



Serving with Purpose

2016
Social
Responsibility
Report



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Social responsibility is a cornerstone of our company and fundamental to our success. From our environmental stewardship programs to community revitalization efforts, we reinforce our purpose of helping people love where they live each and every day.

Introduction

Our 2016 Social Responsibility Report illustrates how we are building on our 70-year heritage of serving customers, employees and our communities to become more sustainable and responsible every day.

As a values-based organization, we are committed to responsibly operating our business, from our sourcing practices to an unwavering commitment to ethical behavior and transparency. We strive to provide our dedicated employees with the tools necessary to succeed, while ensuring a safe and inclusive work environment.

About Lowe's

Since 1946, we have grown from one hardware store in North Carolina into a Fortune® 50 home improvement company. With 2,365 home improvement and hardware stores in the U.S., Canada and Mexico, we help homeowners, renters and professionals complete a wide array of home improvement projects through convenient omni-channel retailing and a comprehensive customer experience. Our more than 290,000 employees connect with more than 17 million customers each week through our stores, contact centers, online channels and in their homes. In 2016, we significantly grew our footprint and presence in Canada with the acquisition of RONA inc.

Our net sales for the fiscal year totaled \$65.0 billion, an increase of 10.1 percent from 2015.



Selected Financial Data for Lowe's Companies, Inc. (Fiscal Year Data)

<i>Dollars in billions, except per share data and average ticket</i>	2014	2015	2016
Net sales	\$56.2	\$59.1	\$65.0
Gross margin	\$19.68	\$20.6	\$22.5
Net earnings ^{1,2}	\$2.7	\$2.5	\$3.1
Adjusted diluted earnings per common share ³	\$2.71	\$3.29	\$3.99
Total customer transactions (millions)	857	878	945
Average ticket ⁴	\$65.61	\$67.26	\$68.82

¹ 2016 results include the net settlement of a foreign currency hedge entered into in advance of the company's acquisition of RONA in the first half of the year, a charge related to the joint venture with Woolworths in Australia recognized in the third quarter, project write-offs recognized in the third quarter that were cancelled as a part of the company's ongoing review of strategic initiatives in an effort to focus on the critical projects that will drive desired outcomes, goodwill and long-lived asset impairment charges associated with the company's Orchard Supply Hardware operations as part of a strategic reassessment of this business during the third quarter and severance-related costs associated with the company's productivity efforts in the fourth quarter. 2015 results include a noncash impairment charge in connection with the company's decision to exit its joint venture with Woolworths Limited in Australia.

² 2016 results include the impact of a tax charge primarily related to the issuance of final Internal Revenue Code Section 987 regulations in December 2016.

³ Adjusted diluted earnings per common share is a non-GAAP financial measure. Refer to the Management's Discussion and Analysis section of our Annual Report on [Form 10-K](#) for additional information as well as reconciliations between the company's GAAP and non-GAAP financial results.

⁴ Average ticket is defined as net sales divided by the total number of customer transactions.

Social Responsibility Engagement and Strategy

Understanding our stakeholders' most important concerns and needs helps us address emerging challenges and identify opportunities for improvement.

We actively collaborate with customers, employees, shareholders, vendors, governments and other organizations to better understand important issues critical to operating our business responsibly.

Enhancing Our Enterprise-Wide Sustainability Strategy

In 2016, we initiated a comprehensive, enterprise-wide sustainability strategic planning process to assess our most important

social responsibility and sustainability issues across our operations, and identify where these issues intersect with our primary business objectives. Under the guidance of the [Lowe's Sustainability and Product Stewardship Council](#), we intend to formally launch an enhanced sustainability strategy enterprise-wide in 2017.

The most important social responsibility issues facing our business include:

- Community engagement and investment
- Workplace engagement, including career development, compensation and benefits, workplace safety, and diversity and inclusion
- Environmental footprint of our stores and operations
- Product stewardship

- Responsible supply chain management
- Ethical behavior

About This Report

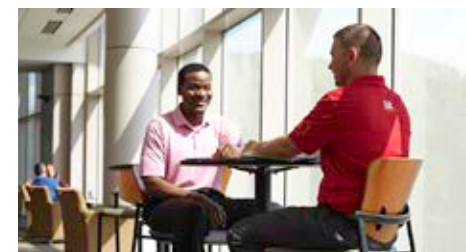
Our 2016 Social Responsibility Report covers the social responsibility and sustainability performance of Lowe's Companies, Inc.'s home improvement business operations in the U.S. Where applicable, we've indicated where information for our subsidiaries and international businesses has been included.

Unless otherwise stated, this report includes Lowe's data and programs for the calendar year that ended December 31, 2016 and all financial information is in U.S. dollars.

The 2016 report contains standard disclosures from the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines. A [GRI Index](#) is included at the back of the report for reference. More details regarding our social responsibility programs and business performance can be found in our Annual Report, Form 10-K, Proxy Statement and 2016 CDP (formerly Carbon Disclosure Project) disclosure.

For additional information, or to provide feedback, please visit our [website](#) or email us at socialresponsibility@lowes.com.

Lowe's Stakeholder Engagement in 2016	
Customers	In-store interactions, social media, website and additional online communications, customer support centers, customer contact centers, community events, surveys
Shareholders	SEC filings, Proxy Statement and annual reports, Annual Meeting of Shareholders, quarterly earnings calls, analyst and investor meetings
Employees	Employee Opinion Survey, performance reviews, Code of Business Conduct and Ethics, Lowe's ethics hotline, training and development, community events, internal digital channels
Suppliers and Vendors	Trade organizations, Lowe's Vendor Code of Conduct training, social accountability audits, conflict mineral reports, vendor advisory council, vendor forum, supplier diversity programs and events
Government	Public affairs department, lobbying activities, Lowe's Political Action Committee (LOWPAC), trade associations
NGOs and other Community Partner Organizations	Partnerships, community events, charitable contributions, volunteerism



CEO Message

Dear Stakeholders,

In a world that is constantly reinventing itself, the companies that remain relevant today and thrive in the future are the ones willing to evolve. Lowe's is no different. For 70 years, our company has adapted to the changing needs and expectations of customers with new store formats, sales channels and the use of technology. But the one thing that hasn't changed is our focus on, and commitment to, the customers and communities we serve on a daily basis.

That focus and commitment is a direct reflection of our purpose and values. To help people love where they live, we value employees who want to be part of something bigger, who want to make a difference in someone else's day, who listen intently, sense and respond, and who give their best to deliver the solutions that meet customers' needs. But we also know that with our purpose and values comes a responsibility to the customers and communities we serve to make their homes, their neighborhoods and the environment around them better.

In this report, we outline the decisions made and the actions taken to meet that responsibility. We explore how we use our purpose and values to focus on the things that are important to customers, from offering a range of sustainable and environmentally responsible products, to committing to phase out the sale of products that contain neonicotinoid pesticides where commercially viable. We also explore the ways in which we use our purpose and values to serve others, from the Lowe's Employee Relief Fund distributing \$3.8 million to support our associates in their time of need, to our partnership with Habitat for Humanity helping to revitalize communities by building and repairing more than 1,000 homes across the country.

We know these efforts have not gone unnoticed, and we're proud of our listing on the FTSE4Good Index, which measures social and environmental performance, and being honored with our eighth EPA SmartWay award for clean transportation. We're also proud of our hiring practices and the talent we bring to the Lowe's family, including veterans, as evidenced

by our Freedom Award from the U.S. Department of Defense for making this company a great place for veterans to work. And while we genuinely appreciate the recognition we've received in the last year, our reasons for making principles-based decisions serve a much higher purpose – meeting our responsibility to make people's homes, communities and lives better.

Looking ahead to 2017, we know that we will continue to evolve. A new social responsibility strategy that is even further aligned with our purpose and values is being developed and implemented now. And while we look forward to sharing our progress on that, we hope you will take this moment to enjoy a look back at the year we had and the impact we made on the world around us.

Sincerely,



Robert A. Niblock
Chairman, President and CEO



Governance & Ethics

Lowe's is built on a foundation of integrity and ethics. These attributes are instilled in our company culture and shared by all Lowe's employees. We value our reputation, and we are committed to continual improvement as a more responsible company and corporate citizen.



Our board of directors oversees our business strategy. They engage with management and shareholders to maintain accountability and align our practices to achieve long-term success.

Corporate Governance

Board Leadership and Oversight

Our board of directors is composed of 11 members and is chaired by CEO Robert A. Niblock. Three of our board members are women, and three represent minority groups. We are committed to refreshing board membership to align skills with company priorities and evolving needs. Since 2015, we have added four new directors and two directors have retired.

Our board members serve on five standing committees: audit, compensation, nominating and governance, public policy and executive. The structure and charters for our committees are available at [Committees and Charters](#) on our Investor Relations site.

Our board adheres to our corporate governance best practices, which include:

- Every member of the board, with the exception of the chairman, qualifies as an independent director.
- When the CEO is also chairman of the board, the independent directors elect an independent lead director on an annual basis.
- The nominating and governance committee conducts an annual performance evaluation of the CEO.

- The executive committee considers potential CEO succession planning on an annual basis.
- All nonmanagement directors and senior executives are required to meet ownership thresholds for Lowe's stock. We believe this promotes greater shared interests among directors, executives and shareholders.
- Our recoupment guidelines require that in the event of a significant restatement of Lowe's financial results, the board will review, and adjust as necessary, any incentive compensation paid to executive officers in the period of restatement.

Read more about Lowe's governance on our [Investor Relations site](#) and in our [Proxy Statement](#).

Social Responsibility Governance

To maintain transparency and accountability, corporate sustainability and public affairs report to the board on a regular basis and are managed by our corporate administration executive. Our public policy committee provides oversight of our position on significant public issues and corporate social responsibility.

Sustainability and Product Stewardship Council

In 2016, we established a Sustainability and Product Stewardship Council responsible for strategic oversight of the sustainability and social responsibility topics relevant to our business. The council is composed of 14 representatives from business functions across our operations, chaired by five corporate executives and led by Chief Operating Officer Rick Damron. The council meets monthly and oversees the implementation of our sustainability strategy.



Ethical Business Behavior

Our requirement for ethical practices extends beyond our walls to the suppliers, vendors and service providers who deliver the products and services we sell.

Employee Code of Conduct, Compliance and Training

We expect our employees to act responsibly, legally and ethically at all times. Employees at every level are required to comply with our [Code of Business Conduct and Ethics](#) (the Code), which outlines policies and expectations regarding:

- Compliance with laws, regulations and internal policies
- Conflicts of interest
- Insider trading
- Employee relations

To help new employees understand the importance of ethics, we require them to complete our online Code of Business Conduct and Ethics course. Some of our positions that are at increased risk for ethical conflicts require in-person training and annual certification of compliance with the Code.

We expect our vendors, suppliers and service providers to uphold ethical business practices and to comply with [Lowe's Vendor Code of Conduct](#). To support our global supply chain in maintaining these standards, we offer instructor-led training on this code available in English, Spanish and Mandarin Chinese. Read more about our Vendor Code of Conduct and training in our [Supply Chain](#) section.



Anti-Corruption Training and Management

As a global company, we take proactive steps to address the issue of corruption. Our [Anti-Corruption Guide](#) establishes policies and protocols for employees who engage with third parties internationally or work with foreign charitable contributions, mergers and acquisitions, and recordkeeping. We continually update the Anti-Corruption Guide to reflect the most current laws and regulations and

maintain alignment with our business model.

Many director-level and above employees are required to participate in annual anti-corruption training, including senior executives; corporate employees in Canada, Mexico, China, India and Vietnam; U.S. corporate employees traveling internationally to high-risk areas; and U.S. corporate employees in high-risk functions. Training covers regionally relevant topics in local languages.



Open Door and Nonretaliation Policy

We provide our employees with various options to report concerns without fear of retaliation. We offer online, email and 24/7 third-party-operated hotlines for reporting. All reported concerns are recorded, evaluated and managed by Lowe's.

Ask questions and report ethical concerns

Online	www.ethicspoint.com	
Email	compliance@lowes.com	
Phone	U.S. and Canada	(800) 784-9592
	Brazil	0800-8911667
	Northern China	10-800-712-1239
	Southern China	10-800-120-1239
	Colombia	01800-9-155860
	Hong Kong	800-964214
	India	000-800-100-1071 or 000-800-001-6112
	Indonesia	001-803-011-3570 or 007-803-011-0160
	Malaysia	1-800-80-8641
	Mexico	001-800-840-7907 or 001-866-737-6850
	Taiwan	00801-13-7956
	Thailand	001-800-12-0665204
	Vietnam	120-11067
	Other int'l locations	(503) 619-1883

Customer Privacy

We respect customers' privacy and have established administrative, technical and physical safeguards to guarantee their information is held securely and responsibly. Our approach to customer privacy is available online in our privacy statements relevant to the [U.S.](#), [Canada](#) and [Mexico](#). These statements disclose important information about the types of data collected, how we use it, how we share it and how we protect it. They do not apply to the following Lowe's subsidiaries, affiliates and product lines that are subject to their own privacy statements and policies: RONA, Orchard Supply Hardware, LLC, Iris Smart Home, Allied Trade Group, LLC and Alacrity Services, or our relationship with [Porch.com](#). We periodically update our privacy statements and procedures to maintain compliance with laws and regulations governing data privacy and security.

To protect the information we gather, we offer companywide privacy and security awareness training. Training assists employees in understanding the responsibility of handling customer data, identifying risks and learning the steps to take if a risk is suspected. For employees with additional data-handling responsibilities, we hold further targeted training.

Political Engagement



We provide support for local, state and federal policies and initiatives that align with our public policy agenda. Our vice president of public affairs manages our political engagement, and Lowe's Political Action Committee (LOWPAC) oversees our contributions and fundraising.

When making contributions, LOWPAC does not consider personal political interests of our senior management or the board of directors.

We have a separate political activity and government affairs policy for employees to maintain alignment with our own requirements and those required by law. We do not make direct corporate contributions to political campaigns or candidates, and do not contribute to 501(c)(4) or 527 organizations, as defined by the Internal Revenue Code, for express political purposes.

We retain the right to support issues and ballot measures that are aligned with our public policy agenda and business priorities. These contributions are disclosed in the [LOWPAC annual report](#).

Lowe's Political Action Committee

As an employee-sponsored political action committee, LOWPAC is completely funded by voluntary U.S. employee contributions. The LOWPAC Committee determines how political contributions are spent and ensures their alignment with our business priorities. In 2016, LOWPAC issued \$402,000 in political contributions.

Lowe's and LOWPAC support transparency and accountability, and are fully committed to complying with all applicable laws. LOWPAC lobbying activities are reported quarterly on various public websites, such as www.house.gov, www.senate.gov and www.secretary.state.nc.us/.

