community support," Burcaw said. "We have great business partners, especially Lowe's. They said, 'We love our school the way it is.'"



Lowe's Heroes spent three months revitalizing Cook Elementary School, replacing broken windows and brightening up the 55-year-old campus' courtyards and classrooms.



## Helping Rosenwald Alumni Go Back to School

**As she stepped out of the door, Laurie Noakes Jackson pointed over to the side parking lot, toward a row of cars.**

“That used to be the playground,” said Jackson, 95, who remembered racing classmates to get outside, then singing and playing “London Bridge is Falling Down.”

Some memories never fade, not even those from 1922, the first of three years Jackson spent at Scrabble School, a two-room schoolhouse perched in the rolling hills of Virginia’s Rappahannock County. Today, she is able to revisit those memories and the schoolhouse, thanks to the help of Lowe’s Charitable and Educational Foundation.

The Foundation’s \$50,000 grant helped restore and transform the area’s first modern African-American school into the Rappahannock Senior Center at Scrabble School, which counts school alumni among its regulars and doubles as an African-American heritage center. It is one of 33 Rosenwald school preservation projects supported through \$2 million in grants from Lowe’s Charitable and Educational Foundation to the National Trust for Historic Preservation.

Nearly a century after a partnership between Chicago philanthropist Julius Rosenwald and civil rights pioneer Booker T. Washington led to the construction of nearly 5,000 rural African-American schoolhouses, only about 10 percent of the Rosenwald schools remain standing. Brought back from the brink of demolition and reopened in 2009, the rededicated facility in Scrabble, Va., is buzzing again with voices from the past.

### Just like old times

When Jackson attended the dedication ceremony, the memories returned the minute she stepped inside the building. Gone was the sliding partition that once separated the two classrooms, one for first through third-graders and the other for fourth through seventh-graders, but architects kept the spatial integrity intact. The old hardwood floor was still there, as well as the mitered wood frame that once held 41-inch tall blackboards.

“I felt I was at the same school,” said Jackson, the school’s oldest known surviving student. “I could remember everything in that school. Where the blackboards were. Where the students were sitting. Where the teacher was sitting. For two nights I dreamed about the school.”

She remembers winning class spelling bees and winning over classmates with sausage biscuits, ham sandwiches and fried apples from the lunches her mother fixed. Jackson also recalls a teacher who “wouldn’t put up with any foolishness,” and he always had a stick or ruler ready to drive that point home. “I didn’t like that man,” Jackson said. “Ooh, he was mean.”

Just getting to school was a challenge because public bus transportation wasn’t available to African-Americans. Jackson said she walked about 5 miles every day, sometimes trekking through heavy snow. The school motto, “They can who think they can,” provided lasting inspiration.



The Scrabble School opened its doors in 1922 in Scrabble, Va., and helped educate several generations of African-American students until its closing in 1968. With the help of Lowe’s Charitable and Educational Foundation, it was rehabilitated and reopened in 2009 as a senior center.

Anna Allsberry, a Scrabble student from 1953 to '60, said those words stick in her head to this day. For that she credits the late Carol Williams, a longtime Scrabble teacher and principal. "She would always tell us there was nothing you couldn't do," said Allsberry, now a Baptist pastor in Unionville, Va.

Allsberry, 62, said each day at Scrabble started with a scripture reading and a prayer, and someone often would sing Bible verses. She said that foundation, along with the devotion of teachers, instilled discipline and faith in her and benefitted nine siblings who also attended the school. Although Allsberry said Scrabble students had to buy tattered books handed down from white schools, she said she "never felt inferior to anybody."

As she pursues a doctorate degree half a century later, she's still preaching the value of an education, at church and back in her old classroom, where she teaches Bible school to Rappahannock County seniors once a month. A few years ago she couldn't have imagined she'd have that opportunity. She remembers picking up the paper and reading that the grounds were being used as a county dumpsite. "That's a sin and a shame," Allsberry recalled saying at the time.

#### **Foundation puts project 'over the top'**

"KEEP OUT" was scrawled across half the length of the piece of plywood that served as the old school's front door. Plywood also covered the windows, shuttering not just the interior of the school but 46 years of history. After closing in 1968, the school had fallen into disrepair and could have vanished like a cloud of chalk, if not for the work started by the late E. Franklin Warner and completed with the help of Lowe's Charitable and Educational Foundation.

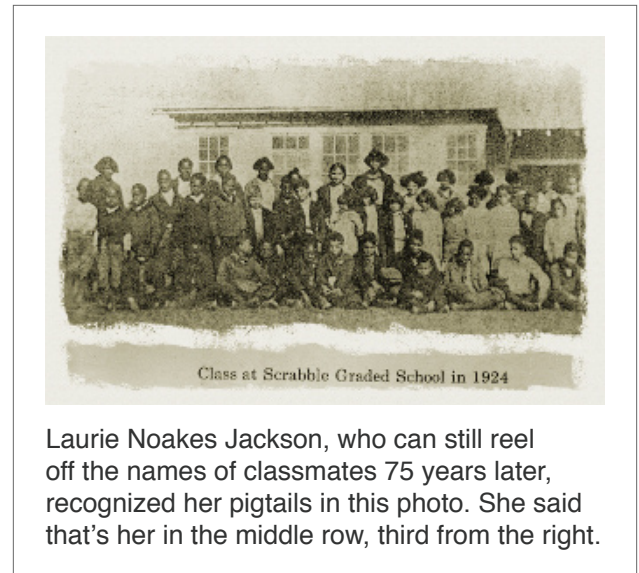
Warner, a Scrabble alumnus and graduate of Howard University and Georgetown who worked in the Office of Management and Budget for several U.S. presidents, founded the Scrabble School Preservation Foundation in the early 1990s. After he died in 2003, his wife, Dorothy Warner, and Bob Lander, who would become president of the Scrabble School Preservation Foundation, helped resurrect the project.

Although Rappahannock County administrators had approved plans to restore the facility and use it to replace the undersized and overcrowded senior center in Washington, Va., funding remained an issue until Lowe's Foundation stepped in.

"The most important thing was Lowe's recognizing at a national level that the Rosenwald school project was important," said John McCarthy, Rappahannock County administrator. "That helped us more than anybody else leverage everybody's concerns. It helped raise the profile and helped put it over the top. Without Lowe's, no other way we could have put together the package of preserving the school and preserving history."

McCarthy said the county has never built anything that has generated anywhere near the amount of positive feedback spurred by the Scrabble restoration.

"As a bureaucrat, I don't often get involved with something as poetic as this, something that's come full circle," he said. "Former students going back to their school, a place they get to use in their autumn years."



Laurie Noakes Jackson, who can still reel off the names of classmates 75 years later, recognized her pigtails in this photo. She said that's her in the middle row, third from the right.

## Putting Their Hearts Into Helping the Homeless

**Project coordinator Deana Petersen and a crew of 33 Lowe’s Heroes stayed warm by staying busy. Wearing Santa hats and sweaters in 40-degree weather, they arrived at 8:30 a.m. and didn’t finish up the last of their repairs until after dark.**

They had returned to Hearts with a Mission in Medford, Ore., the week before Christmas, to help ready the youth shelter for its big opening in a few days. As they worked, Petersen said, they watched people walk up and knock on the door asking for help.

“No one was turned away,” said Petersen, Lowe’s of Medford’s administrative manager. “They let them into the shelter, offered them food and clothing, coats and shoes. One mom we saw would not accept any items for herself but only for her children.”

Any chill the Lowe’s volunteers felt from the cold instantly melted away.

Hearts with a Mission officially opened its doors four days later, providing temporary, emergency shelter to homeless and at-risk youths in Jackson County. The building’s one-year transformation, from a dilapidated house to a nine-bedroom shelter, was completed with a concerted community effort. Executive director Kevin Lamson asked for the support of area businesses early on, and Lowe’s responded.

“This is a community that needs help, and Lowe’s has done over and above what I thought any chain would do,” Lamson said. “You could really tell it touched their hearts.”

### Growing problem in Oregon and beyond

‘The Lowe’s Heroes, or Heroes with Hearts, as Petersen calls the Medford team, volunteered more than 1,000 hours on the project. Lowe’s provided labor, services and supplies in partnering with Hearts with a Mission and local businesses and organizations to fill a need in Jackson County and address a problem that is growing across the United States.

Families with children are among the fastest-growing segments of the homeless population, and experts cite the recession and rise in foreclosures and layoffs as catalysts for the escalating numbers. In Jackson County, the number of homeless students climbed about 4 percent to 1,709 in the 2008-09 school year, according to an Oregon Department of Education report. In Medford, a city of 76,000 just 27 miles north of the California border, more than 9 percent of the school district’s students are considered homeless. That’s nearly three times the statewide rate. Medford ranks second only to Portland for the highest number of homeless students in Oregon.

