

# INVESTOR FACT SHEET

As of January 28, 2022



## GENERAL

- Fortune® 50 company and the world's second largest home improvement retailer
- Operate or service nearly 2,220 home improvement and hardware stores
  - › 1,737 Lowe's Home Improvement stores across 50 U.S. states
  - › 234 stores in Canada including 173 corporate-owned stores from RONA acquisition
    - » Additionally, we serve 226 dealer-owned stores
- Approximately 208 million square feet of retail selling space
- Approximately 19 million customer transactions served each week
- Employs approximately 200,000 full-time and 140,000 part-time people
- Headquartered in Mooresville, NC
- Lowe's supports the communities it serves through programs focused on creating safe, affordable housing and helping to develop the next generation of skilled trade experts

## HISTORY

- Opened its first store in 1921
- Incorporated in North Carolina in 1952 and publicly held since 1961
- Listed on the New York Stock Exchange - ticker symbol "LOW"
- Reached one million customer transactions in 1964
- Opened first 100,000 square foot store opened in 1990
- Opened first regional distribution center in 1994
- Launched first Lowe's website in 1995
- Fortified presence in Canada with acquisition of RONA in 2016
- Reached one billion customer transactions in 2020



## CUSTOMERS

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

- Retail customers include individual homeowners and renters who complete a wide array of projects and vary along the spectrum of do-it-yourself (DIY) and do-it-for-me (DIFM).
- Pro customers shop at Lowe's to support their business activities and represent approximately 20-25% of total sales. Pro customers consist of two broad categories:
  - › Maintenance, Repair and Operations (MRO) – Customers whose business activities include property management, as well as the operations and maintenance functions of business, retail, industrial, government, schools and nonprofit organizations
  - › Construction Trades—Customers whose business activities are associated with construction, repair/remodeling, or specialty trades (i.e., electrician, plumber, etc.)

## MARKET AND COMPETITION

Lowe's is classified within the Building Material and Garden Equipment and Supplies Dealers Subsector (444) of the Retail Trade Sector of the North American Industry Classification System (NAICS).

- The market in which we operate includes home-related sales through a variety of types of businesses. This includes home centers, paint stores, hardware stores, lumber yards and garden centers, mass retailers, home goods specialty stores, and online retailers, as well as wholesalers that provide home-related products and services to homeowners, renters, businesses, and the government.

## PRODUCTS

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

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

A typical Lowe's home improvement store stocks approximately 40,000 items, with over two million additional items available online and through our Special Order Sales system.

## BRANDS

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

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

## SERVICES

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

### Installed Sales:

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

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

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

Offer extended protection plans for various products within Appliances, Kitchens & Bath, Décor, Millwork, Rough Plumbing, Electrical, Seasonal & Outdoor Living, Tools, and Hardware to provide customers with product protection that enhances or extends the manufacturer's warranty

- › The protection plans provide in-warranty benefits and out-of-warranty repair services for major appliances, outdoor power equipment, tools, grills, fireplaces, air conditioners, water heaters, and other eligible products through our stores or in the home through the Lowe's Authorized Service Repair Network

## OMNI-CHANNEL RETAILING

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

### In-store:

- 1,798 Lowe's-branded home improvement stores
  - › Generally open seven days per week and average approximately 112,000 square feet of retail selling space
- 173 RONA stores
  - › Stores operate under various complementary formats that address target customers and occasions

### Online:

- Accounted for nearly 10% of total sales in fiscal 2021
- Through our websites and mobile applications, we empower customers by providing 24/7 shopping experience, online product information, customer ratings and reviews, buying guides, and how-to videos and other information

- In-store and curbside pickup, as well as home delivery and parcel shipment

### On-site:

- Pro sales managers meet with Pro customers in their workplaces or at job sites and leverage stores within the area to ensure customer needs for products and resources are met
- In-home sales specialists meet with customers in their homes to design, plan, and manage their home improvement projects

### Contact centers:

- Direct phone sales and customer support
- Located in Wilkesboro, N.C., Albuquerque, N.M., and Indianapolis
- Located in Wilkesboro, NC, Albuquerque, NM, and Indianapolis, IN

## SUPPLY CHAIN

**We ship approximately 65% of the total dollar amount of merchandise purchased through Lowe's distribution network, while the remaining portion is shipped directly to stores or customers from vendors. Most parcel post items can be ordered by a customer and delivered within two business days at standard shipping rates.**

- Regional Distribution Centers, "RDCs"—15 highly automated facilities in the U.S. used to move product efficiently and effectively from vendors to stores. Products are received from vendors, stored and picked or cross-docked, and then shipped to retail locations or directly to customers
- Flatbed distribution centers, "FDCs"—15 facilities distribute merchandise that requires special handling due to size or type of packaging such as lumber, boards, panel products, pipe, siding, ladders, and building materials
- We own and operate seven distribution centers, including four lumber yards, to serve our Canadian market
- We also operate coastal holding and transload facilities (CHF) to handle import product, bulk distribution centers (BDC) to handle appliances and other big and bulky product, cross-dock delivery terminals (XDTs) to fulfill-final mile box truck deliveries, and fulfillment centers (FCs) focused on parcel post-eligible products
- As part of our market-based delivery model, we added three XDT ecosystems (consisting of six new XDTs) in fiscal 2021. We also enhanced our distribution network by opening four BDCs, three FCs, and two CHFs