Trade Organizations

To inform our lobbying practices on issues most relevant to our business, we participate in a number of state and national trade associations. These associations lobby on behalf of retailers and focus on educating public officials about the importance of the retail industry as a whole. As a result, these organizations use a portion of contributions for nondeductible lobbying activities.

Our representatives serve in a leadership capacity in several of these associations, including the Retail Industry Leaders Association. Their participation ensures our best interests are represented. A full list of our trade association partners is available [here](#).



Community

From responding to natural disasters to building and improving housing for deserving families, we are continually adapting to meet the needs of our communities. Our commitment to community giving is part of our heritage and builds on more than seven decades of investing in the many diverse communities that our employees, customers and their families call home.



We bring our community strategy to life through annual charitable giving and the hands-on service of Lowe's volunteers. Each year, we donate millions to nonprofit organizations through corporate donations, store giving and the Lowe's Charitable and Educational Foundation.

Community Giving Strategy

Our Lowe's Heroes volunteers invest thousands of hours in local communities, and our purpose-driven community giving strategy is focused on advancing three primary impact areas:

- **Community Improvement:** Access to safe and affordable housing is essential to the health of our communities. In collaboration with our strategic partners Habitat for Humanity and Rebuilding Together, we provide building and repair assistance to families in critical need.
- **K-12 Public Education:** All children deserve access to a great education. We are committed to improving underserved schools through the Lowe's Toolbox for Education® grant program and furthering youth development by partnering with the Boys & Girls Clubs of America and other leading organizations.
- **Disaster Relief:** When disasters strike, our presence across the U.S. enables us to respond quickly to the critical needs of local communities. We work with the American Red Cross and First Response Team of America to support emergency response and disaster relief efforts that help communities recover quickly.

Community Giving 2014–2016*

	2014	2015	2016
Total Giving	\$28m	\$33m	\$33m

* Includes employee relief fund and employee giving campaign

The Lowe's Foundation

Serving our communities is part of our company heritage and is embodied in the heartfelt giving of the Lowe's Charitable and Educational Foundation. The organization has been investing in community programs for nearly six decades since 1957, and our giving has evolved to support programs that are aligned with our expertise and principles as a business. Each year, the foundation contributes millions of dollars through:

- Donations to national nonprofit partners
- Lowe's Toolbox for Education
- Education scholarships
- Community grants

The foundation is chaired by our corporate administration executive and overseen by a board of directors that includes representatives from departments within Lowe's who advise on strategy and giving priorities.

2016 Community Impacts

\$33 million
in charitable giving

80,000
Lowe's Heroes
volunteer hours



Volunteering with Lowe's Heroes

At Lowe's, our employees are heroes at work and in their communities. Through our Lowe's Heroes program, our employees serve thousands of hours each year as hands-on volunteers helping to renovate homes and communities, repair schools and rebuild after natural disasters. In 2016, Lowe's Heroes logged more than 80,000 volunteer hours, with 100 percent of U.S. Lowe's stores participating. To support the program, each U.S. store is given \$2,500 annually to fund volunteer projects within its communities. We donated more than \$4 million to Lowe's Heroes projects in 2016.

Highlights from the year included:

- **San Francisco:** More than 100 Lowe's Heroes helped renovate six homes and restore the Jelani House, a nonprofit providing substance abuse treatment for women with children. The event launched the Rebuild-A-Block project with Rebuilding Together and included two-day projects in San Francisco, Dallas, New York City, Seattle and Denver.
- **Houston:** Eighty Lowe's Heroes worked in partnership with the NCAA to renovate the Jim and Barbara Morefield Boys & Girls Club. Lowe's volunteers painted the entire building, updated restrooms, replaced broken fixtures, repaired water fountains, updated landscaping and created a new walkway. We have transformed more than 180 Clubs all over the U.S. through our partnership with Boys & Girls Clubs of America.

Revitalizing Communities in Canada through Lowe's Heroes

Lowe's Canada supports a variety of causes to help strengthen the communities in which we operate. In 2016, we hosted our second annual Lowe's Heroes fundraising campaign to expand local community improvement projects across the country. Throughout March, Lowe's Canada encouraged customers to donate 2 Canadian dollars (CAD) at checkout to support their store's local charity partner. Lowe's then matched 50 percent of all funds raised, up to CAD \$2,000 per store. Across 42 stores, Lowe's Canada raised nearly CAD \$200,000 for projects focused on supporting safe and accessible housing, skilled trades education and community improvement and renovation projects. From May through November, Lowe's Heroes supported each local store-led charity project by giving their time and expertise.

- **Seattle:** Over two days, 125 volunteers from Lowe's stores and Allied Trade Group, LLC, a Washington-based subsidiary of Lowe's, refreshed 72 hotel rooms for residents of Mary's Place, a shelter serving homeless families in Seattle. Volunteers painted and added new items to each room, including floor lamps, vases, bookshelves and shower curtains. Read more on our [newsroom](#).
- **Nagenhalli, India:** Fifty Lowe's Heroes from Lowe's corporate office in Bangalore worked alongside Habitat for Humanity to lay the foundations for new homes. As part of our International Women's Day celebrations, the event focused on changing the lives of urban families by helping them secure better sanitation and access to water.



As a purpose-driven home improvement company, we take great pride in helping our communities thrive. Our commitment to community improvement is reflected in our long-standing partnerships with leading service organizations.

Improving Our Communities

We work closely with Habitat for Humanity International, Rebuilding Together and Keep America Beautiful to help families and communities build a stronger future for themselves. We also empower community members to become self-reliant by teaching construction and maintenance skills through educational how-to clinics and our partnership

with SkillsUSA.

Since our partnership with Habitat for Humanity International began in 2003, we have committed more than \$67 million to Habitat and helped more than 6,525 families build or improve their homes. Since 2007, Lowe's has contributed \$13 million in charitable contributions to Rebuilding Together,

benefiting more than 15,843 individuals through home safety, accessibility and energy-efficiency upgrades. And for the past five years, we have worked with Keep America Beautiful to rejuvenate parks, rebuild disaster sites and plant community gardens, contributing more than \$5 million toward hundreds of projects across the U.S.

Serving Local Communities with Paid Volunteer Time

To support even more flexible volunteering, in 2016 we launched a new program called Give Back Time to provide full-time employees with up to eight hours of paid time off annually to volunteer with nonprofit organizations. This initiative, which is distinct from Lowe's Heroes, empowers employees to give back to their communities by volunteering with a locally based nonprofit of their choosing. In 2016, our employees contributed more than 60,700 volunteer hours through the program. Read more on our [newsroom](#).



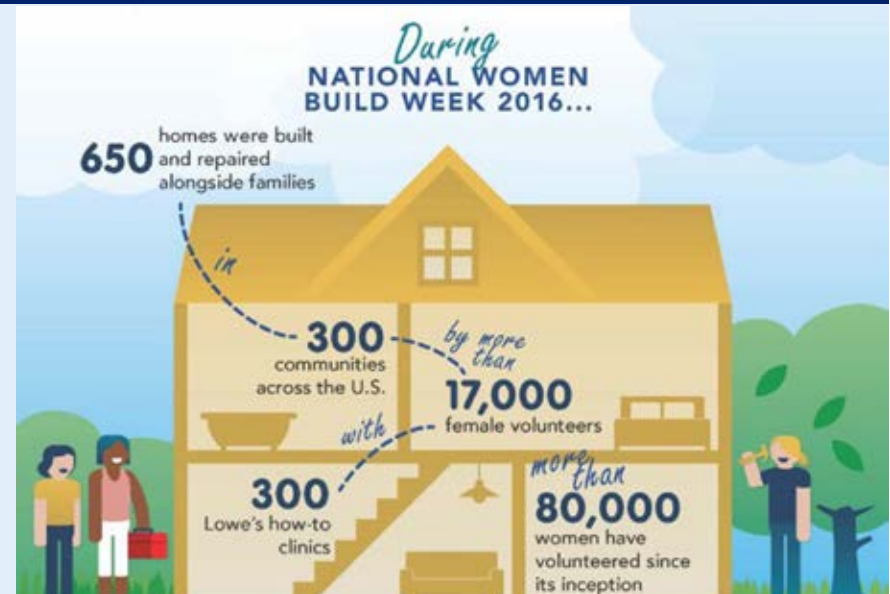
Building and Repairing 1,000 Homes with Habitat for Humanity

In 2016, Lowe's and Habitat for Humanity came together to set an ambitious goal: to build and repair 1,000 homes by the end of the year in partnership with families in critical need. After the yearlong effort, we exceeded our goal, building and repairing 1,009 homes.

To support this initiative, Lowe's, Habitat and more than 17,000 women kicked off things in early May to build and repair homes alongside 650 families as part of [National Women Build Week](#). More than 300 Habitat locations hosted activities that included neighborhood revitalization projects and new home construction. In December 2016, Lowe's Heroes and Habitat for Humanity restored 58 homes and strung holiday lights with families in Fort Worth, Texas, to celebrate the conclusion of the initiative.

Shelby Rico, a single mother of three from Fort Worth, was one of the appreciative homeowners moving into a safe and affordable home. "Lowe's is helping me change my life," Rico said. "I try and teach my children to be thankful for what we have. My son is so grateful that they are helping us to get a house." Read more on our [newsroom](#).

In addition to building homes with those in need, National Women Build Week provides women volunteers with useful construction skills through how-to clinics and technical training, and empowers them to use those new skills while working alongside our employees and Habitat families. We are pleased to celebrate our 10th anniversary supporting National Women Build Week in 2017.



Rebuilding Together in New York City

What does it take to rebuild a block? In March 2016, our volunteers found out by working alongside Rebuilding Together NYC at the Rebuild-A-Block volunteer day. More than 80 Lowe's Heroes participated in hands-on projects at The Hudson Guild, a nonprofit focused on empowering low-income families in New York City. Our volunteers painted the Hudson Guild gymnasium and community center and created a community garden with benches and picnic tables. The event was part of a larger national Rebuild-A-Block campaign that included five Lowe's Heroes projects across five U.S. cities.



We help students achieve their educational goals by providing grants through the Lowe's Charitable and Educational Foundation, partnering with educational and youth development organizations and awarding scholarships.

Investing in Education and Youth Development

Lowe's Toolbox for Education

We think it's important for children to love where they learn. Since 2006, the Lowe's Charitable and Educational Foundation has provided more than \$54 million in grants through our Lowe's Toolbox for Education® program (Toolbox), benefiting more than 7 million children. Through grants ranging from \$2,000 to \$100,000, we support upward of 1,000 K-12 public and charter schools each year to make safety improvements, invest in learning materials and buy new technology. In 2016, Toolbox provided more than \$5 million in grants to improve more than 1,200 schools.

Building a Safe Place to Play

Callie Logan, a fourth-grader at Hiddenite Elementary in North Carolina, was inspired to become a changemaker within her own school. "Whenever my dad needed something fixed, he would always go to Lowe's," Logan said. "I decided to write them a letter to see if they could fix our playground." Logan wrote Lowe's explaining her school's need for a safe playground and helped Hiddenite earn a \$25,000 Lowe's Toolbox for Education grant.

"I cried at first," said Rene Stilwell, the school's principal. "Most of these students don't have much. This was something that they really, truly deserved." The grant helped the school rebuild its playground, which was built in the 1960's, and also make it accessible to children with disabilities. Read more on our [newsroom](#).



Boys & Girls Clubs of America

Since 2009, we have partnered with the Boys & Girls Clubs of America, a nonprofit organization that provides mentorship and development opportunities to millions of children during critical out-of-school hours. In recognition of this support, the Boys & Girls Clubs of America presented Lowe's with its 2016 Corporate Philanthropy Award for making an extraordinary impact on the lives of young people.

In 2016, we launched Renovation Across the Nation, a \$2.5 million initiative providing \$50,000 grants to 50 Boys & Girls Clubs across all 50 states.

Funds from the initiative are refreshing, enhancing or expanding Boys & Girls Clubs facilities for approximately 50,000 kids and teens around the U.S. More than 1,500 Lowe's Heroes also donated their time and know-how throughout the year, providing hundreds of hours of volunteer service at Boys & Girls Clubs locations in 2016.

Read more on our [newsroom](#).

SkillsUSA

We are committed to championing trades education to address the growing shortage of skilled workers in the U.S. In 2016, we provided \$1.5 million to SkillsUSA to fund programs that prepare 300,000 student members annually with the skills, hands-on experience and confidence to enter the workforce. Since our partnership began in 2004, we have contributed more than \$15 million in support and grants to SkillsUSA. Read more on our [newsroom](#).

Restoring a Beacon of Hope: The Boys & Girls Club in Harlem



Closed in 1975, the New York City P.S. 186 school building was purchased by the Harlem Boys & Girls Club with the goal of converting it into an operating Club. Without sufficient funding, the school sat vacant for almost 40 years. Finally, in 2014, the Harlem Boys & Girls Club secured financing to begin construction.

A Lowe's Renovation Across the Nation grant allowed the club to purchase a commercial refrigerator, freezer, steamer and microwave. Just opened in 2016, the club now has a kitchen with appliances that enable staff to safely store fresh foods and cook healthy meals for the kids. In addition to financial support, Lowe's Heroes volunteers helped assemble the kitchen and beautify an outdoor courtyard. Read more on our [newsroom](#).

“

Lowe's has stepped up as one of our finest partners, providing millions of dollars that strengthen local and state programs. Lowe's grants allow our students to apply their skills in real-world scenarios while giving back.

Tim Lawrence, SkillsUSA Executive Director

”



RONA Plants 1 Million Trees in Alberta Forests

In 2016, RONA completed its 2011 commitment to plant 1 million trees in northern Alberta's boreal forests by 2021. The program helped the region replenish forestland destroyed by fires dating back to as early as 1998.

The Nature Conservancy

For more than a decade, we have partnered with the Nature Conservancy to protect important natural areas across North America and advance environmental youth education programs. In 2016, we contributed \$1.25 million toward programs that helped 1.8 million young people learn about and become engaged in preserving and protecting natural resources. With support from Lowe's in 2016, the Nature Conservancy was able to expand its Nature Works Everywhere school garden program and online educational resources, and offer high school and college internships to aspiring environmentalists.

Educational Scholarships

The cost of college tuition has become an increasing barrier for students seeking a college education. We fund scholarship programs that provide financial support to high-achieving students based on critical financial need. Through partnerships with the Thurgood Marshall College Fund and United Negro College Fund (UNCF), we help students across the country achieve their academic dreams. In 2016, we provided \$1 million in contributions to scholarship programs, improving educational opportunities for more than 400 students.