The spotlight on Medford grew in October when The New York Times featured the southwest Oregon town in a two-part series on the growing number of young runaways in the United States.

“When you get noticed by The New York Times, it’s time you take action,” Lamson said. “We’re not the only ones doing something for homeless youth. The thing that was lacking was a place where kids could spend the night.



Lowe’s Heroes contributed more than 1,000 hours, working from April to mid-December, to help create Hearts With A Mission Youth Shelter in Medford, Ore.

When we're shipping people to Portland, four or five hours away, or handing them a sleeping bag and saying, 'Good luck,' that's wrong."

Hearts with a Mission provides temporary emergency shelter to homeless youths, ages 10 to 17, for up to 72 hours without parental consent and up to 120 days with parental consent. The shelter has a trained staff that will offer crisis intervention, mentoring and mediation to youths, working with them to re-establish family ties, Lamson said.

"Twenty-five percent of homeless youth will remain homeless as adults," he said. "So if you can deter them from being homeless as a youth, there's a good chance they will grow up and be productive as adults."

**Team tackles work with all-in approach**

The opportunity to affect change got Petersen involved in April, and Lowe's administrative manager brought along plenty of help. Department managers Nick Goldade and T.J. Whipps took charge of the team during the first part of the project, which included a major cleanup effort. They worked with special order coordinator Jenny Casebere and specialist Liz Goodman to remove an old chain-link fence and install a new wooden one. It might have been Santa hats and sweaters in December, but Lowe's Heroes wore T-shirts and sunglasses when temperatures topped 100 in late June as they dug in to dig out large blackberry bushes during the fence removal.

"The most amazing part to see was the coming together of our team. This is a project that has touched many lives," said Petersen, who got her daughter, Keirsten, and husband, Gary, to help while Lowe's zone manager Michelle Forsyth recruited her fiancé, Mark, and teenage son, Christian.

When the team returned in December, the volunteers installed shelving in the shelter, added fencing and planter beds on the grounds, and gave the storage cottage out back a facelift to match the one the shelter received months earlier. Lamson thanked the team that night, then again a few days later with a special message:

*"Last night a seventeen-year-old boy was the first teen to enter our shelter. One of the first things he said was that he was really cold and he had not slept for four days. It's because of YOU that Hearts With A Mission can give help, hope and now shelter to hurting kids. Thank you for choosing to make a difference!"*



Lowe's Heroes contributed more than 1,000 hours, working from April to mid-December, to help create Hearts With A Mission Youth Shelter in Medford, Ore.

## A Holiday Homecoming for America's Heroes

It was 36 degrees and still two days before Christmas, but Lowe's parking lot was already buzzing with activity at 0600 hours. The crowd of families, many huddled near heaters, began to swell under the enormous white tent in Fort, Mill, S.C. Not in anticipation of Santa Claus. He was already there. But for about 100 members of the National Guard's 1222nd Engineer Company returning home from training at Fort McCoy, Wis., before shipping off for duty in Afghanistan. A similar homecoming for another 100 soldiers from the 174th Engineer Company was under way outside Lowe's in Spartanburg, 70 miles away.

Just a few days earlier, it didn't look like many of the soldiers would make it home. Federal regulations bar soldiers from traveling at government expense while on leave, and the Family Readiness Group that assists families during deployments needed to raise \$35,000 to pay for charter buses.

"More than \$10,000 came in cash and checks from all kinds of people," said Wanda Bennett, whose son, Spc. Alan Bennett, is a member of the Fort Mill unit and on his second tour of duty.

But they were still \$25,000 short, until Fort Mill store employees contacted Lowe's corporate office. Lowe's picked up the balance of \$25,000 to bring home more than 200 husbands, wives, sons and daughters for 10 days with their families.

"When Lowe's contacted me, I about fell out of my seat. I was floored!" said Bennett, who is also president of the Fort Mill unit's Family Readiness Group.

News of the homecomings spread quickly. One young mother said she was home stringing up Christmas lights, hoping for a miracle, when she learned her husband would be coming home. Another mother, Beckie Greene, a cashier in Lowe's Charleston, S.C., store since 2005, was thrilled her husband, Pfc. Bobby Maciariello, would return in time for Christmas with daughter Morgan, 7, and son Robbie III, 5.

"It was just like a dream come true," said Greene, whose husband is a medic with the 1222nd National Guard unit.

### Signs of excitement and gratitude

In Lowe's Fort Mill parking lot, heartfelt, handmade signs were everywhere. One boy's sign read, "All I want for Christmas is 1. My Daddy, 2. My Daddy, 3. My Daddy," and it kept going. Kelly White of Rock Hill waved a sign she made for her husband, Spc. Mark White: "Welcome Home, Mark! Merry Christmas!" Two other women, married just three weeks, were there waiting for their husbands. One of them was preparing to head to Afghanistan herself in just three weeks. Lowe's also made sure the soldiers had a few other things waiting for them, including a 103-piece Kobalt toolkit and a Lowe's gift card.



More than 100 soldiers in South Carolina's 1222nd National Guard unit join family, friends and Lowe's employees celebrating their homecoming in Fort Mill, S.C. Lowe's \$25,000 also brought home the 174th National Guard unit based in Spartanburg, S.C.

Frankie Burnette, Lowe's store manager in Spartanburg, was especially proud to be part of the welcome home; his three brothers served in the military. Tom Holbrook, store manager in Fort Mill, and his team had even more reasons to be excited. Many of his employees are veterans.

Lowe's gratitude for the men and women of the armed services goes back more than 60 years. Lowe's was founded on the heels of World War II by veteran Carl Buchan. Today, more than 12,000 Lowe's employees are veterans. Lowe's offers extended benefits to employees serving in the military and honors customers who are veterans, too, offering a military discount.

Jerry Eplin, an 18-year Army veteran who calls himself a regular at Lowe's Fort Mill store, waited outside the tent and talked about seeing soldiers from the base training near his house.

"It's a great thing Lowe's is doing for them," Eplin said.

In the distance, the sudden roar of a motorcycle escort signaled the end of a four-hour wait and beginning of a heroes' escort. A 20-by-40-foot American flag flapped against the Carolina blue sky, commanding the crowd's attention. Beneath, hundreds of family members, friends, veterans, customers and employees gathered closer. Some held American flags on poles to form a more formal path to guide the buses.

Soldiers stepped off the buses and into a brief formation. Gen. Ronald Huff presented a plaque thanking Lowe's, then released the soldiers for the holiday. One collective, "There's Daddy!" rang out and families searching for their loved ones found each other. Screams of joy. Hugs. Then hugs that lasted so long they turned into tears.

"The soldiers here will remember," said Sfc. George Kast as he looked across the crowd for his family. "You touched them and showed them that Lowe's cares."



More than 100 soldiers in South Carolina's 1222nd National Guard unit join family, friends and Lowe's employees celebrating their homecoming in Fort Mill, S.C. Lowe's \$25,000 also brought home the 174th National Guard unit based in Spartanburg, S.C.

## Critical Repairs Answer Prayers

**Bessie White could keep her chin up and try to forget about her kitchen floor. But she worried about her 97-year-old mother staying warm, a concern that grew each autumn and with each draft that snuck through her rotted floorboards and delivered a shot of cold air.**

Joann Crump, just on the other side of Interstate 77 in Charlotte, N.C., also kept close watch on the weather, along with her 14-year-old great-granddaughter. A strong wind would blow shingles off their aging roof. Rain was worse. “I could hear it coming down through the walls,” said Crump, 70. “I could hear it dripping down the rafters, and I knew I had to get something done.”

Last fall she did, and so did the 76-year-old White, with the help of Lowe’s. Their homes were two of the 24 wait-listed projects planned by Habitat Critical Home Repair, a division of Habitat for Humanity of Charlotte. The three-year-old Critical Home Repair program provides major repairs for low-income homeowners, many of whom have homes that are in danger of being condemned. Tim O’Neil, director of Critical Home Repair, estimates that 5,000 of Charlotte’s homeowners live at the poverty level and can’t afford repairs needed to meet city codes.

Lowe’s \$45,000 grant, together with \$25,000 in material and products provided by Lowe’s stores, enabled Habitat to complete nearly half the projects on the 2009 waiting list, giving 10 Charlotte-area families a safe and dry home for the holidays. Getting the two months of repairs done by Thanksgiving was made possible by a host of Lowe’s Heroes.

For the first time, Lowe’s district managers Steve Kirby and Lynn Lyons coordinated their Heroes projects, bringing together more than 130 employee volunteers from 21 stores across Charlotte.

“It’s just been a great experience for the store teams to be a part of the revitalization of the community. This is the American dream,” said Lyons, standing a few steps from Crump’s front door and just below the Stars and Stripes flying 15 feet above her front yard. “The biggest reward is knowing you are changing lives.”

### ‘Next thing I know, up popped Lowe’s’

Crump had nearly run out of options a couple of years ago, after her grandson used some roofing paper to patch up a leak in her 83-year-old, two-bedroom home. The paper didn’t hold, so Crump turned to something else.

“I prayed about it for two years,” said Crump, who heard about Habitat’s Critical Home Repair this spring and then ended up praying some more after she said a sponsor wasn’t immediately available. “Next thing I know, up popped Lowe’s,” she said.

Crump has lived in the newly trendy NoDA neighborhood for more than 30 years and has turned back dozens of



Lowe’s employee volunteers worked alongside Bessie White’s sons, and got a little inspirational help from her 3-year-old great-grandson, Darius, to make critical repairs to her west Charlotte home.

investors looking to buy her out. She said she tells them, in a not-so-grandmotherly tone: “This is my home and I’m not going nowhere.”

To help make sure of that, Crump said it took Lowe’s volunteers nearly two days to scrape off her shingles — four layers of asphalt shingles and the original cedar shake shingles. Rain that had seeped through the roof had damaged the kitchen floor. So Lowe’s Heroes replaced that as well.

“The workers are just as nice as can be,” said Crump, who took time to chat and laugh with most of the volunteers, telling them how grateful she was for their help in ensuring her great-granddaughter, Brittany, will have a safe place to call home for years to come. “They’re heroes. That’s exactly what they are.”

How do you properly thank a hero? Crump hung up a banner on her porch, thanking God for Lowe’s and Habitat.

A few of the volunteers said they got teary-eyed the morning they saw the banner. Crump wasn’t through thanking them. A few days later, she cooked up a big pot of beef stew soup that the Heroes quickly finished off.

**‘It’s like a new toy’**

Bessie White expressed her gratitude with something a little sweeter — some homemade pound cake. Five generations of family members come in and out of her west Charlotte home. She often looks after her 3-year-old great-grandson, Darius, and provides 24-hour care for her mother, Anniebell Beatty, who had a stroke 10 years ago that paralyzed her left side and left her wheelchair-bound. Making the home safe for all three of them, and all the family members who visit, required major repairs.

The work included a new roof, a renovated kitchen with new cabinets, a reconstructed handicap-accessible bathroom, rebuilt railing, a new concrete foundation and the much-anticipated new flooring.

“It’s like a new toy. It’s beautiful,” White said of the home that’s been in her family since 1955. “Now I can walk to the sink without looking at the ground, the dirt, the cold air coming through and everything.”

The old clawfoot tub in the bathroom is out; a new easier-to-access shower is in. White said “Mother fussed at first,” saying she’s not going to take a shower, but has since relented. Beatty gave the work done by Lowe’s volunteers her seal of approval: “If it ain’t right, I’ll tell you about it.”

She’d need to have a word with her grandsons, too. James White Jr., 47, and Jaye White, 40, worked alongside the volunteers from start to finish and picked up some tips for future upkeep. James said all the repairs give his grandmother another reason to look forward to the change of seasons.

“Grandmother loves to sit out on the front porch in spring and summer,” he said. “She enjoys the blooms. She’ll sit there and she has to speak to everybody coming by. Now she can hold her head a little higher. It’s going to be wonderful for her.”



Lowe’s employee volunteers worked alongside Bessie White’s sons, and got a little inspirational help from her 3-year-old great-grandson, Darius, to make critical repairs to her west Charlotte home.



## Focusing on: Lowe's Heroes

**Lowe's Heroes are proud of the thousands of hours they volunteer each year to improve the places where they work and live. At a time when many communities are in need, our employees continue to step forward to extend a hand. In 2009, Lowe's Heroes responded to needs big and small.**

- More than 70 Lowe's employee volunteers from eight Detroit-area stores joined Lowe's Senior CLASS Award basketball finalists Lester Hudson, Andy Wicke and Jimmy Baron to renovate the Detroit Edison Public School Academy. Volunteers spent the day landscaping, mulching and adding fencing around the student vegetable garden, building a large retaining wall and preparing another wall with base paint to accommodate a mural highlighting African-American history. The Lowe's Senior CLASS Award honors the most outstanding senior student-athletes in nine NCAA Division I sports.
- Employees at Lowe's Regional Distribution Centers took part in the Heroes program for the first time in 2009. Eleven Lowe's Heroes from the Perris, Calif., RDC contributed 175 volunteer hours to spruce up the Boys & Girls Clubs of Southwest County, the oldest of four area clubs. Among the upgrades, they painted the club's computer lab and all-purpose room, and added shelves, cabinets and a sink to the all-purpose room. In addition, Lowe's Heroes built 10 computer work stations into the wall, so the children no longer have to sit at computers on foldout tables. Some children from the club expressed their gratitude through a hand-painted poster with about two dozen handprints and a message that read: "Thank you, Lowe's, for helping our club grow."
- A crew of about 30 Lowe's Heroes from the Hibbing, Minn., store constructed a new warming house for the patrons of the ice skating rink at the city-owned park. "This is Lowe's way of giving back to the community that has supported us, even through these rough times," said Curtis Larson, operations manager at Lowe's.
- The teachers at Nicholas Valley Elementary were desperate to update their 19-year-old lounge. When the Lowe's team at the Temecula, Calif., store found out, they painted the lounge and put in new cabinets, appliances and furniture. And they did it in one weekend, giving the teachers a surprise when they returned to school.
- Four stores came together to improve the living spaces at the Yawkey Family Inn, the home-away-from-home for long-term care families at Children's Hospital of Boston. Employees from Lowe's of Danvers, Woburn, Framingham and Haverhill donated closet shelving, child safety items, toolboxes, step stools and other necessities. The stores installed shelving for 16 closets at the Inn, making the rooms more comfortable for families in residence.
- Three Lowe's stores in Fort Wayne, Ind., pooled the \$1,200 that each store typically sets aside to spend on its annual Heroes community project. The stores worked together to make critical repairs to the home of a 73-year-old woman in LaGrange who is raising great-grandsons with special needs. Fifteen Lowe's employees contributed more than 700 volunteer hours. They carpeted and tiled the entire house, installed kitchen cabinets and turned a one-room addition that was connected to the garage into a three-room living area with separate bedrooms for the 7-year-old and 6-year-old boys.



Lowe's Heroes participated in more than 1,000 projects in 2009, carrying on a proud tradition of community service that began more than a decade ago.

- Twenty employee volunteers from the Machesney Park Lowe's rebuilt 11 closets at the Walter Lawson Children's Home in Loves Park, Ill. The home serves severely disabled residents. Tara Lee, department manager and Lowe's project coordinator, saw the need to give back after seeing up close the dedication of two longtime administrators. "They are doing it by themselves," Lee said. "I couldn't think of a better service than to come in and help Walter Lawson. This is a big deal because we are new to the community. We are a corporation with a big heart."
- Determined to make a difference for the homeless in their community, volunteers at the Regional Distribution Center in Cheyenne, Wyo., completed a safe playground for children attending the day care center of the Wyoming Coalition for the Homeless. The Lowe's Heroes also worked to educate the public and stimulate commitments from other companies and individuals to support the Wyoming Coalition for the Homeless.



Lowe's Heroes had a hand in making things a little brighter for some Detroit-area kids when college basketball's Final Four came to town. Lowe's employee volunteers helped with clinics and came together from eight area stores to renovate the Detroit Edison Public School Academy.

## Focusing on: Lowe's Charitable and Educational Foundation

**Lowe's Charitable and Educational Foundation is committed to supporting projects that improve schools and benefit communities. In 2009, the Foundation served both missions through a wide range of grants.**

- Cross Timbers Elementary School used a \$124,500 grant to renovate its outdoor play areas in Edmond, Okla. The school created an inclusive and safe environment for children with disabilities to play alongside peers. The grant allowed the school to purchase new play sets and to resurface an existing play pad. The play area was designed to go beyond the needs of children with disabilities and wheelchair-bound students and provide gathering opportunities for parents and grandparents also facing physical challenges.
- Lowe's Charitable and Educational Foundation is investing in teacher training in North Carolina and beyond by giving \$100,000 to The Hill Center in Durham, N.C. The Hill Center transforms students with learning disabilities into confident, independent learners directly through classroom teaching and indirectly through teacher training. It has trained more than 7,500 teachers from 74 North Carolina counties, 17 states and four countries, and its goal is to double the number of teachers trained annually over the next four years. The grant funded technology and construction costs for a distance learning lab with LCD projectors and an audio/video conferencing system that will make training accessible to more teachers.
- The Foundation contributed \$100,000 to complete the restoration of the first library in Kingston, N.Y. The library, donated by Andrew Carnegie in 1903 and in use until 1974, sits on the campus of Kingston High School. Increased classroom space, two dance studios, computer labs, a recording studio and a performance stage are planned to help the library serve as an extension of the school and a cultural center in addition to being an historic landmark.
- The Kalamazoo Public Safety Department received a \$50,000 grant for a comprehensive training facility for emergency response teams in Michigan. The grant will be used to purchase construction materials required for an indoor simulated residential and commercial block that will be used for medical, fire and police training year-round. "Our training schedule will no longer be dependent on weather, which gives us up to six months of additional training opportunities," said Stan McDonald, training sergeant for the Kalamazoo Public Safety Department. "We would not have been able to do this without Lowe's."
- The Bradley Technology and Trade School in Milwaukee received a \$141,000 grant to build an urban agricultural training space and green garage. Students at the high school are learning green-building technologies and construction methods by building the facility, which will include solar panels, rainwater retention capabilities and in-ground heating. The Growing Spaces project also includes plans for a rooftop community garden that will provide food for neighbors and local food pantries.