Through the Carl Buchan Scholarship program, we award direct scholarships to our employees, their families and dependents. In 2016, we awarded \$250,000 in scholarships to 50 students.

Emergency Scholarship Propels Student to Graduate



Elaine Cadichon found herself in financial hardship shortly before her senior year at Johnson C. Smith University in North Carolina. A model student, Cadichon had excelled in school and served as Student Government Association president. Her academic adviser encouraged her to apply for emergency student aid through the United Negro College Fund (UNCF). This critical support allowed Cadichon to focus on her studies and graduate with her peers on time. "The scholarship saved me," she said. "I don't know what I would have done without it."

Since the inception of the UNCF emergency scholarship campaign, we have contributed more than \$4.2 million, helping more than 1,700 students graduate on time.

Removing Barriers

Since partnering with the Thurgood Marshall College Fund in 2011, we have contributed nearly \$2 million in scholarships to remove financial barriers for students at publicly supported historically black colleges and universities.



Providing Disaster Relief to Communities in Need

Natural disasters are unpredictable, causing lasting damage and impacting customers and communities directly. The presence of our stores across the U.S. makes the impact of disasters personal for our employees and our company. Our customer support centers, supply chain and national footprint of distribution centers also enhance our ability to respond quickly to changing needs on the ground.

We are committed to helping affected communities get the relief they need to recover and rebuild. Through our operations and national partnerships with the American Red Cross and the First Response Team of America, we support disaster relief efforts across the country. Lowe's Heroes also contribute thousands of hours of volunteer service and expertise each year to aid relief and recovery efforts.

Lowe's Emergency Command Center

Before and after a natural disaster, we stock the supplies customers need to protect their properties and recover. During significant weather events, our Emergency Command Center works around the clock to identify needs and get critical supplies to affected communities. Created in the wake of Hurricane Hugo in 1989, the command center coordinates the shipment of pre- and post-storm essentials such as plywood, nails, generators and dehumidifiers to our stores in affected areas to ensure store inventory can meet demand. In 2016, we responded to more than 100 emergency events, coordinating more than 25,000 truckloads of product.

Lowe's Volunteers Help Louisiana Flood Victims

More than 60,000 homes were damaged after historic floods hit southern Louisiana. Henry Tamzin, an 80-year-old widower, barely escaped rising floodwaters in his home with the help of local rescuers.

Upon hearing about Tamzin's story, more than 40 Lowe's Heroes from as far as three hours away worked alongside the First Response Team of America to help Tamzin's family begin the recovery process. "I received a call saying someone wanted to help and I couldn't believe it," said Tina McDonald, Tamzin's daughter. "They were just remarkable. I just started to cry out of happiness." Read more on our [newsroom](#).



Our biggest responsibility is to support communities and be a partner for people during their biggest time of need.

Rick Neudorff,
operations manager,
Lowe's Emergency
Command Center



Supporting Our Disaster Relief Partners

This year was devastating for many communities across the U.S. In August, more than 30,000 people had to be rescued after historic flooding in southern Louisiana. In October, Hurricane Matthew hit the southeastern U.S. and became the fifth-most destructive hurricane in history. In December, wildfires caused record damage in Tennessee and across the Southeast.

In 2016, we donated \$2.1 million to support relief and recovery efforts in the wake of these and other natural disasters through our national partnerships with the American Red Cross and First Response Team of America. Additionally, hundreds of Lowe's Heroes volunteered their time and expertise to support recovery projects across the country.

For example, in the spring of 2016, West Virginia experienced devastating floods that took the lives of nearly two dozen people and damaged more than 1,200 homes. We worked closely with the West Virginia Division of Homeland Security and Emergency Management to assist flood victims by shipping nearly 40 truckloads of critically needed supplies, including materials to help assemble 20,000 cleanup buckets for affected areas. Lowe's Heroes volunteers also supported relief efforts by distributing free supplies and working alongside homeowners to clean up.

Lowe's 2016 Disaster Relief in Partnership with American Red Cross

\$1.35 Million

donated by Lowe's
in 2016 to American Red
Cross Disaster Relief

\$28 Million

total giving by Lowe's
since 1999 to American
Red Cross Disaster Relief



Disaster Relief Partnerships

Organization	Partners since:	Total Giving	2016 Giving
American Red Cross	1999	\$28,000,000	\$1,350,000
First Response Team of America	2012	\$3,000,000	\$750,000

Employees

Every day, more than 290,000 Lowe's employees have one job: serving others. To continue meeting the changing needs of customers, we provide learning and development opportunities that further our employees' careers, initiatives that advance diversity and inclusion, benefits that support health and financial security, and a workplace focused on safety for everyone.



We are committed to continually strengthening a culture that reflects our purpose and values. We focus on ensuring that all employees are respected, supported, professionally fulfilled, well-trained and knowledgeable.

Employee Culture



We regularly assess how we are living up to our commitments. One way we do this is through our annual Employee Opinion Survey (EOS). The survey asks full-time and part-time employees to provide feedback on their experience with Lowe's on topics

including workplace environment, well-being and work-life balance. We use this feedback to evolve our employee offerings. In 2016, more than 200,000 employees completed the EOS, a 5 percent increase from 2015. For the fourth year in a row, employee engagement

improved in 2016. All three of our U.S. business areas (stores, distribution centers and customer support centers) featured positive engagement in 2016, with each area reaching or surpassing Lowe's benchmark engagement goal of 65 percent.

In 2016, we refreshed our SERVE leadership model to better reflect behaviors that drive our purpose, such as embracing diversity and valuing voice and expression. We reinforce the SERVE model by training leaders and employees, and through performance management discussions. Leaders

at Lowe's are provided with specific areas to focus on for their own development as well as details of what their employees feel is most important for them to understand about their leadership. Leadership effectiveness measures increased in 2016 for the third year in a row.



Committed to Serving Our Employees

We set high expectations for our employees to meet customers' needs. In the same way, our employees can expect that we will live up to our commitments to:

- Offer learning and development opportunities to help employees grow in their careers
- Provide employees with strong health and wellness programs
- Foster an inclusive environment that encourages diverse thinking
- Empower employees to make a difference in their communities through engagement opportunities
- Help keep employees safe by promoting a culture of health and safety



As the expectations of customers rapidly evolve, the skills required to meet their needs are also changing. Through learning resources and development experiences, we provide employees with the knowledge, skills and behaviors needed to advance their careers with Lowe's.

Learning and Development

Onboarding Talent

In 2016, we launched Red Vest Ready, a program designed to help new and transferring store employees feel confident and ready to serve customers before they put on the Lowe's red vest. The program ensures that employees are provided with dedicated time to learn through training materials, feedback from existing employees and coaching from supervisors before interacting with customers. Upon completion, we host a dedication celebration to present each employee with their red vest. Following Red Vest Ready, employees receive 90 days of additional onboarding and regularly review personal development plans with their managers.

We also launched a New Employee Orientation program at select stores and our customer support centers in 2016. The program is designed to help employees understand our purpose-driven culture and values, as well as how we serve customers. The program uses virtual reality technology to immerse participants in the omni-channel retail environment to help employees visualize how their roles connect to and ultimately serve customers. We plan to expand the program to all U.S. locations within the next two years.

Talent Development

We invest in professional development through classroom courses, developmental assignments, experiential learning, coaching and online trainings. Training efforts cover functional and technical job-specific skills, as well as general professional training in areas such as communications, problem solving, decision making, project management and collaboration.



An Evolving Talent Management Strategy

To keep pace with our expanding omni-channel business, we must also transform how we develop, attract and retain talent. In 2017, we will continue to enhance our talent management strategy, focused on:

- Enabling Growth Through Leadership and Culture: Make our values explicit through policies and actions that reinforce our purpose and create value for employees and customers.
- Strengthening Our Talent: Provide strategic learning and development opportunities, competitive benefits and a culture that grows our employee competencies and talents.
- Organizing for Enterprise Success: Offer development opportunities for our employees across our portfolio of diverse businesses.

We are committed to helping employees succeed and advance their careers within Lowe's. All employees, including part-time and seasonal workers, receive ongoing performance feedback to gauge their progress and discuss individual development and career aspirations. Most employees participate in processes that encourage and support frequent performance feedback, and some employees receive a formal annual evaluation to assess their performance and/or demonstration of SERVE leadership behaviors.

Through the Lowe's Leadership Institute, front-line leaders, managers and executives receive targeted development to help them serve customers and their teams more effectively. This includes executive coaching and talent reviews, as well as support with onboarding and succession management.

We are committed to recruiting and developing new talent by offering college students a chance to learn from on-the-job experience. In 2016, we hired 48 summer interns and offered 44 of them extended internships or full-time positions through our College Talent Program (CTP). The CTP provides high-performing new college graduates with the opportunity to improve their job proficiency and accelerate their careers. We provide participants with professional and technical development and guidance from internal subject matter experts.

Lessons in Leadership

Dear Lowe's Leadership,

I wanted to reach out to you to say thank you. I'm the store manager in Osage Beach, Missouri, and I've been with Lowe's for 17 years.

A little over a year ago, my wife, Julie, found out she had cancer. After a couple of surgeries, she began chemotherapy at age 36. It was a challenging time for her, myself and our 4-year-old son. During that time, Kendel Baggs, Angie Black and Darrin Clark were nothing short of incredible. These three leaders placed my family first, and at the same time, they allowed me to develop at work.

Yesterday, my wife was declared cancer-free. It's been a tough year, but it's going to end on a good note. I'm not sure if we would have done as well if I would have been with any other company or any other set of leaders. I know the way each of us leads impacts the way others lead. The leaders you are impacting are getting it right.

Thank you for your time.

Richard Moss
Store Manager
Osage Beach, Missouri



Diversity and Inclusion

We strive to maintain a diverse workforce to best serve the broad communities where we do business. We believe a diversity of backgrounds, experiences and perspectives creates value for our company and customers. Our efforts focus on attracting diverse talent and supporting our diverse team members.

Supporting Women's Leadership

We are committed to advancing the professional growth of female employees. Through our Women's Leadership Series, we host annual events to support professional development and leadership skills. In 2016, nearly 200 female directors and vice presidents attended our annual leadership summit, and approximately 1,000 female managers joined our quarterly Women's Leadership Series events.

We also work to provide career mentorship to our female leaders. Through our Vice President of Store Operations (VPSO) Collaboration Program, we pair regional executives with female store managers to share their knowledge and experience. Since the program began in 2014, more than 40 female store managers have benefited.

Championing Diverse Leaders

We strive to advance the diversity of our leaders through development and mentoring programs. Our field mentoring program pairs Lowe's market directors with minority store managers to share their expertise. Since the program began in 2015, more than 45 store managers have participated.

Disabled Veteran and His Service Dog Find a Home at Lowe's



In 2016, Air Force veteran Clay Luthy began looking for a job that would allow him to bring his service dog to work each day. Luthy served three tours of duty in Iraq and sustained a military-connected disability. Luthy now works at Lowe's in Abilene, Texas, alongside his golden retriever, Charlotte.

"I was trying to figure out where I could go that would be a good fit and wouldn't mind having Charlotte," Luthy said. "My wife said I was at Lowe's so much anyway, that I might as well get a job there."

We are proud to have Luthy, Charlotte and thousands of veterans wear the Lowe's red vest every day. Read more on our [newsroom](#).

Supporting Military Veterans

Lowe's was founded by two World War II veterans, Jim Lowe and Carl Buchan, who took the lessons of military service and principled leadership and applied them to our business.

This heritage continues today. We employ nearly 10,000 veterans and active members of the military. Approximately 650 Lowe's employees were deployed to active duty or went on leave to fulfill required military training in 2016.

Photo: Greg Jaklewicz, Abilene Reporter-News

Since 2015, the Military Veterans @ Lowe's (MV@L) network has engaged active-duty, guard, and reserve military personnel and veterans. Through the program, we help transition military personnel into careers at Lowe's, support employees and their families during deployments and support veterans' causes in our communities. In 2017, we will begin offering a 10 percent discount on eligible purchases every day in store and online to active military members and veterans. Anyone who has honorably served in the U.S. Army, Navy, Air Force, Marine Corps, Coast Guard, National Guard or Reserves is eligible for the everyday military discount.

Attracting Diverse Talent

We attend career conferences that help us recruit from a variety of diverse talent pools. In

2016, we engaged employee candidates with diverse backgrounds at more than 100 career conferences and six national recruiting events. Since 2008, we have built a strategic relationship with the National Black MBA Association,

successfully identifying top talent through the partnership. We are also committed to recruiting from the U.S. military and participated in RecruitMilitary events and Service Academy Career Conferences across seven cities in 2016.

“

We are committed to helping people love where they live by encouraging diversity and inclusion within Lowe's and in our communities. To attract diverse talent in 2016, we focused on building strategic partnerships with key organizations, such as the National Black MBA Association, and expanded our recruiting efforts at career conferences across the U.S. In 2017, we look forward to building upon our strong commitment to diversity and inclusion by seeking innovative ways to attract diverse talent and maintaining an inclusive culture that celebrates differences. Doing so will enable us to create more value for employees, customers and the communities we serve.

Reginald Henderson, senior vice president, talent management

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Recruiting Leaders with Disabilities



Through our partnership with the Career Link Mentoring Program, an initiative that provides opportunities to students with disabilities, Lowe's hired Marcus Tuck, who uses a wheelchair, in 2013. Today, he oversees a supply chain team of 50 people, helping to ensure that our customers and stores receive their products on time.

Marcus now serves as a mentor with the Career Link Mentoring Program, inspiring new generations of young people with disabilities. "There are a lot of companies that aren't willing to take a chance on people with disabilities," Tuck said. "What I like the most about being a mentor at Lowe's is that I get to see my team members grow." Read more on our [newsroom](#).

Lowe's Honored with Freedom Award

In 2016, the U.S. Department of Defense honored Lowe's with the Freedom Award, the U.S. government's highest recognition for employers that support National Guard and Reserve members. We are among just 15 of 2,424 nominated companies to receive the award. Read more on our [newsroom](#).



Investing in the health, well-being and financial security of our employees is essential for fulfilling our purpose as a company. As the needs of our employees evolve, we are creating innovative ways to deliver new healthcare services to our workforce, invest in their well-being and provide for their financial security.

Employee Benefits

Professional Benefits

We offer full-time and part-time employees a variety of benefits, including health, dental and vision insurance, no-cost health screenings, matching 401(k) plan, discounted stock and more. To help our employees access their benefits, we launched a new personalized benefits and wellness hub called MyEve in 2016. The platform helps employees and their family members get the most out of their benefits, including reminders for health screenings, information about how to save on prescription drugs and more.