A \$124,500 grant from Lowe's Charitable and Educational Foundation helped Cross Timbers Elementary School in Edmond, Okla., create a wheelchair-accessible playground. More than 1,000 people attended the grand opening.

- In Augusta, Ga., the grand opening of the William Bartram Rain Garden boardwalk marked the unveiling of another educationally stimulating venue funded by a Lowe's Charitable and Educational Foundation grant. The \$25,000 grant helped the Southeastern Natural Sciences Academy extend the boardwalk by hundreds of feet and created more decks around the rain garden at Phinizy Swamp Nature Park. The boardwalk acts as a laboratory for students to safely explore swamp ecology.
- The Toronto Kiwanis Boys & Girls Club in Ontario, Canada, received a \$100,000 grant to create an industrial-equipped kitchen that will allow the club to meet public health safety standards. The club will hold cooking classes in the kitchen and use it to serve many of its 1,100 members while also opening it up to the Salvation Army and other service groups.



A \$124,500 grant from Lowe's Charitable and Educational Foundation helped Cross Timbers Elementary School in Edmond, Okla., create a wheelchair-accessible playground. More than 1,000 people attended the grand opening.

## Focusing on: Lowe's Toolbox for Education®

**Through our Toolbox for Education® grant program, Lowe's is enriching the lives of children in communities across the United States and helping to make our communities better places to live. In 2009, Toolbox for Education grants benefited 883 schools.**

- Students at Watkins Elementary School in Jackson, Miss., are enjoying a new, state-of-the-art playground with the help of a \$25,000 grant and the work of more than a dozen Lowe's Heroes. The school had been without a playground for two years, leaving children no place to play at recess. Lowe's volunteers spent 11 hours in 95-degree weather digging holes, sinking posts and assembling the play structure. The new playground was ready for students shortly after they returned to school in the fall. Principal Michelle King said "oohs" and "aahs" were the first sounds heard as children arrived for the first day of classes.
- Providence Elementary School in Providence, Utah, used a \$5,000 grant to help renovate the school's Panda Cubby Cave. The Panda Cubby Cave is used by reading groups and as a library for literacy materials. The walls were painted, shelving was added to handle more reading materials, additional lighting was installed and furniture was purchased to make it a welcome part of the school environment.
- New Jersey Regional Day School received a \$7,500 grant to bring to life its "Activities of Daily Living Room" project in Newark, N.J. The grant helped create an apartment-like area where special-needs students learn daily living skills, including how to prepare simple meals, wash dishes, set a table, use appliances, make a bed, wash and fold clothes and become as independent as possible.
- With the help of a \$4,200 grant, Toyon Middle School in Valley Springs, Calif., built a greenhouse for its Earth Club and life science, gardening and outdoor projects classes. The students will learn how to grow vegetables and landscape plants from seed and by using propagation techniques. These plants will be used on campus in the organic garden or for student-led landscape projects.
- In Burlington, Mass., Francis Wyman Elementary School students are enjoying a new playground funded through a \$2,500 grant. The playground includes accessible paths and inclusive play structures for students with disabilities. It also includes a 15-foot slide, a favorite of students who have affectionately dubbed it the "Lowe's Luge."
- Mt. Bethel Elementary in Marietta, Ga., has been making the most of new exercise equipment and a new track constructed with the help of a \$4,500 Toolbox grant. Rebecca Woody, a member of the Bethel Elementary PTA, said the track has spawned a student running club and a teachers' walking/exercise club while also serving the needs of the surrounding neighborhood. Woody expressed her appreciation on Lowe's Toolbox for Education page on Facebook. "For 10 years Mt. Bethel Elementary School was hoping to take our empty dirt field and turn it into something that would allow the students to enjoy recess and PE, especially when it rained and the field



Volunteers from four Lowe's stores labored for 11 hours and in 95-degree heat to turn an empty field into a state-of-the-art playground at Watkins Elementary School in Jackson, Miss.

turned muddy,” Woody wrote. “Lowe’s Toolbox came to our rescue ... thank you Lowe’s for your support in making our dream a reality!”

To request funding for your organization, visit [www.lowes.com/community](http://www.lowes.com/community). To become a fan of Toolbox for Education and to learn more, visit [www.facebook.com/toolboxforeducation](http://www.facebook.com/toolboxforeducation).



Volunteers from four Lowe’s stores labored for 11 hours and in 95-degree heat to turn an empty field into a state-of-the-art playground at Watkins Elementary School in Jackson, Miss.

## Focusing on: Rebuilding Together®

**Lowe's Heroes across the country showed what a difference they could make last fall. Hundreds of volunteers joined with Rebuilding Together® to complete 35 projects focused on home modifications and energy efficiency. Each project received a \$10,000 grant from Lowe's Charitable and Educational Foundation, and the work was completed on or around Oct. 24, Make a Difference Day, a national day of helping others.**

- Jim Dube and Scott Marhefki of Lowe's Newington, Conn., store couldn't think of a better way to spend their Saturday. They teamed up to make significant repairs and improvements to increase the safety and comfort of an 83-year-old homeowner in New Britain. In addition to painting and helping put in a new shower, they added grab bars to the bathroom and installed a wheelchair accessible ramp. "It's a small thing, but if we all lend a hand, we can make life better," Marhefki said.
- Heroes from Lowe's of Chantilly, Va., came out on a rainy day to brighten things up for Catherine Schuler, a 78-year-old widow faced with rising utility bills because of broken and inefficient windows in her Arlington, Va., home. The volunteers, who included a group of Lowe's installers, put in new energy-efficient windows throughout the house, replaced exterior doors and replaced incandescent light bulbs with compact fluorescent lamps. They also addressed other deferred maintenance, replacing flooring in Schuler's dining room and repairing and painting walls that had been damaged by leaky windows.
- In Houston, Lowe's Heroes dedicated their time and expertise to repair the home of Willie Mae Mims, who worked for the Houston Police Department for 18 years. Her home received extensive damage during Hurricane Ike. Volunteers assisted Mims, 65, by replacing a damaged roof and ceiling, making electrical repairs, putting in new windows and painting.
- Alice Becerra's two-bedroom home in Omaha, Neb., received a makeover with help from Lowe's Heroes, whose work ranged from replacing the steps leading to the front door to roof repairs. Becerra, a widow who has lived in the house for 38 years and supports her 31-year-old autistic son, said she almost had to give up her home. The repairs, she said, "are a blessing."
- In San Jose, Calif., Inez Gibino, 94, said the improvements to her home were "a godsend." Her mobility has been restricted since she fractured a hip. Lowe's department managers Dennis Palacio and Joaquin Calderon were part of a team that worked around roots in her backyard to put in a new fence and also installed a wheelchair lift on the back porch. The new feature will enable Gibino to attend her granddaughter's volleyball, basketball and softball games.
- Lowe's Heroes from stores in Dedham, Saugus, Weymouth and Woburn, Mass., joined together to help someone who's spent much of the past decade helping others. Anna Marshall, a single parent, has taken in 65 foster



Lowe's employees and installers help celebrate Make a Difference Day by putting in new flooring and energy-efficient windows at the Arlington, Va., home of a 78-year-old widow.

children at various points over the past nine years. She's had little time to keep up with her Dorchester house or her yard, so the Lowe's team rolled up their sleeves and went to work. They cleaned up the yard, raking up more than 20 bags of leaves, and seeded and winterized the lawn. Led by Michael Morrill, a garden expert at the Dedham Lowe's, the team even planted some mums.

- Heroes from Lowe's of Dallas came together to improve the home of a single foster mother of three special needs children. The project included plumbing and roof repairs, constructing a backyard fence, installing specialized smoke alarms for the deaf, modifying safety elements, such as grab bars in the bathroom, and building steps to the back door.



Lowe's employees and installers help celebrate Make a Difference Day by putting in new flooring and energy-efficient windows at the Arlington, Va., home of a 78-year-old widow.



## Focusing on: American Red Cross

**Though 2009 was one of the quietest hurricane seasons in recent memory, it wasn't quiet everywhere. Lowe's and our employees partnered with the American Red Cross to provide vital assistance after disasters struck Kentucky, California, Georgia and, most recently, Haiti. Lowe's and our customers contributed more than \$1.6 million to Red Cross earthquake relief efforts in Haiti.**

- When a severe ice and snowstorm knocked power out to 700,000 homes and businesses in Kentucky, Gov. Steve Beshear declared a state of emergency, noting that Kentucky was “in the middle of the biggest natural disaster that this commonwealth has ever experienced.” The Red Cross opened 132 shelters and Lowe's responded by opening a store account that enabled the Red Cross to purchase supplies to clean more than 5,000 cots that were used throughout the state. The account also allowed the Red Cross to buy work gloves, batteries and flashlights, as well as ladders and box cutters that were used to support the operation and then saved for future disaster relief.
- While Southern California firefighters battled five fires that burned more than 150,000 acres, Lowe's stores did their part to provide relief to communities in need. The Pacoima store donated 10 cases of bottled water to Fire Station 24 in Sunland while the Burbank and Santa Clarita stores provided dozens of respirator masks, gloves, trash bags, brooms, rakes and shovels to help replenish the Red Cross' main distribution center, which was servicing those affected by the Station fire, the largest fire in Los Angeles County history.

A five-person team from the Redlands store moved quickly to help after the Oak Glen and Pendleton fires scorched San Bernardino County communities just east of Los Angeles. They delivered tarps, moving blankets, paper towels, masks and bottled water to the Yucaipa Community Center, where the Red Cross had set up an evacuation center that housed about 40 families. Many of the elderly evacuees said they owned animals and had no place to put them, so the Lowe's employees got on the phone and started making calls to help. They also distributed survival kits — masks and water packed in Lowe's recyclable bags.

The Lowe's group then traveled about a mile south and spent the rest of the afternoon passing out bottled water at the fire command center at Yucaipa Regional Park, where 1,100 firefighters and fire trucks from as far away as Washington and Oregon had gathered. Human resources manager Laura Hipps said as the Lowe's team made its rounds, firemen were waving and expressing their appreciation. “I believe that when all is said and done, and lives go back to normal,” she said, “people will be telling their family and friends, ‘You know, it was crazy, even Lowe's of Redlands was out there checking on us, to make sure we were OK and let us know they were there for us.’”



Lowe's was one of the first companies to offer aid after the earthquake in Haiti. Lowe's donated \$1 million and set up cash donation sites at all stores to support the American Red Cross.

Photo courtesy of American Red Cross

- In response to Atlanta-area flooding, Lowe's donated \$250,000 to the Red Cross Disaster Relief Fund. In addition, all Lowe's stores in Georgia served as official cash donation sites to benefit the fund. Working around the clock, Lowe's employees in north Georgia and across the Southeast mobilized to expedite emergency products into affected communities. At the same time, associates stood ready in stores to answer questions and provide tips for flood cleanup.

NASCAR Sprint Cup champion Jimmie Johnson and American Le Mans Series champions Adrian Fernandez and Luis Diaz also took turns in support of recovery efforts. As part of Lowe's Racing for Relief program, Lowe's pledged \$48 for every lap Johnson completed and an additional \$4,800 if Johnson won the 400-lap race in Dover, Del. Lowe's also pledged \$15 for every mile Fernandez and Diaz completed in the Petit Le Mans Series race in Atlanta.

As a result of their efforts, including Johnson's victory, Lowe's donated more than \$29,000 to the Red Cross to provide shelter, food, counseling and other assistance to victims of the floods.



Lowe's was one of the first companies to offer aid after the earthquake in Haiti. Lowe's donated \$1 million and set up cash donation sites at all stores to support the American Red Cross.

Photo courtesy of American Red Cross

## Our Mission

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

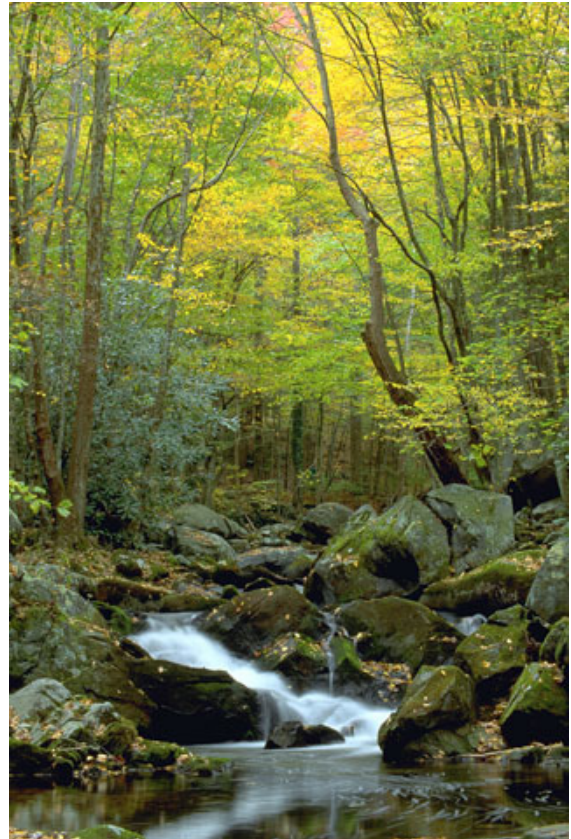
We believe building a healthier business and a healthier environment go hand-in-hand. Lowe's cares about how our company's activities impact the Earth's ability to provide natural resources to future generations. For that reason, we continually examine opportunities to reduce our environmental impact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

We value being in a position to affect widespread change and consider each of our more than 238,000 employees a vital part of that mission. In 2009, our employees' success promoting energy and water conservation, as well as responsible transportation practices, brought Lowe's unprecedented recognition with three partnership awards from the Environmental Protection Agency and the Department of Energy.

Our focus remains fixed on our collective progress. Our recycling numbers have grown each year, and we plan to expand our appliance recycling program in 2010. By increasing our purchase of green power for the fourth consecutive year and spreading energy awareness across all our facilities through our store efficiency program, we continue to take steps to minimize our carbon footprint.

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

Driving all of these upgrades is our passion for our customers, and we remain dedicated to providing products that benefit their homes, their bottom line and the environment. We continue to expand our selection of ENERGY STAR® and WaterSense® products and offer solar panels in select stores. As we look to the future, we will seek new and better ways to serve our customers and continue to be good stewards of the environment.



Lowe's is dedicated to protecting the environment through our conservation practices and the growing number of efficient home products we offer.

Photo courtesy of The Nature Conservancy

## Our Environmental Performance

**In 2009, we continued to build on a history of environmental leadership by helping consumers reduce their energy and water use while saving money through a growing number of product solutions.**

Our dedication to maintaining industry-leading standards was reflected in 2009 in our ENERGY STAR® and WaterSense® Retail Partner of the Year awards and our third consecutive SmartWay<sup>SM</sup> Transport Partnership Environmental Excellence Award. We continued to increase the percentage of our goods and products moved via SmartWay carriers and improved the efficiency of our facilities.



## Product Solutions

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

We are meeting that obligation in our stores by continuing to expand our line of efficient home products and by communicating their value to customers. In October, we reached a multi-year agreement to make insulation manufacturer Johns Manville an exclusive supplier to Lowe's. As a result, our customers gain increased access to the most advanced insulation technology for energy efficiency and improved indoor air quality from the only company to offer a full line of Formaldehyde-free™ fiber glass building insulation.

We also helped our customers handle the challenge of rising energy costs by introducing innovative energy-saving products in December with the launch of Lowe's Energy Center. Piloted in 21 California stores, with plans to expand to other locations across the U.S. and Canada in 2010, the Energy Center is retail's first one-stop, easy-to-shop destination for products that help customers measure, reduce and generate energy. The Center makes simple and affordable solar technology more accessible by offering mobile solar chargers and by putting grid-connected solar power systems on the shelves of a major retailer for the first time.

Providing customers products that make their lives better while saving them money and reducing their environmental footprint resulted in industry-leading recognition for Lowe's in 2009. In March, the U.S. Environmental Protection Agency and the Department of Energy named Lowe's the 2009 ENERGY STAR® Retail Partner of the Year. In October, the EPA honored Lowe's with the 2009 WaterSense® Retail Partner of the Year Award.