In 2016, approximately 70 percent of full-time employees participated in our health insurance plans. In addition to insurance, we actively provide health programs at no additional cost to our employees and their families. These included the following in 2016:

- Through the Livongo for Diabetes program, more than 2,800 employees and dependents living with diabetes received free diabetes management care, including blood glucose monitoring systems, lancets, test strips and access to a dedicated support team.
- Through Rethink, more than 300 employees with dependents with developmental disabilities accessed one-on-one consultations with behavioral therapists and used free online support tools.

- Through the Omada online weight loss program, around 1,200 employees participated in our no-cost 16-week program to help them lose weight, improve their health and avoid the risks of chronic diseases such as diabetes.
- Through our Centers of Excellence program, we pay the full cost of certain advanced medical procedures for employees and their eligible dependents. Since 2010, hundreds of employees and covered spouses have received no-cost surgeries through the program.



Wellness by the Numbers in 2016

In 2016, Lowe's employees and their dependents benefited from the following at no cost to them:

40,000
flu shots

250
advanced medical procedures

1,384
enrollments in our Quit for Life
smoking cessation program

Employee Writes to Thank HR

Dear Lowe's HR,
I wanted to take the time to thank whoever was involved in adding the developmental disability resources through Rethink. My 3-year-old son was recently diagnosed with autism and is completely nonverbal. There are so many struggles we go through as a family to do what is right for our child. I am so grateful to work for a company that offers this kind of support, and so much more, to employees raising children with disabilities.

Promoting Financial Security

All permanent employees are eligible to participate in our 401(k) plan after six months of service. In 2016, 71 percent of full-time employees and 36 percent of part-time employees took part in our plans. For eligible employees, we match 4.25 percent of all contributions when employees contribute at least 6 percent or more. In 2016, Lowe's contributed more than \$150 million in matching funds to employee 401(k) plans.

Through the Lowe's Employee Stock Purchase Program, all full-time U.S. employees can purchase shares of Lowe's stock at a 15 percent discount. Part-time employees are eligible to participate after one year of service. In 2016, more than 78,000 U.S. employees took advantage of the program.

To help employees pay for the increasing cost of a college education, Lowe's offers up to \$2,500 in tuition reimbursement per fiscal year to all regular, full-time employees who have completed at least one year of service. In 2016 alone, we reimbursed more than \$3.3 million to help employees pay for schooling.



Lowe's Employee Relief Fund

Lowe's and our employees have a proud tradition of taking care of each other when times are tough. Established in 1999, the Lowe's Employee Relief Fund assists team members experiencing significant financial hardship, including medical issues, death events, house fires and natural disasters. The fund is made possible by the generous contributions of employees, and we match each donation dollar for dollar.

In 2016, the Lowe's Employee Relief Fund distributed more than \$3.8 million to more than 3,000 employees in need. Since its inception, the fund has helped 26,000 employees by providing more than \$29 million in financial assistance.



Giving with Purpose

Dear employees at Lowe's whose contributions made this possible:

I have suffered one of the largest and most heartbreaking events of my life when my wife passed away in February. My wife of 43 years is what I lived for and the transition of making a new life without her is not easy. Thank God for my two children, my church family and my Lowe's family. Bless all of you for your support. In time, I hope I can pay this back in some way.

Sincerely,
Richard Makowiec

Employee Relief Fund recipient
Melbourne, Florida

Health and Safety

Incident Rate

Distribution Center OSHA Total Recordable Incident Rate – 2.85 per 100 full-time employees

Lowe's store celebrates 1,000 days incident free

Florida store becomes the first in the company to reach this safety milestone. Read more on our [newsroom](#).

Ensuring that employees stay safe is part of our Journey to Zero: our goal to reduce work-related injuries and illnesses. To get there, we are continually advancing our culture of safety by focusing on employee engagement and accountability, monitoring performance and improving training.

Reinforcing Our Safety Culture

Reducing work-related injuries and illnesses starts with empowering our leadership teams to build a culture of health and safety. These leaders track and report safety performance across the organization and oversee trainings, monthly meetings and recognition of safety achievements.

Our safety culture extends to every Lowe's employee who is responsible for ensuring that work areas are safe for themselves, other employees and customers. Each day, teams at our U.S. Lowe's stores and distribution centers conduct a daily safety and hazmat review to certify that their work areas are safe for doing business. Employees are also accountable for monitoring, tracking, correcting and communicating any potential hazards found during their shifts.

In 2016, we made participation in our store safety teams voluntary, a shift away from our old system that was mandatory based on job title.

Our goal in this change is to increase accountability and engagement from the ground up. The 12-member teams meet monthly to address incident causes and develop safety initiatives.

Safety Training

Every store and distribution center employee receives mandatory health and safety training when they start at Lowe's and ongoing training and evaluation annually. All training sessions are recorded in the Learning and Talent Center to support accountability and provide data on the effectiveness of our training.

Through our safety team certification courses, all store safety team members are trained in root cause review, hazard identification and effectively communicating safety information to colleagues and management. Through our health and safety preparedness courses, employees learn lifelong safety skills such as safe lifting techniques. Additionally, employees are voluntarily trained in targeted

safety practices, including first aid and CPR.

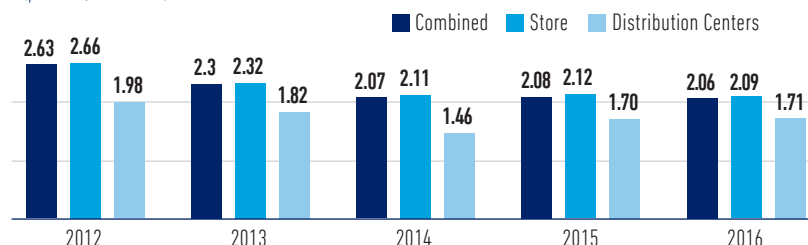
In 2016, we launched an active shooter training course assigned to every Lowe's associate and vendor. The training teaches employees how to react in a live shooter situation, emphasizing the "run, hide, fight" prioritization model. We plan to provide refresher courses to all Lowe's employees on an annual basis.

Tracking Performance

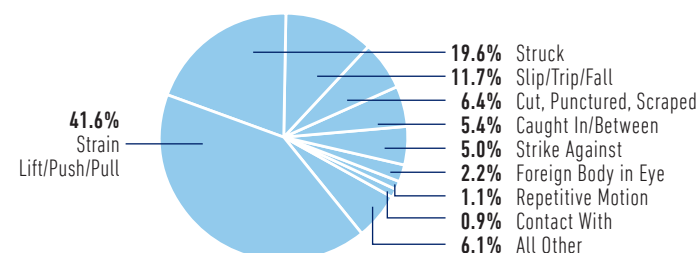
Tracking the performance of our safety programs is essential for resolving problems and improving. In 2016, our average lost time incident rate across our stores and distribution centers was 2.06, a slight improvement from 2015.

Understanding the top causes of employee injuries helps us to improve and adapt our safety programs. In 2016, 41.6 percent of employee injuries were caused by strain from lifting, pushing and pulling. To address these issues, Lowe's updated our back-injury prevention course in 2016 to include new prevention practices.

Lost Time Incident Rate
(per 200,000 hours)



2016 Employee Injuries – Top Causes



Operations

We strive to reduce our environmental impact and generate cost savings by responsibly managing our 2,365 home improvement and hardware stores across the U.S., Canada and Mexico. In 2016, we received an EPA SmartWay transportation award for the eighth time and continued to develop programs that will enable us to better manage and monitor our energy consumption and waste streams. Looking forward, we will be evolving our sustainability strategy by working more closely with our subsidiaries and international businesses to share best practices and reduce our operational footprint year over year.



Energy and Carbon Footprint

In 2014, we set ambitious goals to reduce our energy use and associated carbon emissions. Since 2010, the baseline we set for measurement, we have achieved a 14 percent reduction of carbon emissions resulting from electricity use at U.S. Lowe's stores.

We track both energy and emissions on a store-selling-area basis, which provides us with useful intensity metrics to measure efficiency improvements over time.

We annually report energy and emissions data to the CDP (formerly Carbon Disclosure Project) and are committed to transparency and improving data collection across our business. Last year, we took the additional step of having our greenhouse gas (GHG) reporting verified by a third party, and we did so again this year.

Building Management Systems

Building Management Systems (BMS) monitor equipment performance and provide valuable information that helps facility leaders manage energy consumption to reduce costs and carbon emissions. By the end of 2016, we implemented BMS in 198 store locations (187 U.S., 11 Canada).

Energy Efficiency

Energy efficiency measures are a cost-effective way to manage and optimize our energy consumption. We continually look for opportunities to implement energy-efficiency projects across locations, focusing predominantly on upgrading lighting and HVAC systems with more efficient alternatives.

By 2020, we aim to achieve the following milestones for energy use and carbon emissions measured against a 2010 baseline.

2020 Goals	Performance Through 2016
Improve store energy efficiency 13 percent per square foot (kWh/ft ²)*	Improved energy efficiency by 4.7 percent
Reduce store carbon emissions 20 percent per square foot (metric tons CO ₂ e/ft ²)*	Reduced carbon emissions intensity by 14.7 percent

**Includes operating U.S. Lowe's stores only.*

Electric Vehicle Charging Stations at Our Headquarters and Quebec Stores



To serve the changing needs of customers and employees and help reduce their impact on the environment, our RONA retail stores provide electric vehicle charging in Quebec, Canada. The RONA corporate office and nine store locations offer employees and customers a total of 19 EV charging stations. In 2017, six more will be installed at the RONA corporate office in Boucherville, Canada.

In addition, we provide EV charging stations for employees at Lowe's corporate office in Mooresville, North Carolina.

In 2016, we upgraded 32 retail locations to interior LED lighting and seven new stores opened with LED lighting already installed. Looking forward, we plan to implement interior LED lighting in approximately 100 more stores next year, and continue to investigate solutions for specific lighting needs to enhance energy efficiency as well as the customer experience.

To identify potential opportunities in heating, ventilation and air conditioning upgrades, we performed energy-efficiency audits at 20 locations in 2016. Based on this information, we will be considering more than 368 locations for variable frequency drive retrofits and approximately 100 locations for rooftop unit upgrades in 2017.

While our retail locations account for the majority of energy consumption at Lowe's, we work to identify and implement energy-efficiency projects at distribution centers as well.

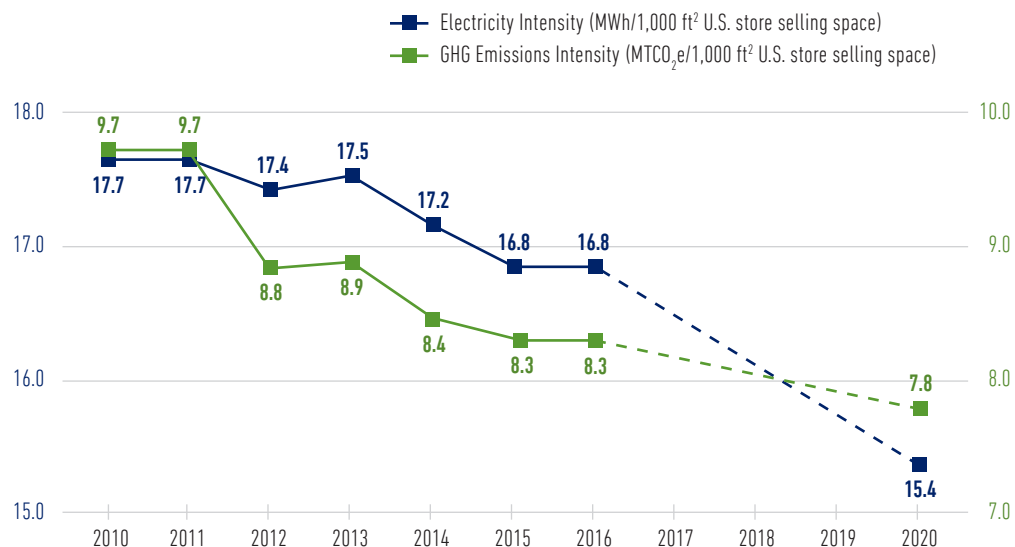


Store Energy Efficiency and Emissions*							
	2010	2011	2012	2013	2014	2015	2016
GHG emissions** (Million MTCO ₂ e)	2.4	2.4	2.2	2.2	2.1	2.1	2.1
GHG emission intensity (MTCO ₂ e/1,000 ft ²)	9.7	9.7	8.8	8.9	8.4	8.3	8.3
Electricity intensity (MWh/1,000 ft ²)	17.7	17.7	17.4	17.5	17.2	16.8	16.8

* Includes operating U.S. Lowe's stores only.

**GHG emissions calculated from emissions factors published periodically for electricity generating plants nationwide. (Source: U.S. EPA eGRID - Emissions & Generation Resource Integrated Database).

Progress Against 2020 Goals



Recycling and Waste



We seek to reduce our landfill waste and increase recycling at our stores and distribution centers. In 2016, we increased waste audits to understand the composition of our waste stream and potential reuse and recycling opportunities.

Through these audits, we learned that a portion of the material placed in our trash compactors is recyclable. We plan to work with the store operations and communications teams next year to raise awareness of the issue and improve our diversion rate.

Recycling Centers

We operate in-store recycling centers, located near the customer service desk, at every Lowe's store in the continental U.S. and Canada. We encourage customers to recycle compact fluorescent lamps (CFLs), plastic bags, rechargeable batteries and cell phones. We partner with Call2Recycle, a nonprofit organization, to manage our rechargeable battery recycling efforts. In 2016, we recycled more than 682,000 pounds of rechargeable batteries at our U.S.-based Lowe's stores and we surpassed 5 million pounds of batteries collected since 2004.

We offer haul-away service to customers who purchase replacement appliances. Our Garden Centers also accept plastic plant trays and pots for recycling in the continental U.S. and Canada. As a result of the Garden Center services, Lowe's and our vendor partners helped keep more than 9.2 million pounds of plastic waste out of landfills in 2016.

Waste at Our Stores and Distribution Centers

Our corporate office centrally manages and coordinates recycling across our stores and distribution centers. Maintenance teams at each location carry out planned on-site activities and are incentivized to recycle by volume-based rebates.



Recycling Christmas Bulbs

The Christmas bulb recycling program gave our customers the opportunity to recycle their old string lights through easily accessible collection bins throughout our stores.

Take-Back Programs at RONA and Orchard Stores

Take-back programs provide the opportunity for customers to bring back products for recycling at Lowe's locations across the U.S. and internationally.