Our success in educating consumers about the cost-saving and environmental benefits of energy efficiency led to our fourth ENERGY STAR Retail Partner of the Year Award — our seventh consecutive ENERGY STAR honor overall. The award winners were selected from more than 12,000 organizations. In addition to being recognized for continued leadership in marketing our comprehensive line of appliances, lighting and home improvement products, we were honored for exceptional contributions to reducing greenhouse gas emissions.

In 2009, Lowe's sold enough ENERGY STAR products to:

- reduce the amount of pollution equivalent to taking 275,000 cars off the road.
- save consumers more than \$265 million each year off their energy bills compared with non-ENERGY STAR-qualified products.



Lowe's is making it easier for homeowners to tap into the power of solar energy.

The WaterSense award honored our efforts to increase awareness of the WaterSense label and to educate consumers about water-efficient practices. Explaining the benefits of water conservation in stores and online through the “Build Your Savings” program, Lowe’s is helping to protect the future of our water supply and helping families reduce utility bills at a time when every dollar counts.

The number of WaterSense-labeled toilets and bathroom faucets Lowe’s sold in 2009 can save enough water in a year to:

- fill more than 3,600 Olympic-sized swimming pools (or save more than 2.4 billion gallons of water annually);
- save consumers \$13 million each year on water bills.

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

## Product Transportation

**Delivering on our vision to provide the best products, prices and services to customers is central to our long-term success. Delivering those products to our stores quickly and efficiently every day is required to make that happen, and we were recognized again in 2009 for ensuring that's done in an environmentally responsible manner.**

Our conservation strategies and continued contributions to the transportation industry were honored in October as we picked up our third consecutive SmartWay<sup>SM</sup> Transport Partnership Environmental Excellence Award. Lowe's was recognized for our leadership in conserving energy and lowering greenhouse gas emissions. We were one of only 37 companies and organizations in SmartWay's 2,100-member partnership to receive this distinction.

In the process, Lowe's completed an unprecedented sweep. Together with the ENERGY STAR<sup>®</sup> and WaterSense<sup>®</sup> Retail Partner of the Year awards, the SmartWay Environmental Excellence Award gives Lowe's the distinction of being the first retailer to simultaneously hold these three top honors.

To earn the SmartWay award, we implemented initiatives that resulted in reduced carbon dioxide emissions and less overall highway congestion. These included increasing shipping by rail, increasing efficiency of truckload shipments, allowing more products to be shipped on fewer trailers and continuing to use a higher percentage of SmartWay carriers.

Since becoming a SmartWay partner in 2005, shortly after the EPA created the program, we have doubled the percentage of loads we ship by truck-rail combination. In 2006, when about 75 percent of Lowe's truck shipments were moved by SmartWay carriers, we announced our goal to increase that number to 90 percent by 2010. We achieved that goal in 2008, and SmartWay participating carriers are now moving 100 percent of the products we ship domestically.

The impact has been significant. Since 2005, the SmartWay program has reduced our carriers' highway travel by 438 million miles and resulted in diesel fuel savings of more than 82 million gallons and carbon savings of more than 919,000 tons.

For more information on this important program, visit [www.epa.gov/smartway](http://www.epa.gov/smartway).



We collected our third consecutive SmartWay<sup>SM</sup> Transport Partnership Environmental Excellence Award in 2009. SmartWay carriers are now moving 100 percent of the products we ship domestically.

## Efficient Store Operation

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

Building an awareness of the importance of operating efficiently is just as critical as building efficient stores. With more than 1,700 stores in the United States, Canada and Mexico, Lowe's strives to maintain consistent standards to minimize our environmental impact and deliver savings.

Each of our 238,000 employees plays a role in our ability to operate our facilities as efficiently as possible. Our store employees have been making a bigger difference since 2008, when our facility team implemented an efficiency program called Lowe's Energy Awareness Delivers Savings, or LEADS. The program provides guidelines to control consumption in areas such as interior lighting, HVAC, irrigation and domestic water systems. Turning off just a few unnecessary lights in each store, when multiplied across the chain, can bring substantial energy savings and reduce greenhouse gas emissions.

Using LEADS principles, in 2009 our employees reduced energy use by approximately 140 million kilowatt-hours and water use by about 250 million gallons. Total cumulative savings of our energy and water bills was approximately \$14 million since the beginning of the year.



Using guidelines set by our store efficiency program, Lowe's employees reduced water use in our facilities by about 250 million gallons in 2009.

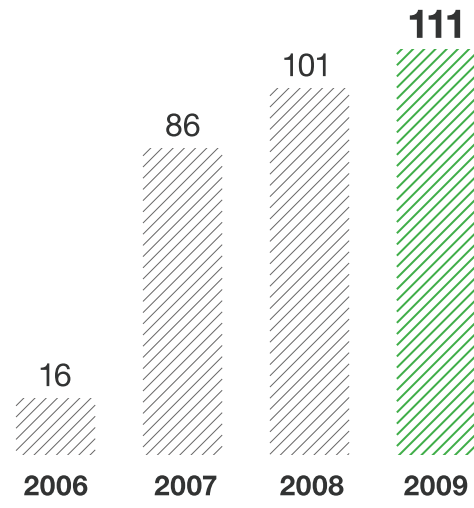


## Purchasing Green Power

Lowe's is improving our environmental performance and creating a healthier world through the purchase of green power, electricity generated from renewable energy sources such as solar and wind power. Joining leading organizations within the United States and across individual industries, we are a supporting member of the EPA's Green Power Partnership. In 2009, Lowe's ranked sixth among America's top retail green power purchasers and No. 16 in the FORTUNE 500® in green power purchasing.

We have increased our purchase of green power four years in a row, including a 10 percent increase in 2009 when we purchased 111 million kilowatt-hours of green power.

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



**Purchased Green Power**  
(kilowatt-hours in millions)

## Generating Solar Power

**Lowe's installed a solar-panel rooftop energy generation system at our store in Kona, Hawaii in December 2008, adding to the solar systems installed in four California stores in 2004 and 2005. The solar systems together generated 3.4 million kilowatt-hours of electricity in 2009, enough electricity to power 300 homes for an entire year.**



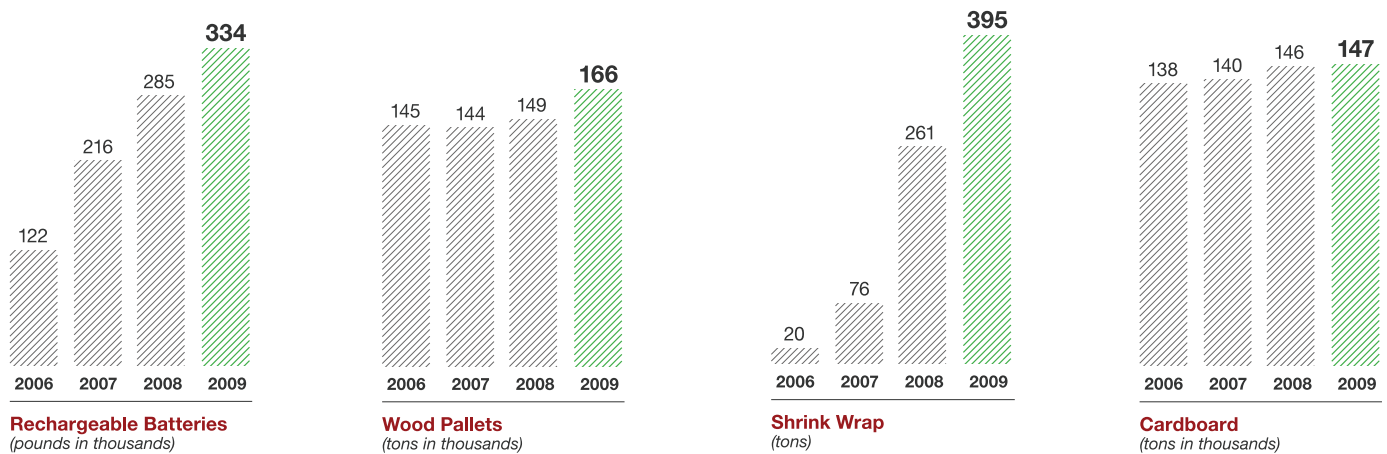
The panels atop our store in West Hills, Calif., have been producing solar power since 2004. Rooftop systems are also in place at Lowe's stores in Union City, Vacaville and Livermore, Calif., and Kona, Hawaii.

# Recycling

**Reducing waste in our communities is at the heart of Lowe's recycling strategies. With a proactive approach to minimizing our impact, Lowe's is proud of the progress we've made and we continue to improve our recycling programs at our stores and other facilities.**

Our stores have participated in the Rechargeable Battery Recycling Program since 2004, helping to protect the water supply by keeping batteries out of landfills. Lowe's collected a company-record 334,000 pounds of rechargeable batteries in 2009, a 17 percent increase over 2008. Our store participation rate also increased, from 88 percent to 93 percent.