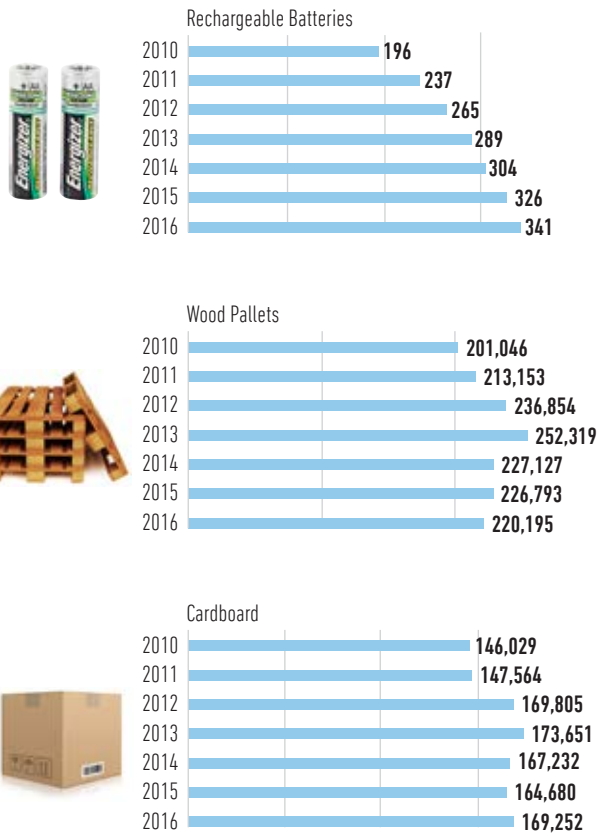
For more than 20 years, RONA has been supporting take-back programs for customers. In 2016, more than 350 participating RONA store locations recycled approximately 6.9 million pounds of paint, and collected more than 150,000 pounds of CFLs and tubes, 220,000 pounds of batteries and nearly 20,000 pounds of power tool accessories.

Since 2006, Orchard Supply Hardware has offered take-back programs for customers. In 2016 alone, its locations recycled more than 100,000 pounds of mercury-containing lamps and thermostats, 85,000 pounds of batteries and 950,000 pounds of paint products.

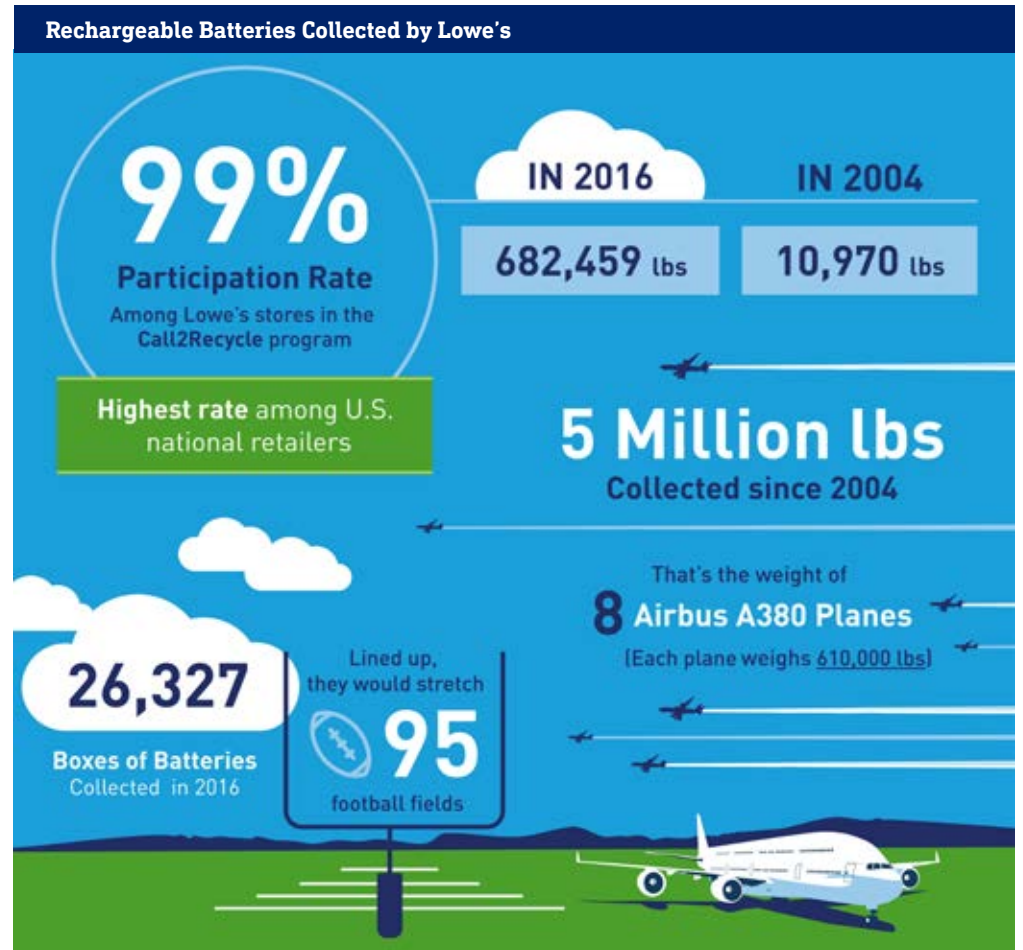
By 2020, we aim to achieve the following milestones for waste measured against a 2010 baseline.

2020 Goals	Performance to Date
Reduce tons of waste per net sales by 40 percent	Reduced tons of waste per net sales by 27.7 percent from the 2010 baseline (from 6.31 tons/net sales to 4.56 tons/net sales)
Increase tons of waste per haul by 40 percent	Our tons of waste per haul performance has remained flat since the 2010 baseline as a result of challenges in removing certain materials (such as Styrofoam) from our waste stream.

Recycled Material (tons)*



** Includes only operating U.S. Lowe's stores and distribution centers*



Hazardous Materials

We are committed to managing the hazardous materials, chemicals and other regulated materials we sell and use in order to ensure the protection of customers, employees, communities and the environment. We carry a wide variety of chemical-based consumer products such as paint, cleaning solutions, adhesives, plumbing products, building materials and fertilizers, in addition to batteries and products that contain batteries. In the event that these products are not sellable, or that they are spilled or damaged, they are

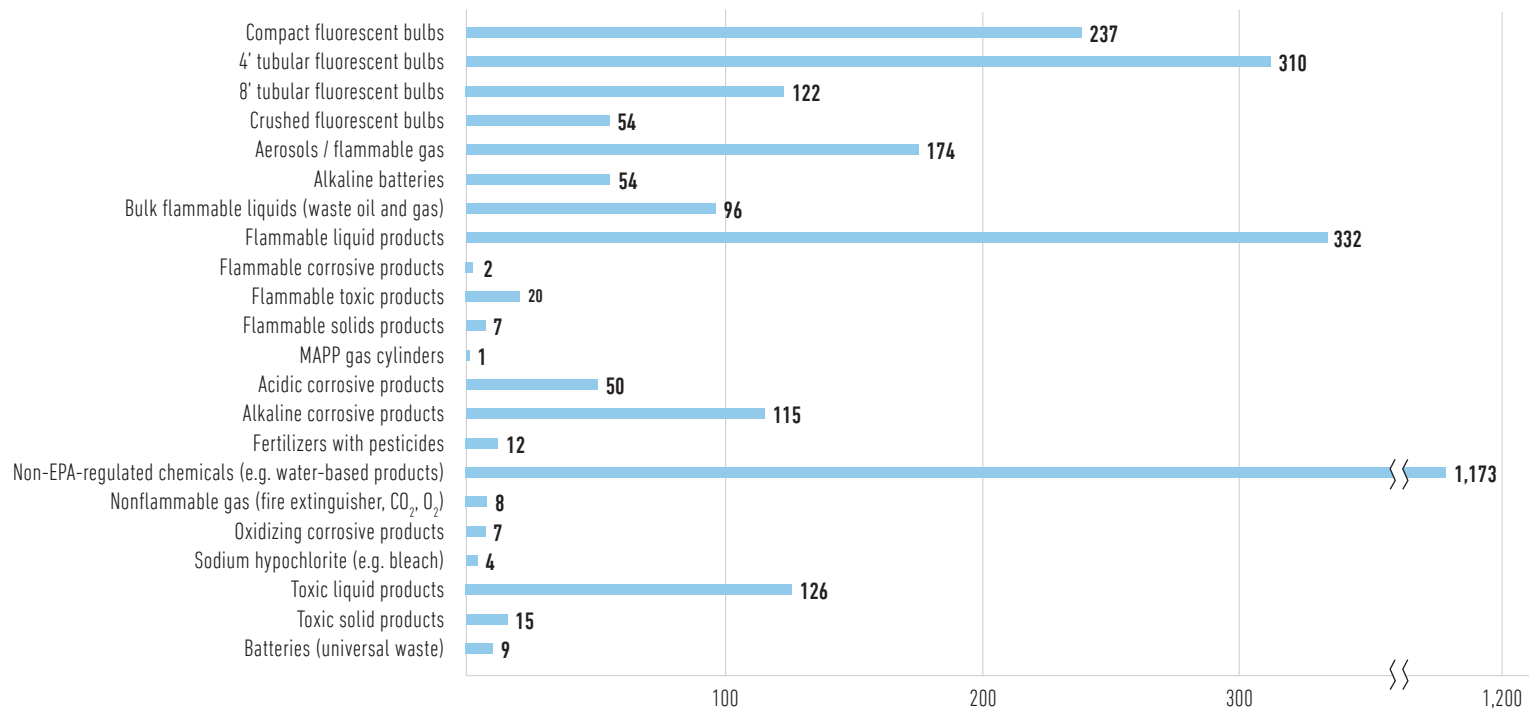
categorized as hazardous waste and handled appropriately.

All Lowe's employees receive training on responsible and safe management of hazardous waste materials during our mandatory new hire safety orientation. Depending on their role, relevant employees receive additional hazardous material (hazmat) training through e-learning courses, in-aisle training, activity sheets, job aids and other resources in our safety curriculum.

Responsibly managing and transporting these products starts with one simple step:

identification. Our classification system labels each item as a hazmat or nonhazardous material. Products classified as a hazmat item are required to have a safety data sheet (SDS) on file, and we take steps to ensure that their transportation follows U.S. Department of Transportation guidelines and Environmental Protection Agency and state waste disposal regulations. Hazmat items that are spilled, damaged or do not meet our waste-minimization guidelines are processed through our hazardous waste disposal program and a licensed hazardous waste disposal service.

Hazardous Waste Responsibly Disposed, by Volume* (tons) in 2016



*2016 hazardous waste volume data provided by Lowe's hazardous waste disposal vendor.

We are committed to promoting sustainable practices in the transportation industry and encouraging others to adopt more efficient and responsible transportation strategies.

Logistics

Our logistics network transports products from suppliers to our distribution centers and on to our stores. We rely on partnerships and efficient technologies to help reduce the environmental impact of these activities.

We collaborate with the Environmental Protection Agency's [SmartWay](#) program to reduce transportation emissions by creating incentives for our freight contractors to improve efficiency. All contracted carriers that work with Lowe's are SmartWay certified, and we confirm their status through a carrier review process. We also audit our existing partners annually to ensure they maintain their certification.

We are a founding member of [The Coalition for Responsible Transportation \(CRT\)](#), an organization that works collaboratively with local policymakers and communities to develop innovative solutions that reduce port truck pollution while maintaining flow of commerce. In 2016, we added an additional board member to CRT and will partner with other CRT members to pilot the use of free-form container stacks to decrease port turn times. The pilot will begin in 2017 in collaboration with the Northwest Seaport Alliance in Seattle/Tacoma.

We are committed to utilizing intermodal transportation, which relies on a combination of truck, rail and cargo ships to efficiently move products around the globe. Through

our backhaul program, we utilized our dedicated fleet to pick up vendor freight after delivering products to our stores, which helps prevent empty truck miles on return trips to our distribution centers. The backhaul program saved approximately \$16 million in freight costs in 2016.

Switching from diesel to natural gas-powered trucks cuts fuel costs and reduces greenhouse gas emissions. Since 2012, we have expanded our dedicated natural gas-powered fleet and today, nearly 40 percent of our dedicated fleet runs on this cleaner fuel at our distribution centers in eight states.

2016 Environmental Protection Agency SmartWay Excellence Award

We continued to build on our legacy of promoting sustainable practices and are proud to be one of only nine companies in 2016 to receive the Environmental Protection Agency (EPA) [SmartWay Excellence Award](#) in the logistics and shipping category, representing the best environmental performers of SmartWay's nearly 3,000 partners. Additionally, we are the only retail shipping partner to receive eight SmartWay awards.

"Lowe's Companies, Inc. knows that partnering with SmartWay is good for business, people and the environment," said SmartWay director Cheryl Bynum, who presented Lowe's regional transportation manager Lawrence Tudor with the award in October. "By partnering with us, Lowe's Companies, Inc. is demonstrating their commitment to sustainability through cleaner, lower carbon goods movement."



EPA SmartWay Cumulative Savings

	2015	2016
Diesel fuel saved	27 million gallons	29 million gallons
Reduced CO ₂ emissions	280,000 metric tons	305,000 metric tons

With several U.S. states experiencing ongoing drought conditions, we're consistently mindful of and committed to responsible water use. We manage our water resources efficiently throughout our operations, and help customers use water responsibly.

Water Conservation

Smart Irrigation

Many of our stores operate in regions experiencing drought conditions. Prior to 2016, we had installed HydroPoint irrigation systems at more than 200 locations, and we added 400 more locations throughout the year. By installing smart irrigation technology that uses real-time weather data together with site-specific information, we've reduced water consumption and saved on utility costs.

Garden Water Management

We've increased our selection of drought-tolerant plants and use in-store signage to inform customers of available rebates for those products offered by local water districts. We also place water-saving products such as retaining wall blocks, soil, mulch and stone in prominent areas of our stores to encourage customers to adopt water-efficient gardening that aids in groundwater retention and erosion control.

In our garden centers, we water plants during cool periods in the morning or late in the day to reduce evaporation, remove water from outdoor display fountains (posting signs to explain why) and conduct inspections of spigots and hoses to identify and repair leaks.



Product Sustainability



As the expectations of customers have changed over time, we have expanded our offering of products to help them live more sustainable lives. We increasingly provide choices that save energy and water, reduce potentially harmful chemicals, or eliminate safety concerns for their families. We also engage with our product suppliers, manufacturers and other external stakeholders to ensure we carry the most innovative new products.

Products to Help Customers Live More Sustainable Lives

More than ever, customers expect products that are safe, socially and environmentally responsible, and also affordable. We adapt to meet these needs and offer a wide selection of energy- and water-efficient products that help customers save money and conserve resources. We also provide a diverse selection of home and garden products to address every customer's and region's needs.

We offer and promote ENERGY STAR and WaterSense products in partnership with the U.S. Environmental Protection Agency (EPA). We see great benefit in stocking these products, and we track the accumulated energy and water savings to illustrate the significant impact they have on customer savings and the environment.

Energy-Efficient Products

Home energy efficiency helps our customers save money and minimizes the net environmental impact of products. We offer a wide variety of energy-efficient lighting, appliance and window products, as well as renewable power options.

Our assortment of energy-efficient and cost-saving lighting options includes LED and compact fluorescent (CFL) light bulbs. ENERGY STAR-certified LED and CFL bulbs, for example, can save customers approximately \$55¹ in energy bills over the bulb's lifetime.

We offer a complete selection of indoor and outdoor LED products, and we continued to build on our selection in 2016, with bulbs starting at approximately \$1.50. Read more about our [LED product offerings](#).

¹ENERGY STAR: Light Bulb Savings [website](#)



What if construction methods and materials were not only less harmful to human health and the environment, but actually cleaned the air, removed harmful chemicals and generated energy? In 2016, the Lowe's Healthy & Safe Homes XPRIZE team took this question head on. Over a six-month period, the Lowe's-sponsored team developed ideas that could radically improve the materials we use to build homes and buildings, and presented their concepts at the Visioneers 2016 Summit. The team competed against eight other international teams looking to secure an XPRIZE, the renowned crowdsourcing awards that harness the world's genius and imagination to solve humanity's biggest challenges. Read more about the [Healthy & Safe Homes XPRIZE](#).

Lowe's Innovation Labs uses story as a strategic tool to proactively map out possible futures, then works backward to bring those scenarios to life today. This often means leveraging disruptive technologies to change how we think about the future of retail and inspire the next generation of products for our customers. Read more about [Lowe's Innovation Labs](#).

In addition to bulbs, we offer a wide array of appliance and window products to help conserve energy. Our ENERGY STAR-certified appliances, such as dishwashers, water heaters, refrigerators and washer and dryers, help customers save on their utility bills and reduce their impact on the environment. An ENERGY STAR-certified washer uses approximately 25 percent less energy than a standard model, helping to save roughly \$45² in utility costs over the course of a year.

Upgrading to energy-efficient windows can also yield energy and cost savings, by better insulating home spaces. We provide custom installation of energy-efficient windows through our in-home sales specialists.

²ENERGY STAR: Appliances (Clothes Washers) Savings [website](#)

ENERGY STAR Savings

In 2016, we sold enough ENERGY STAR products to save customers approximately **\$3.3 billion** in utility costs over the products' lifetimes. The ENERGY STAR products Lowe's sold in 2016 will eliminate greenhouse gases equivalent to the emissions from nearly 3.8 million cars.

Expanding Our Commitment to Sustainable Products with RONA

Since 2008, RONA — now part of Lowe's Canada — has worked to minimize the environmental impact of its products. Product use contributes significantly to RONA's overall environmental footprint, and the company works to encourage responsible customer behavior through its ECO Products program. The program recognizes and promotes products that offer a significant benefit for the environment, using a life cycle analysis approach reviewed by a third party. In 2016, RONA offered more than 2,700 eco-products, representing 11 percent of all products sold.

RONA has long practiced and supported sustainable forest management. RONA's Wood Products Procurement Policy supports forest biodiversity and conservation by sourcing sustainable products certified by Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI) and Programme for the Endorsement of Forest Certification (PEFC). In 2016, more than 80 percent of purchased wood products came from certified sources, including 32 percent that was FSC certified.

In addition, 99.9 percent of RONA's paper used for flyers, printing, envelopes and marketing material is also sustainably certified FSC, SFI or PEFC.

Read [more](#) about our responsible wood sourcing practices.

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As we integrate with Lowe's Companies across Canada and the U.S., we are excited to share learnings and best practices to further elevate our joint commitment to environmental and product sustainability.

– Jules Foisy Lapointe, corporate social responsibility director, Lowe's Canada

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Water-Saving Products

As the number of water-stressed regions multiplies across the U.S. and globally, water consumption is an ever more pressing issue. We enable customers to conserve water with a wide selection of water-saving products and share information about local rebate programs, where applicable.

Adapting to meet the needs of the California market in 2016, Lowe's now sells a 1.0 gallon-per-flush toilet under the AquaSource brand to help conserve water. The item's release will expand to all water-regulated markets in 2017. Looking ahead, Lowe's will continue to partner with vendors on expanding the selection of water-saving toilet styles in the marketplace.

WaterSense Savings

Sales of our WaterSense products in 2016 will help reduce annual water use by roughly **4.7 billion gallons** — equivalent to the amount of water used by 45,000 households each year — and save customers approximately \$47.5 million annually in water bills.

All of our bath faucets are WaterSense certified. In 2017, 95 percent of our stock toilet offering will be WaterSense certified.

Organic and Natural Garden Products

We continue to expand our selection of organic and natural soils, plant food, pest control products and other lawn care chemicals. We offer a variety of organic soils, the majority of which are regionally manufactured from local raw materials.

Looking ahead, we plan to make these selections for customers easier by labeling organic segments within key categories, including grass and weed chemicals and plant food. In 2017, every Lowe's store will stock environmentally friendly alternatives to our chemical-based lawn and garden products.

We also offer organic plant food products in every store, from brands such as EcoScraps, Jobe's, Espoma®, Pennington® and Alaska®.

Building Customer Awareness

We believe that customers choose Lowe's because we offer more than just a transaction.

We respond to each customer's project needs and provide the necessary information to help them understand their options, whether it is in selecting energy- or water-efficient products, or completing a renewable energy, insulation or window installation project.

Our employees have access to online training courses to help them best serve customers by communicating product information factually and in a straightforward manner.

In addition to help from highly skilled employees, customers benefit from online resources, such as our home energy efficiency [guides](#). These resources help customers choose options that can save money and reduce their collective impact on the environment.

Our online [Rebate Center](#) makes it easy for customers to access rebates and incentives. Rebates can be searched by product model and zip code.



Evolving to Meet Stakeholder Needs

We are a purpose-driven company, committed to offering the best and most innovative socially and environmentally responsible products. To this end, we listen to, engage and collaborate with stakeholders, including customers, suppliers and advocacy groups, among others.

In 2016, we engaged stakeholders to address topics that included responsible chemical management, product safety, non-invasive gardening and the ethical treatment of animals. We actively engage with stakeholders on any potential issues related to the products we sell and how we operate.

Product Chemical Management

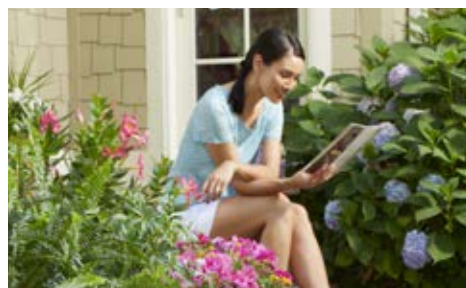
Our products are composed of a wide assortment of raw materials and, in many cases, chemicals. By better understanding the chemicals in our products, we can seek safer alternatives without sacrificing quality, efficacy or affordability.

We are a member of the Green Chemistry and Commerce Council (GC3) — a multi-sector network of companies collaboratively working to advance green chemistry. We are leveraging this collaboration to help inform our product decision making moving forward.

Neonicotinoid Pesticides

Pollinators — including honeybees — play a vital role in supporting agriculture and complex food ecosystems. Extensive research indicates that neonicotinoid pesticides (neonics) may be one of several contributing factors to declining honeybee populations.

In 2015, we announced plans to phase out the sale of products that contain neonics within 48 months where commercially viable. We work



closely with suppliers to support sustainable practices and to help achieve this commitment. This engagement includes encouraging growers to use biological control programs and to eliminate the use of neonic pesticides on bee-attractive plants that Lowe's retail locations sell, as well as selling more non-neonic pesticides, and offering plants and seeds that attract pollinators. We are also working to find solutions to phase out neonics in tree products as well. Our tree product pesticides are used to protect vulnerable species from invasive pests such as the emerald ash borer.

We provide [online](#) and in-store educational resources for employees and customers to help protect pollinators in the garden.

We also collaborate with Keep America Beautiful to help support honeybee populations by funding pollinator gardens, including 20 in 2016. We also provided the funding and volunteers to help plant nearly 59,000 trees and more than 700,000 flowers, bulbs and shrubs. Read more in our [Community](#) section.

Phthalates

We work with stakeholders to better understand the potential health impacts of certain phthalate chemistries. As part of these efforts, we have established policies and procedures with our suppliers to remove ortho-phthalate plasticizers from residential vinyl flooring products that we sell.

Low-VOC Paints

Volatile Organic Compounds (VOCs) are carbon-containing chemicals released into the atmosphere from both man-made and naturally occurring materials, including some paints. To address potential indoor air concerns and provide customers with a viable paint alternative, we offer Valspar's collection of VOC-friendly paint products at our retail locations. We are the exclusive retailer of Valspar's comprehensive interior line of zero-VOC paint products.

In addition, we sell zero-VOC paint products from Olympic and low-VOC options from HGTV HOME by Sherwin-Williams.



Product Safety

We are committed to ensuring our products are safe for customer use. Our respective product safety websites for the [U.S.](#) and [Canada](#) keep customers informed on relevant recalls from the U.S. Consumer Product Safety Commission (CPSC) and Health Canada, and indicate the appropriate actions they can take. We ensure that we immediately and accurately report potential safety issues pursuant to the regulatory requirements, and cooperate with the CPSC on any inquiries, investigations and recalls.

Cordless Window Coverings

Some types of window blinds have cords that can present a safety hazard for small children. In

the U.S. and Canada, we have committed to eliminating window coverings with cords from our in-stock assortment by the end of 2018 — a step that goes well beyond today's requirements.

In 2016, we continued with our commitment to eliminate corded products. We also introduced several new cordless blind options for products that include: mini-blinds, faux wood plantation blinds and vertical blinds. These cordless products are sold at every U.S. Lowe's location and online. In addition, we worked to improve our customer education regarding the corded hazard and added store signage to all cordless programs to indicate that they are child-safe. We call out our Best for Kids-certified products, as well as those with the Parents for Window Blind Safety

(PFWBS) Seal of Approval.

We are a member of the Window Covering Safety Council and participate in its Best for Kids Product Certification program. We also work closely with PFWBS, which helps raise awareness about safer window covering options for families with homes frequented by children.

Safety Glass

We offer safety glass products in categories where there is increased risk of the glass shattering and causing harm. Safety glass — also known as tempered glass — is heat-treated during the manufacturing process and crumbles, rather than shatters, if broken. All of our glass shower door products are made with safety glass.



Noninvasive Plants

We engage with [Sustainable Conservation](#) through the [PlantRight](#) program in an effort to help preserve California's rich biodiversity. Through this collaboration, Lowe's and Orchard Supply Hardware stores in California are committed to offering noninvasive plants to customers.

PlantRight raises awareness about how to keep invasive plant species from entering local ecosystems, and collaborates with the nursery industry to prevent the spread of these species. Lowe's vendor growers use PlantRight's science-based [list](#) of locally invasive garden plants and suggested alternatives to better serve our customers.

Rodent Control

We collaborate with advocacy groups, such as the People for the Ethical Treatment of Animals (PETA), on humane and ethical rodent and pest control products. We've expanded our product offerings and shifted product placement to help customers make more informed and ethical pest control decisions.

At all Lowe's locations, we stock natural rodent repellent and live catch-and-release traps. We have also led efforts to include more transparent labeling to rodent glue trap packaging — a priority area for PETA. All new glue trap packaging now includes a "not an instant kill trap" label to help customers understand their choices.



Responsible Wood Sourcing

We recognize the significant purpose and vital role that old growth forests play in providing us with clean air. Our long-term goal is to ensure that all wood products sold in our stores originate from well-managed, non-endangered forests.

We collaborate with suppliers to encourage the maintenance of natural forests and environmentally responsible wood sourcing practices. This enables us to increase the supply of certified wood products for customers. Where it makes sense environmentally, we look to increase our procurement of recycled, engineered and alternative-material products. Read more in our [wood policy](#).

Lowe's Wood Sourcing Database

We require suppliers to self-report information about the source of their wood, including where the wood was harvested, the species, sustainable forest certifications and the volume purchased. We actively maintain a responsible wood sourcing database, which allows us to monitor and enforce our wood policy and to alter sourcing decisions when a supplier doesn't meet our expectations. The information is not verified by external third parties.

North America has some of the most responsibly managed forests in the world, and since establishing our supplier database in 2003, we've purchased more than 85 percent of our wood from the U.S. and Canada. In 2016, we sourced approximately 96 percent of our wood from North America.

The 2016 wood sourcing database tracked more than 500 million cubic feet of wood for more than 11,000 products from 180

Public Engagement and Conservation

We are a charter member of the Boreal Business Forum. As part of this effort, we collaborate with Canadian provincial governments, forest product companies, environmental groups and First Nations peoples to assess progress toward conservation plans implemented to address the health of caribou herds in the Canadian boreal forest.

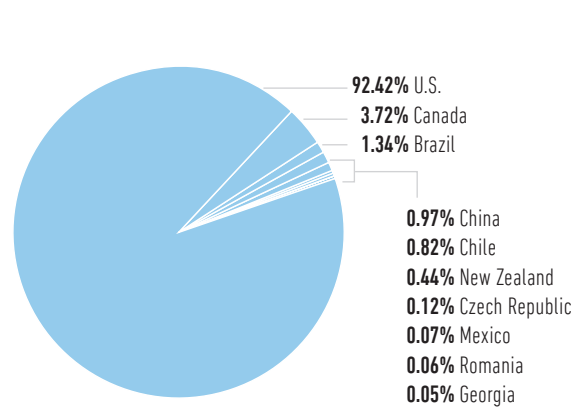


suppliers. More than 73 percent of our wood was certified for sustainable management practices, including 68 percent certified by

the Sustainable Forestry Initiative.

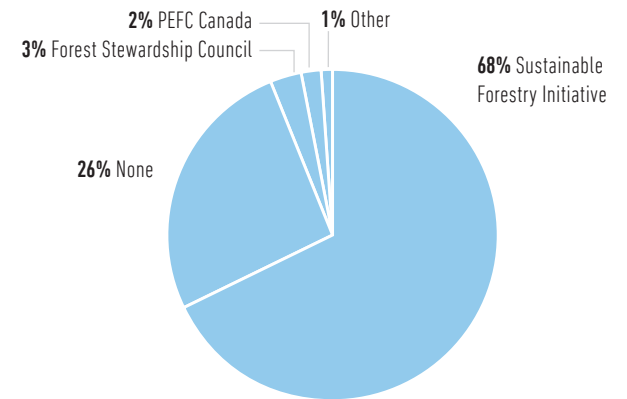
We publish performance data for wood every two years.