We entered the fourth year of our nationwide pallet recycling program in 2009. Lowe's recycled 166,349 tons of wood pallets, 147,131 tons of cardboard and 395 tons of shrink wrap. We also moved forward with our appliance recycling pilot program, with 120 stores participating. More than 87 percent of appliances were recycled, collecting 4,624 tons of steel. We plan to extend the program to all of our stores in 2010.



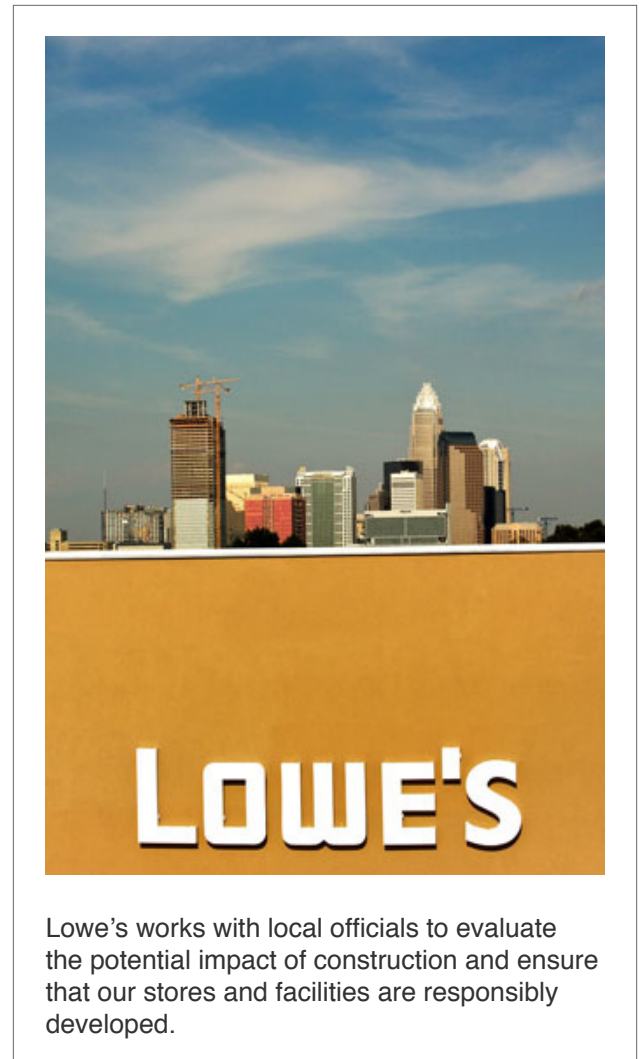
## Building Responsibly

**For more than 60 years, Lowe's has worked hard to be a good neighbor. With more than 1,700 stores and 37 facilities in our distribution network throughout North America, Lowe's recognizes that building our stores and facilities requires more than site plans. We are dedicated to ensuring that our stores and distribution centers respect the communities we join and the greater environment as a whole.**

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

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

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



## Responsible Wood Sourcing

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

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

In 2008, Lowe's extended our commitment to global forest conservation by supporting the update of the Lacey Act — an effort to end illegal logging globally. We are now actively engaged with environmental and industry groups and government agencies in helping interpret and implement this important initiative.

For more information on Lowe's wood policy, visit [www.lowes.com/woodpolicy](http://www.lowes.com/woodpolicy).



Lowe's is actively engaged in global forest conservation and has worked closely with our suppliers since 2000 to ensure the wood products we sell are harvested responsibly, from well-managed, non-endangered forests.

Photo courtesy of The Nature Conservancy

## Awards

**Lowe's was honored both regionally and nationally in 2009 for our work protecting and preserving natural resources, reducing greenhouse gas emissions and educating consumers about energy and water efficiency.**

Lowe's earned our fourth ENERGY STAR® Retail Partner of the Year Award from the U.S. Environmental Protection Agency and the Department of Energy. The honor is our seventh consecutive ENERGY STAR award overall.

The EPA also honored Lowe's with the WaterSense® Retail Partner of the Year Award and our third consecutive SmartWay<sup>SM</sup> Environmental Excellence Award for our leadership in the transportation sector.

Lowe's also received the John A.S. McGlennon Environmental Award for Corporate Leadership. The Environmental Business Council of New England honored Lowe's for the development and implementation of our national stormwater pollution prevention program, which manages construction activities to protect and improve water quality in the communities where we locate.



Store manager Nathan Clark (left) welcomes Gov. Tim Kaine to Lowe's of Staunton to usher in Virginia's sales tax holiday on ENERGY STAR® and WaterSense-qualified products.

## Our Environmental Partnership

**We are proud to partner with some of the world's leading nonprofit organizations to improve communities across North America.**

Over the past five years, Lowe's has teamed with The Nature Conservancy to support activities including land acquisition, efforts to restore healthy ecosystems, waterway cleanup and bay and estuary restoration. The Conservancy has decades of experience conserving forests around the world, and in 2009 we focused our support on protecting the forests of North America, from the Darkwoods of British Columbia to the floodplain forest along the Ouachita River in Louisiana.



Lowe's has teamed with The Nature Conservancy since 2006 to protect natural areas in the United States and Canada.

Photo courtesy of The Nature Conservancy

## The Nature Conservancy

**Protecting our natural communities and preserving the life they support are the twin pillars of our partnership with The Nature Conservancy. Lowe’s Charitable and Educational Foundation has contributed \$4 million since 2006 to help fund a variety of projects across the United States and Canada, with a growing focus on advancing conservation at a scale needed to protect biodiversity and natural areas for the enjoyment of future generations.**

Lowe’s Charitable and Educational Foundation’s \$2 million gift in 2009 supported one of the Conservancy’s most important initiatives — the forests of North America. The gift provided crucial funding for conserving forests in the Southern Coastal Plain, the Northern Rockies and the Appalachians in the United States as well as the vast Canadian Darkwoods.

The Darkwoods represent the largest private land conservation acquisition in Canada’s history. The 135,000-acre project connects a tract covering 250,000 acres that is large enough to allow wide-ranging animals such as grizzlies and caribou to roam freely. Similarly in the Northern Rockies, Lowe’s contributed to the purchase of more than 310,000 acres of forestland in western Montana. The Montana Legacy Project will consolidate and protect nearly 500 square miles of forest that is home to nearly all of North America’s large mammals.



The Darkwoods represent the largest private land conservation acquisition in Canada’s history. The territory in British Columbia’s Selkirk Mountains is home to one of the last herds of Mountain Caribou in the world.

Photo courtesy of The Nature Conservancy



## Putting Everything in a New Light

**Driven by a goal of continuous improvement, Lowe's expanded efforts to reduce energy use in our facilities in 2009. With a large percentage of annual electricity consumption coming from overhead, we focused our conservation efforts on completing lighting upgrades at facilities across the United States.**

Higher-efficiency lighting not only saves energy and reduces a building's peak electrical demand, resulting in significant utility savings, but also reduces environmental impact by requiring less fossil fuel to be burned.

Bulb by bulb, the changes add up to bigger energy savings, a smaller carbon footprint and a more comfortable environment for workers and customers. At Lowe's, the lighting upgrades of the past year touched a wide range of operations, from our lighting departments that measure only a few thousand square feet to distribution centers sprawling more than 1.2 million square feet.

### Store retrofits

With a final few twists of the wrist in early 2010, Lowe's completed a sales-floor lighting retrofit that started with bulb changes at 16 stores five years ago. Lowe's replaced 450-watt, metal halide high-intensity discharge lamps with more efficient, low-mercury, 226-watt T8 fluorescent fixtures in all stores built before 2002, the year we rolled out a new store prototype.

Lighting upgrades at more than 200 locations in fiscal year 2009 helped wrap up the 812-store project. In all, 539,034 new fixtures were installed. With six lamps each, that's 3,234,204 lamps. The retrofit contributed to an estimated collective energy savings of 546 million kilowatt-hours annually, or enough to power more than 50,000 homes for an entire year.

### Instant on, instant savings

A light bulb lighting up is often used as a symbol for inspirational thought. For Lowe's Energy Systems Specialist James Kurth, the thought of a light bulb lighting up resulted in a lighting schedule change that's saving energy and money.

When stores had metal halide fixtures, they needed a 15-minute head start for the lights to reach full brightness. After Lowe's converted the sales floor to instant-on fluorescent lamps, Kurth suggested turning half the lights on and off closer to store opening and closing, saving 40 minutes of energy usage each day. The estimated energy savings per store is approximately 16,000 kilowatt-hours a year, or about 21.6 million kilowatt-hours for the 1,350 participating stores. The annual reduction in greenhouse gas emissions is equivalent to taking 2,841 cars off the road for a year.