Wood Sourcing by Country, 2016 – Top 10*

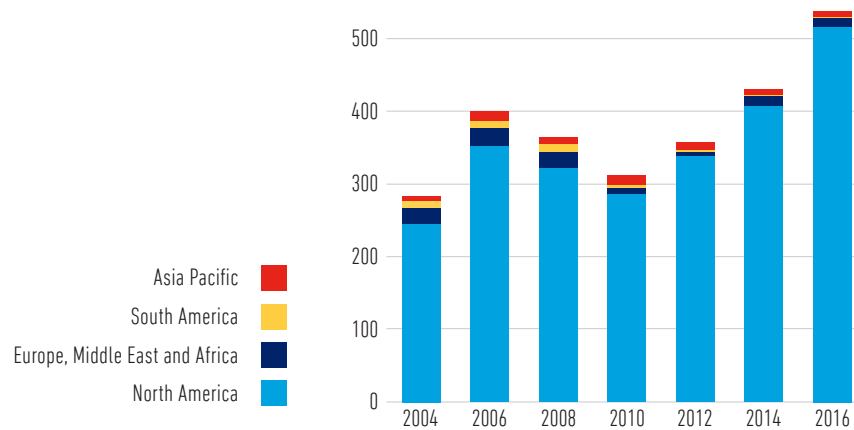


**Total does not add up to 100% due to rounding.*

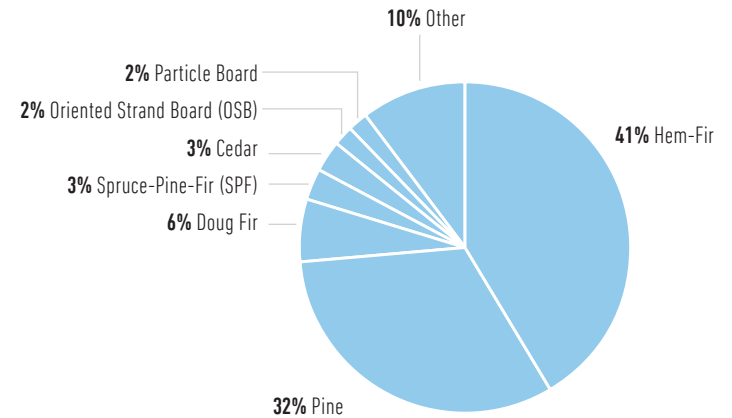
Wood Sourcing by Certification



Wood Sourcing by Region
(cubic feet in millions)



Wood Sourcing by Wood Type*



**Total does not add up to 100% due to rounding.*

Supply Chain Responsibility

As customers' needs change, we continue to expand our offering of quality products that are produced in line with our principles and values. An average Lowe's store stocks 36,000 products, while our digital sales channel now offers more than 400,000 products. Our ability to meet customer needs is dependent on our thousands of suppliers worldwide. Through our Vendor Code of Conduct, we work with suppliers to deliver quality products that comply with our ethical, social and environmental standards. We are working to align our supply chain management with our subsidiaries and international businesses to understand where efficiencies may exist.



A responsible supply chain begins with our high standards for conduct and quality by our suppliers, vendors and service providers. Accountability to our customers and shareholders is upheld by rigorous auditing and expectations for transparency.

Building Accountability into Our Supply Chain

Supplier Management and Engagement

We hold our suppliers to the same ethical standards as we hold ourselves through our Vendor Code of Conduct. It covers 17 areas of ethical business practices, and all vendors must comply with this code to do business with us.

At Lowe's, we categorize our vendors as either domestic or import. The majority of our products come from domestic suppliers – those that import products into the U.S. or produce them domestically before selling to Lowe's.

Import suppliers, representing around 9 percent of our supply chain spend, produce goods abroad that we import into the U.S. Before a new import supplier is approved, it must go through a prequalification audit. If approved, the supplier is briefed on our Vendor Code of Conduct and associated requirements during onboarding. Our more than 630 import supplier relationships are managed by our merchandising teams and the Lowe's Global Sourcing and Supplier Development team.



Lowe's Vendor Code of Conduct

Ethical business practices covered by Lowe's Vendor Code of Conduct include:

1. Compliance with laws and Lowe's policies
2. Forced labor
3. Child labor
4. Compensation
5. Freedom of association
6. Employment practices
7. Acceptance of gifts and benefits
8. Sourcing
9. Conflict minerals
10. Health and safety
11. Environment
12. Conflicts of interest
13. Subcontractors
14. Anti-corruption
15. Confidentiality and intellectual property
16. Monitoring and enforcement

Read more about the [Vendor Code of Conduct](#).

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Our long-term business relationship with Lowe's has yielded many benefits for both our factory and for Lowe's. Through trainings, we gain insight to best practices and other continuous improvement information that streamline efficiencies, leading to cost savings that we can pass on to Lowe's. These collaborative engagement programs help our companies evolve as stronger business partners.

Jeff Newman, general manager and chief marketing officer, HKC (Zhongshan Kong Luen Wan Hoi Electric Appliance Company Limited)

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Social Accountability and Environmental Program

We are committed to conducting business responsibly everywhere we operate. The Lowe's social accountability and environmental (SAE) program is instrumental in achieving this commitment. Our SAE program strives to:

- Ensure that workers who manufacture the products we buy operate in safe conditions, are treated fairly and are paid in accordance with local law

Social Accountability and Environmental Audit Categories

- Management overview
- Working hours
- Compensation and benefits
- Child labor/young labor
- Forced labor
- Discrimination
- Discipline, harassment or abuse
- Freedom of association
- Employee labor contracts
- Working conditions
- Living conditions and requirements
- Dining conditions and requirements
- Emergency preparedness
- Occupational injury
- Machine/operator safety
- Safety hazards
- Chemicals and hazardous materials
- Environmental compliance

- Improve the capabilities of our vendors to create positive change
- Reinforce our obligation to social and environmental responsibility
- Confirm that suppliers follow our Vendor Code of Conduct and support supply chain integrity

We uphold the SAE program standards and expectations by auditing our import vendors' factories. In 2016, we expanded the audit scope to include factories producing our private-branded products that are sourced and imported by domestic vendors.

Factory SAE program performance is measured against 148 indicators in 18 categories. The rigorous SAE audits fit within our larger bundled audit program, which include

quality audits and Customs-Trade Partnership Against Terrorism (C-TPAT) audits. Audits are conducted annually by third-party auditors accustomed to our policies and expectations. Suppliers are given two weeks' notice prior to the audit, but the actual date and time remains unannounced.

If a violation is found, the supplier must develop a corrective action plan. Depending on the severity of the noncompliance, the supplier has 30, 90 or 180 days to correct it before the site is re-audited.

Throughout 2016, 1,029 SAE audits were performed in 863 factories across 31 countries. We also conducted 164 re-audits to ensure that corrective action plans were implemented properly.



Reporting Ethical, Safety and Workplace Concerns

We provide workers with a safe way to report potential violations to local laws and our Vendor Code of Conduct, or other

Ask questions and report ethical concerns

Online	www.ethicspoint.com	
Email	compliance@lowes.com	
Phone	U.S. and Canada	(800) 784-9592
	Brazil	0800-8911667
	Northern China	10-800-712-1239
	Southern China	10-800-120-1239
	Colombia	01800-9-155860
	Hong Kong	800-964214
	India	000-800-100-1071 or 000-800-001-6112
	Indonesia	001-803-011-3570 or 007-803-011-0160
	Malaysia	1-800-80-8641
	Mexico	001-800-840-7907 or 001-866-737-6850
	Taiwan	00801-13-7956
	Thailand	001-800-12-0665204
	Vietnam	120-11067
	Other int'l locations	(503) 619-1883

workplace concerns. Individuals can report a concern by phone, email or online, and in any language.

Supplier Engagement

Long-term partnerships benefit our suppliers and our business. By actively engaging our suppliers, they can grow with us. In 2016, we held 12 vendor training events that covered relevant industry topics.

Our approach to supply chain management is always advancing and is well informed by collaborating within our industry. As one of the founding members of the Retail Industry Leaders Association (RILA) responsible sourcing workgroup, we continue to engage our peers in constructive dialogue. In September 2016, we participated in RILA's Retail Sustainability and Environmental Compliance conference. Issues addressed included turning supply chain data into insights, action and results; mapping forced labor risks to enable responsible sourcing; and defining the role of risk assessment in corporate responsibility programs within the retail industry. A responsible sourcing roundtable was also facilitated so retailers could share experiences and learnings.



We continue to meet the expectations of customers by consistently offering high-quality products. Our Quality Assurance team certifies that products from import vendors meet our quality standards by testing thousands of products annually.

Product Quality

In 2016, more than 13,000 product tests were conducted in 87 third-party labs around the world.

The Quality Assurance team also works closely with third-party agencies to conduct preshipment product inspections prior to acceptance by Lowe's. Products are inspected for proper labeling, functional operation and consistency across production samples to help ensure customer satisfaction. In 2016, factories were visited nearly 11,000 times to perform these preshipment product inspections.



Vendor Partners of the Year

Every year, we celebrate our top suppliers through our Vendor Partners of the Year award. In 2016, we honored Bio-Lab, Kichler and Spartanburg Forest Products for their strong performance in product quality, customer service and innovation.

- Lowe's and Bio-Lab partnered to address the unique challenges that pool chemicals present in shipping and handling throughout the supply chain. After months of data collection, testing and analysis, together we confirmed that Bio-Lab's products met our safety standards and could be collected and shipped through our distribution centers. This reduced the cost of unnecessary freight shipments and improved our ability to manage inventory.
- Kichler went above and beyond in customer service. It provided customers with a greater home lighting selection by opening an additional warehouse facility and expanding its digital channel to offer an entire showroom through Lowes.com. Kichler also developed an in-store app complete with how-to videos that customers can access on the spot at Lowe's.
- Spartanburg, a provider of treated wood products, faced the challenge of changing industry standards. The company was quick to react, minimizing disruption to Lowe's customers. Spartanburg's adaptability allowed it to meet unusually high customer demand for treated lumber and even supply products outside of its service area when other vendors were unable to complete orders.

In 2016, we also honored a number of other vendor partners for their commitment to innovation. A full list can be found [here](#).

With the exception of certified conflict-free smelters and refineries, our Vendor Code of Conduct prohibits our suppliers from using tin, tantalum, tungsten or gold from high-risk conflict regions in the Democratic Republic of the Congo and adjoining countries.

Conflict Minerals

To certify conflict minerals are not present in our products, we require all suppliers to maintain records of their raw material sourcing.

Through our conflict mineral compliance program, we update our conflict mineral management and reporting in alignment with the Organization for Economic Cooperation and Development's due diligence guidance. Through this program, we submit our annual disclosure on conflict minerals to the Securities and Exchange Commission.

In our most recent filing, 100 percent of our in-scope suppliers, representing all products surveyed, responded to our request for disclosure to guarantee their products are free of conflict minerals. The full report can be found [here](#).



Supplier Diversity

The inclusion of small and diverse businesses is an essential part of our supply chain. By diversifying our suppliers, we can provide alternate channels through which to procure goods and services; promote innovation through the availability of new products, services and solutions; and support economic growth in local communities.

Our primary focus in supplier diversity is first and foremost to source from small businesses. We then work on advancing businesses owned by women, minorities, veterans, service-disabled veterans, small disadvantaged businesses, as well as businesses located in Historically Underutilized Business Zones (HUBZone).

We continually look for new small and diverse suppliers by partnering with advocacy organizations such as the National Minority Supplier Development Council, the Carolinas-Virginia Minority Supplier Development Council, the Women's Business Enterprise National Council, the U.S. Business Leader Network and the U.S. Hispanic Chamber of Commerce. In 2016, we strategically expanded our search area for small and diverse suppliers by collaborating with entrepreneurial and incubator-type organizations such as Edison Nation, an open-innovation marketplace that helps inventors bring their inventions to life.

Scaling Small Business

We have a network of more than 2,000 small and diverse indirect procurement and merchandise suppliers. We recognize that small businesses can face challenges when working with a big company like Lowe's, and we have developed a four-step process that

seeks out small and diverse suppliers and helps them not only to sell and scale their business, but to thrive in our retail environment. In 2016, we developed guidelines to assist new small and diverse merchandising suppliers with the onboarding process. The guidelines provide a step-by-step process, from initially signing our master standard buying agreement to finalizing marketing information. It also includes vital information and helpful tips for running their business in-store and online.

In June 2016, we hosted our second annual Buying Days event at Lowe's headquarters in Mooresville, North Carolina. This event

introduces Lowe's to potential new small and diverse product and indirect suppliers, and aims to give them equal footing with large suppliers. We are intentional in selecting the participating suppliers to ensure their offerings are relevant to our needs. Of the 43 suppliers in attendance, 63 percent of merchandise suppliers will now have an opportunity to participate in our product line review, or test-sell products online or in-store. Additionally, 74 percent of indirect suppliers in attendance will be invited to join in relevant upcoming bids. We continue to improve the quality of the event and the caliber of suppliers who attend.



Lowe's Four-Step Supplier Diversity Process

1. Source: Seek small and diverse suppliers with innovative products and services
2. Evaluate: Screen prospective suppliers and evaluate their products and services
3. Develop: Provide valuable business guidance to potential suppliers
4. Present: Help the supplier present products and services to our merchants and buyers

To assist in our ongoing search for small and diverse suppliers, our supplier diversity team attended additional supplier events in 2016, including:

- Black Enterprise Summit
- BMW Matchmaker Conference
- Charlotte LGBT Chamber of Commerce Expo
- International Home + Housewares Show
- International Builders' Show/ National Association of Home Builders Show/ International Surface Event
- National Hardware Show
- Small and Minority Business Trade Fair
- Summer Outdoor Retailer Show
- U.S. Hispanic Chamber of Commerce National Conference

Amodex: Family Stain Remover Leaves its Mark

Beverlee Dacey is the president of Amodex, a small family-owned stain remover company that produces a product known for its unique ability to remove the toughest stains, such as permanent Sharpie® ink. The company was founded in 1958 by Dacey's parents, A. Peter and Silvia Fatse. When her father was diagnosed with cancer in 2005, Dacey stepped in to take over.

Shortly thereafter, Dacey joined the Women's Business Enterprise National Council (WBENC), where she collaborated with other women-owned businesses in sharing best practices for successful growth. During WBENC's 2015 Summit & Salute conference, she met the Lowe's supplier diversity team.

The team mentored Dacey, giving her the tools she needed to develop a successful pitch, not only to Lowe's, but to other retailers. "Generally, small companies with great products have neither the personnel nor capital to compete with the major brands for buyers' attention and shelf placement," Dacey said. "Lowe's supplier diversity team facilitated that precious initial meeting and 'level playing field' where we could introduce Lowe's to a brand that would provide differentiation, customer satisfaction, and as a destination product, store traffic. The diversity team partnered with the category buyer and us to work on brand placement and message."

We put Amodex on the shelves in 1,400 stores. But the partnership did not end there. "The supplier diversity team continues to work with me and the category buyer to address sales and marketing challenges and opportunities to increase sales and maintain a solid margin"



Dacey said. "The Lowe's supplier diversity team truly listened to my marketing message and vision, guiding me through Lowe's complex maze. There are still a lot of bumps and potholes ahead, but working with this team has provided me that sense of motivation and perseverance that is the hallmark of the Made in the USA message and Lowe's diversity commitment."

"Today, we are a company whose sales have increased five times since I took over in 2005," Dacey said. "The supplier diversity team at Lowe's has provided my company with guidance and resources that have been centered around 1. credibility, 2. accessibility and 3. stability."

Global Reporting Initiative

We have reviewed our 2016 Social Responsibility Report (SRR) against the Global Reporting Initiative (GRI) G4 guidelines, an internationally recognized framework for reporting on governance, economic, environmental and social issues. The index below details the location of our disclosure on GRI metrics and indicators found in the 2016 SRR, financial statements and other governance documents on our websites.

Indicator	Description	Location	Reported
			● Fully ◐ Partially
Strategy and Analysis			
G4-1	CEO Letter	CEO Message, page 4	●
G4-2	Key impacts, risks and opportunities	Introduction, page 2 2016 Form 10-K	●
Organizational Profile			
G4-3	Organization name	Lowe's Companies, Inc.	●
G4-4	Primary brands, products, and services	CEO Message, page 4 Introduction > About Lowe's, page 2 2016 Form 10-K	●
G4-5	Headquarters location	Mooresville, North Carolina	●
G4-6	Where the organization operates	2016 Form 10-K	●
G4-7	Nature of ownership and legal form	2016 Form 10-K	●
G4-8	Markets served	Introduction, page 2 2016 Form 10-K	●
G4-9	Scale of the organization	2016 Form 10-K	●
G4-10	Total workforce by employment contract and gender	Employees, page 20 2016 Form 10-K	◐
G4-11	Collective bargaining agreements	2016 Form 10-K	◐
G4-12	Supply chain description	Supply Chain Responsibility, page 47	●
G4-13	Organizational changes during the reporting period	2016 Form 10-K	●
G4-15	External charters, principles or other initiatives	Operations > Logistics, page 36 Product Sustainability > Evolving to Meet Stakeholder Needs, page 42 Product Sustainability > Responsible Wood Sourcing, page 45	●

Indicator	Description	Location	Reported
G4-16	Membership associations	Governance and Ethics > Political Engagement, page 9 Operations > Logistics, page 36 Product Sustainability > Evolving to Meet Stakeholder Needs, page 42	●
Identified Material Aspects and Boundaries			
G4-17	Entities included in financial statements	Introduction, page 2 2016 Form 10-K	●
G4-18	Process for defining report boundaries and content	Introduction, page 2	●
G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements	Introduction, page 2 Operations > Energy and Carbon Footprint, page 31 Operations > Recycling and Waste, page 33	●
Stakeholder Engagement			
G4-24	Stakeholder groups	Introduction (full section) Full Report	●
G4-25	How stakeholders were identified	Introduction (full section) Full Report	●
G4-26	Approach to stakeholder engagement	Introduction (full section) Full Report	●
G4-27	Topics raised during stakeholder engagements	Introduction (full section) Full Report	●
Report Profile			
G4-28	Reporting period	Calendar year 2016, except where noted otherwise	●
G4-29	Date of most recent report	2015 Social Responsibility Report , April 2015	●
G4-30	Reporting cycle	Annual	●
G4-31	Report contact	socialresponsibility@lowes.com	●
G4-32	In accordance option, GRI Index and report assurance	This report contains standard disclosures from the GRI Sustainability Reporting Guidelines.	●
Governance			
G4-34	Governance structure of the organization	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●
G4-35	Process for delegating authority for sustainability topics from the board to senior executives and other employees	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●

Indicator	Description	Location	Reported
G4-36	High-level accountability for sustainability topics	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●
G4-37	Process for consultation	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●
G4-38	Composition of the board and its committees	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●
G4-39	Whether the chair of the board is also an executive officer	Governance Guidelines	●
G4-40	Nomination and selection processes for the board and its committees	Governance Guidelines	●
G4-41	Board conflicts of interest	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●
G4-42	Board and executives' roles in the organization's mission statements, strategies, policies and goals related to sustainability impacts	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●
G4-43	Board knowledge of sustainability topics	Governance & Ethics > Corporate Governance, page 6	●
G4-44	Board performance with respect to governance of sustainability topics	Governance & Ethics > Corporate Governance, page 6 Proxy Statement	●
G4-45	Board role in the identification and management of sustainability impacts, risks and opportunities	Proxy Statement Governance Guidelines	●
G4-46	Board role in reviewing risk management processes for sustainability topics	Proxy Statement Governance Guidelines	●
G4-47	Frequency of the board's review of sustainability impacts, risks and opportunities	Governance & Ethics > Corporate Governance, page 6 Governance Guidelines	●
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report	Chief Executive Officer	●
G4-49	Process for communicating critical concerns to the board	Governance & Ethics > Ethical Business Behavior, page 7 Governance Guidelines	●
G4-51	Remuneration policies for the board and senior executives	2016 Form 10-K Proxy Statement Governance Guidelines	●
G4-52	Process for determining remuneration	Proxy Statement Governance Guidelines	●
G4-53	Stakeholders' views on remuneration	Proxy Statement Governance Guidelines	●

Indicator	Description	Location	Reported
Ethics and Integrity			
G4-56	Code of conduct	Governance & Ethics > Ethical Business Behavior, page 7 Lowe's Code of Business Conduct and Ethics	●
G4-57	Helplines or advice lines for employees	Governance & Ethics > Ethical Business Behavior, page 7 Lowe's Code of Business Conduct and Ethics	●
G4-58	Mechanisms for reporting concerns about unethical or unlawful behavior	Governance & Ethics > Ethical Business Behavior, page 7 Lowe's Code of Business Conduct and Ethics	●
CATEGORY: ECONOMIC			
Economic Performance			
G4-DMA	Disclosures on management approach (DMA)	Introduction, page 2 2016 Form 10-K	●
G4-EC1	Economic value	Introduction, page 2 Community (full section) 2016 Form 10-K	●
G4-EC2	Climate change risks	Operations > Energy and Carbon Footprint, page 31 2016 Form 10-K	●
G4-EC3	Benefit plan coverage	Employees > Employee Benefits, page 27 2016 Form 10-K	●
Indirect Economic Impacts			
G4-DMA	Disclosures on management approach (DMA)	Community (full section)	●
G4-EC7	Development and impact of infrastructure investments and services supported	Community (full section)	●
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Community (full section)	●
Procurement Practices			
G4-DMA	Disclosures on management approach (DMA)	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
CATEGORY: ENVIRONMENTAL			
Energy			
G4-DMA	Disclosures on management approach (DMA)	Product Sustainability > Products to Help Customers Live More Sustainable Lives, page 39 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●

Indicator	Description	Location	Reported
G4-EN3	Energy consumption (Scope 1 + 2)	Operations > Energy and Carbon Footprint, page 31 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
G4-EN5	Energy intensity	Operations > Energy and Carbon Footprint, page 31 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
G4-EN6	Energy reductions	Operations > Energy and Carbon Footprint, page 31 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
G4-EN7	Energy reductions in products and services	Product Sustainability > Products to Help Customers Live More Sustainable Lives, page 39	●
Water			
G4-DMA	Disclosures on management approach (DMA)	Operations > Water Conservation, page 37	●
Biodiversity			
G4-DMA	Disclosures on management approach (DMA)	Product Sustainability > Evolving to Meet Stakeholder Needs, page 42	●
G4-EN12	Impacts on biodiversity	Product Sustainability > Products to Help Customers Live More Sustainable Lives, page 39 Product Sustainability > Evolving to Meet Stakeholder Needs, page 42	●
G4-EN13	Habitats protected or restored	Product Sustainability > Responsible Wood Sourcing, page 45	●
Emissions			
G4-DMA	Disclosures on management approach (DMA)	Operations > Energy and Carbon Footprint, Logistics, page 36 Product Sustainability > Products to Help Customers Live More Sustainable Lives, page 39 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
G4-EN15	GHG emissions (Scope 1)	Operations > Energy and Carbon Footprint, page 31 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
G4-EN16	GHG emissions (Scope 2)	Operations > Energy and Carbon Footprint, page 31 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
G4-EN17	GHG emissions (Scope 3)	Reported 2016 Energy and Emissions data will be available at www.cdp.net	●

Indicator	Description	Location	Reported
G4-EN18	GHG emissions intensity	Operations > Energy and Carbon Footprint, page 31 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
G4-EN19	Reduction of GHG emissions	Operations > Energy and Carbon Footprint, page 31 Reported 2016 Energy and Emissions data will be available at www.cdp.net	●
Effluents and Waste			
G4-DMA	Disclosures on management approach (DMA)	Operations > Recycling and Waste, page 33	●
G4-EN23	Waste by type and disposal method	Operations > Recycling and Waste, page 33	●
G4-EN25	Hazardous waste	Operations > Recycling and Waste, page 33	●
Products and Services			
G4-DMA	Disclosures on management approach (DMA)	Product Sustainability (full section)	●
G4-EN27	Mitigation of environmental impacts of products and services	Product Sustainability (full section)	●
Transport			
G4-DMA	Disclosures on management approach (DMA)	Operations > Logistics, page 36	●
G4-EN30	Environmental impacts from product distribution and employee travel	Operations > Logistics, page 36	●
Supplier Environmental Assessment			
G4-DMA	Disclosures on management approach (DMA)	Supply Chain Responsibility (full section)	●
G4-EN32	New suppliers screened using environmental criteria	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
G4-EN33	Supply chain environmental impacts	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
CATEGORY: SOCIAL LABOR PRACTICES AND DECENT WORK			
Employment			
G4-DMA	Disclosures on management approach (DMA)	Employees (full section)	●
G4-LA2	Benefits provided to full-time employees	Employees > Employee Benefits, page 27	●

Indicator	Description	Location	Reported
Occupational Health and Safety			
G4-DMA	Disclosures on management approach (DMA)	Employees > Health and Safety, page 29	●
G4-LA5	Workforce represented in health and safety committees	Employees > Health and Safety, page 29	●
G4-LA6	Rates of injury, occupational disease, lost days, absenteeism and work-related fatalities	Employees > Health and Safety, page 29	●
Training and Education			
G4-DMA	Disclosures on management approach (DMA)	Employees > Learning and Development, page 23	●
G4-LA9	Average hours of training for employees	Employees > Learning and Development, page 23 Employees > Health and Safety, page 29 Product Sustainability > Products to Help Customers Live More Sustainable Lives, page 39	●
G4-LA10	Programs for skills management and lifelong learning	Employees > Learning and Development, page 23	●
G4-LA11	Employees receiving performance and career development reviews	Employees > Learning and Development, page 23	●
Diversity and Equal Opportunity			
G4-DMA	Disclosures on management approach (DMA)	Employees > Diversity and Inclusion, page 25 Supply Chain Responsibility > Supplier Diversity, page 53	●
G4-LA12	Diversity of employees and governance bodies	Governance & Ethics > Corporate Governance, page 6 Employees > Diversity and Inclusion, page 25	●
Supplier Assessment for Labor Practices			
G4-DMA	Disclosures on management approach (DMA)	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
G4-LA14	New suppliers that were screened using labor practices criteria	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
G4-LA15	Negative impacts for labor practices in the supply chain	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
Labor Practices Grievance Mechanisms			
G4-DMA	Disclosures on management approach (DMA)	Lowe's Code of Business Conduct and Ethics	●

Indicator	Description	Location	Reported
CATEGORY: HUMAN RIGHTS			
Nondiscrimination			
G4-DMA	Disclosures on management approach (DMA)	Lowe's Code of Business Conduct and Ethics	●
Child Labor			
G4-DMA	Disclosures on management approach (DMA)	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
Forced or Compulsory Labor			
G4-DMA	Disclosures on management approach (DMA)	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
Supplier Assessment for Human Rights			
G4-DMA	Disclosures on management approach (DMA)	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
G4-HR10	New suppliers screened for human rights	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
G4-HR11	Human rights impacts in the supply chain	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
CATEGORY: SOCIETY			
Local Communities			
G4-DMA	Disclosures on management approach (DMA)	Community (full section)	●
G4-S01	Local community engagement, impact assessments and development programs	Community (full section)	●
Anti-corruption			
G4-DMA	Disclosures on management approach (DMA)	Governance & Ethics > Ethical Business Behavior, page 7 Lowe's Code of Business Conduct and Ethics	●
G4-S04	Communications and training on anti-corruption	Governance & Ethics > Ethical Business Behavior, page 7 Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
Public Policy			
G4-DMA	Disclosures on management approach (DMA)	Governance & Ethics > Political Engagement, page 9	●
G4-S06	Political contributions	Governance & Ethics > Political Engagement, page 9	●

Indicator	Description	Location	Reported
Supplier Assessment for Impact on Society			
G4-DMA	Disclosures on management approach (DMA)	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
G4-S09	New suppliers screened for impacts on society	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
G4-S010	Negative impacts on society in the supply chain	Supply Chain Responsibility > Building Accountability into Our Supply Chain, page 48	●
CATEGORY: PRODUCT RESPONSIBILITY			
Customer Health and Safety			
G4-DMA	Disclosures on management approach (DMA)	Product Sustainability > Evolving to Meet Stakeholder Needs, page 42	●
G4-PR1	Health and safety impact assessments of products and services	Product Sustainability > Evolving to Meet Stakeholder Needs, page 42	●
Product and Service Labeling			
G4-DMA	Disclosures on management approach (DMA)	Product Sustainability > Evolving to Meet Stakeholder Needs, page 42 Supply Chain Responsibility > Product Quality, page 51	●
G4-PR3	Product and service information and labeling	Product Sustainability > Evolving to Meet Stakeholder Needs, page 42 Supply Chain Responsibility > Product Quality, page 51	●
Customer Privacy			
G4-DMA	Disclosures on management approach (DMA)	Governance & Ethics > Ethical Business Behavior, page 7	●