### Lighting displays

Lowe's took in-store lighting retrofits a step further in 2009, upgrading the fixtures in our fashion lighting departments from mostly 11-watt incandescent bulbs to 5-watt cold cathode fluorescent lamps (CCFLs). The



Lowe's is reducing energy use throughout our stores. Incandescent bulbs in display fixtures are being replaced with lower-wattage, longer-lasting cold cathode fluorescent lamps.

CCFLs are 55 percent more efficient than the 11-watt incandescent bulbs. The CCFLs have less mercury vapor and are even more efficient than conventional CFLs.

Since October, the cold cathodes have gone into displays in new store construction while being rolled out in existing stores as incandescent bulbs burn out. More than 85 percent of Lowe's display fixtures are expected to run on energy-efficient bulbs when the relighting is completed.

#### **Distribution center retrofits**

When Lowe's upgraded the lighting at the 1.4 million-square-foot Plainfield, Conn., distribution center in 2007, the results were "pretty astonishing," said Dave Dobrozsi, director of distribution center services and support. The new T5 fluorescent system reduced the facility's overall electrical demand by about 25 percent in 2008, and the higher quality lighting also drew praise from workers, said Dobrozsi. The success spurred four more DC upgrades in 2009.

It took all of about 31 days to see the savings benefits in Perris, Calif., where nearly 1,700 T8 and T5 fluorescent fixtures replaced a combination of metal halide and T12 fluorescent lamps. The lighting retrofit contributed to a 32 percent facility-wide energy reduction in March compared to the same period in 2008. That equated to nearly \$30,000 in utility savings in the first month alone.

Lowe's is committed to maintaining safe and efficient work environments at our facilities. We plan to retrofit all remaining Lowe's-owned distribution centers by the end of 2010. In all, about 22,750 high-pressure sodium and metal halide fixtures will be switched out at 34 facilities. With energy-efficient fluorescent systems in place, Lowe's will strive to reduce electrical usage at least 30 percent at every center.

## Blazing a New Trail in the Appalachians

**Now entering its fifth year, Lowe's partnership with The Nature Conservancy has evolved from specific projects in select states to a larger, regional focus. Lowe's Charitable and Educational Foundation's \$2 million gift in 2009 for North American forest protection supported the largest conservation campaign in Conservancy history.**

The mission of the Conservancy's Campaign for a Sustainable Planet is to double the protected area of each of the Earth's major habitat types — forests, grasslands, deserts, freshwater and saltwater. By lightly restricting our \$2 million gift, Lowe's allowed the Conservancy to identify forestland most in need of funding. The Conservancy used the funds to advance its work in four priority areas: Canada's Darkwoods, the Northern Rockies, the Southern Coastal Plain and the Appalachians.

Lowe's funding supported a wide range of projects in the broadleaf forests of the Appalachian range that extends from Alabama to Canada. In Tennessee, Lowe's gift benefitted the North Cumberlands, going toward a 127,000-acre conservation plan helping to protect a global hotspot for migratory birds, particularly declining species such as the cerulean warbler. In Maine's Appalachian Mountains, the Conservancy is working to create a 2 million acre corridor of continuous conservation. Lowe's support will help protect more than 400,000 acres in Maine's North Woods, making pristine waters and forested mountains available for future generations to enjoy paddling, hiking, camping, skiing, fishing and hunting.

### Grant conserves wonders of West Virginia

Part of Lowe's \$2 million donation contributed to the conservation of the New River Gorge Bufferlands in West Virginia. The \$250,000 grant helped to protect two tracts of land totaling 6,168 acres. The area is home to a host of West Virginia native species in one of the most diverse temperate deciduous forests on Earth. Lowe's helped to conserve a popular public hunting and fishing spot that borders National Park Service lands of the New River Gorge National River. The property includes forest game habitat and protects a section of a native brook trout stream.

The donation "exemplifies Lowe's longstanding commitment to The Nature Conservancy to support important initiatives that improve, conserve or maintain natural habitats and resources," said George Cox, Lowe's district manager.

State funding for land conservation is limited in West Virginia, which made Lowe's donation so crucial. With support from Lowe's, the Conservancy completed the transfer of 4,584 acres to the state as an addition to West Virginia's Beury Mountain Wildlife Management Area. The remaining 1,584-acre tract is also expected to be added to the Beury Mountain property. With existing state land, the additions will create an 11,500-acre buffer to the core forest area.

Gov. Joe Manchin said the gift helped provide "a new place for public recreation, continuing to make West Virginia a destination for tourists and improving the quality of life for West Virginians."



Lowe's support is helping to conserve 400,000 acres of forests, waterways and natural habitats in the North Woods in Maine, one of several projects Lowe's is funding in the Appalachian range.

Photo courtesy of The Nature Conservancy

## Introducing a Smarter Way to Manage Water Use

**For anyone who's seen automated sprinklers operating in the middle of a rainstorm, the thought "what a waste" has probably come to mind.**

Dedicated to conserving one of Earth's most precious natural resources, Lowe's is employing a new irrigation system that prevents overwatering, reduces water use and simplifies landscape maintenance. And it all comes down to "smart" choices.

Lowe's smart irrigation program began rolling out in fall 2009 in all new stores with irrigation and as a retrofit in 166 existing stores in 12 states. Smart irrigation includes using appropriate plant materials, efficient irrigation system design and controllers that automatically adjust the watering schedule as the local weather changes.

"The controllers provide the capacity for central management to reduce overall water use, provide quicker response to water line breaks and overuse, produce less nuisance runoff pollution and waste, and promote better plant health by using the correct amount of water," said Duane Coen, senior engineering manager for Lowe's.

A landscape irrigation test involving 26 California stores in 2008 replaced existing irrigation controllers with smart controllers. The smart controllers, which can be managed via the Internet, modify watering schedules based on property-specific landscape information, such as plant type, soil type and slope; real-time National Oceanic Atmospheric Administration weather data; plant and soil water loss; and micro-zone climate factors.

The test concluded that the smart controllers in California reduced irrigation water consumption by approximately 25 percent, with the potential for saving twice as much. The Environmental Protection Agency estimates conventional irrigation systems overwater landscape areas by 50 percent or more.

With long-term water shortages and fast-rising water rates, the need to control water consumption and costs has never been greater. Not only does the smart irrigation system produce savings in those areas, it also helps Lowe's stores minimize their impact on surrounding communities.

By controlling overwatering, it reduces the potential for runoff that unnecessarily taxes city drainage systems. It enhances our ability to comply with local water restrictions by making watering schedule modifications easy, and it reduces water waste. That, in turn, reduces the electricity required to treat and transport water, lowering carbon-dioxide emissions.

Lowe's expects the smart irrigation systems to reduce the participating stores' water consumption by a collective 130 million gallons, enough water to fill 197 Olympic-sized swimming pools.



Lowe's new irrigation program promotes better plant health while reducing water waste and the potential for runoff pollution.

# Lowe's Home Audit Tool

**While Lowe's is working hard every day to make our operations more efficient, we are also dedicated to helping customers do the same. Making your home more efficient pays you back, and it's easier than you think.**

Our Home Audit Tool walks you through three simple steps to help you save energy, water and money — while helping the planet along the way. Visit [Lowe.com](http://Lowe.com), build a custom plan that's right for you and watch your savings add up.

**Home Audit Tool** | [Save Energy](#) | [Save Water](#) | [Money-saving Projects](#) | [Related Products](#)

## Home Audit TOOL

STEP 1: ABOUT YOUR HOME | STEP 2: CREATE YOUR PLAN | STEP 3: TAKE ACTION

Is your home working for you? Use our interactive tool to find out. Learn how you can save money by making your home more efficient.

**STEP 1: Tell us about your home.**  
Take a few minutes to fill out questions about your current home and recent upgrades.

**STEP 2: Create your plan.**  
Build your custom plan by selecting those projects that are right for you and meet your budget.

**STEP 3: Let Lowe's help you do it.**  
Shop online or print and take your list to your local Lowe's store to purchase your project supplies. Get started on your projects using our library of project articles and how-to videos.

**Save Money. Save Energy. Save Water.**

[START NOW](#)

**Money-Saving Projects**  
Projects and tips that will save you energy, water and money. [Learn More](#)

**Home Efficiency Products**  
Products that make your home more efficient and leave more of your money in the bank. [Learn More](#)

**Conservation Tips**  
Use the products you already own more efficiently to save money and help the environment. [Learn More](#)

\* Cost and savings estimates are provided for informational purposes only. Figures are based on averages and third-party information and actual results and amounts may vary significantly.