

LOWES COMPANIES INC
Form DEF 14A
April 15, 2013
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

LOWE S COMPANIES, INC.
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

Edgar Filing: LOWES COMPANIES INC - Form DEF 14A

x No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

LOWE S COMPANIES, INC.

**Notice of
Annual Meeting
and
Proxy Statement**

2013

Table of Contents

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting To Be Held on May 31, 2013: The Company's Notice of Annual Meeting and Proxy Statement and Annual Report are available at <https://materials.proxyvote.com/548661>.

Table of Contents

Corporate Offices 1000 Lowe s Boulevard
Mooresville, North Carolina 28117

**LOWE S
COMPANIES,
INC.**

April 15, 2013

TO LOWE S SHAREHOLDERS:

It is my pleasure to invite you to attend our 2013 Annual Meeting of Shareholders (the Annual Meeting) to be held at the Ballantyne Hotel, 10000 Ballantyne Commons Parkway, Charlotte, North Carolina 28277, on Friday, May 31, 2013 at 10:00 a.m., Eastern Time. Directions to the Ballantyne Hotel are printed on the back of this Proxy Statement.

This year, we are pleased to be again using the U.S. Securities and Exchange Commission rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing to most of our shareholders a Notice of Internet Availability of Proxy Materials instead of a paper copy of this Proxy Statement and our 2012 Annual Report. The Notice contains instructions on how to access those documents and vote online. The Notice also contains instructions on how each of those shareholders can receive a paper copy of our proxy materials, including this Proxy Statement, our 2012 Annual Report and a form of proxy card or voting instruction card. All shareholders who do not receive a Notice of Internet Availability, including shareholders who have previously requested to receive paper copies of proxy materials, will receive a paper copy of the proxy materials by mail unless they have previously requested delivery of proxy materials electronically. Continuing to employ this distribution process will conserve natural resources and reduce the costs of printing and distributing our proxy materials.

We will broadcast the Annual Meeting live on the Internet. To access the webcast, visit Lowe s website (www.Lowes.com/investor) where a link will be posted a few days before the meeting. A replay of the Annual Meeting will also be available beginning approximately three hours after the meeting concludes and will continue to be available for two weeks after the meeting.

Details regarding admission to the meeting and the items of business to be considered are more fully described in the accompanying Notice of Annual Meeting and Proxy Statement. Your vote is important. Regardless of whether you plan to attend the Annual Meeting, I hope you will vote as soon as possible to ensure your representation at the Annual Meeting.

Yours cordially,

Robert A. Niblock

Chairman of the Board, President

and Chief Executive Officer

Table of Contents

**Notice of
2013 Annual Meeting of Shareholders
of Lowe's Companies, Inc.**

- Time and Date:** 10:00 a.m., Eastern Time, on Friday, May 31, 2013
- Place:** Ballantyne Hotel, 10000 Ballantyne Commons Parkway, Charlotte, North Carolina 28277
- Purpose:**
1. To elect 11 directors to one-year terms.

 2. To ratify the appointment of Deloitte & Touche LLP as the independent registered public accounting firm of the Company for the 2013 fiscal year.

 3. To approve the Company's executive compensation.

 4. To consider and vote upon a shareholder proposal set forth at pages 46 through 48 in the accompanying Proxy Statement.

 5. To transact such other business as may be properly brought before the Annual Meeting or any adjournment or postponement thereof.
- Record Date:** Only shareholders of record as of the close of business on March 28, 2013 will be entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement thereof.
- Meeting Admission:** You are entitled to attend the Annual Meeting only if you were a Lowe's shareholder as of the close of business on March 28, 2013 or hold a valid proxy for the Annual Meeting. You should be prepared to present photo identification for admittance. In addition, if you are a shareholder of record or hold your shares through the Company's 401(k) Plan, Employee Stock Purchase Plan or Direct Stock Purchase Program, your ownership as of the record date will be verified prior to admittance into the meeting. If you are not a shareholder of record or a participant in one of the Company's plans or purchase programs, but hold shares through a broker, trustee or nominee, you must provide proof of beneficial ownership as of the record date, such as your most recent account statement prior to March 28, 2013 or similar evidence of ownership. If you do not provide photo identification and comply with the other procedures outlined above, you will not be admitted to the Annual Meeting. The Annual Meeting will begin promptly at 10:00 a.m., Eastern Time. Check-in will begin at 8:30 a.m., Eastern Time, and you

Edgar Filing: LOWES COMPANIES INC - Form DEF 14A

should allow ample time for the check-in procedures.

Voting:

Your vote is important. Whether or not you plan to attend the Annual Meeting, we hope you will vote as soon as possible. If you received a paper copy of the proxy materials by mail, you may vote your shares by proxy by doing any one of the following: vote at the Internet site address listed on your proxy or voting instruction card; call the toll-free number listed on your proxy or voting instruction card; or sign, date and return in the pre-addressed envelope provided the enclosed proxy or voting instruction card. If you received only a Notice of Internet Availability of Proxy Materials by mail, you may vote your shares at the Internet site address listed on your Notice. You may also request a paper copy of our proxy materials by visiting the Internet site address listed on your Notice, calling the toll-free number listed on your Notice or sending an e-mail to the e-mail address listed on your Notice.

The Company's Proxy Statement is attached. Financial and other information is contained in the Company's Annual Report to Shareholders, a copy of which accompanies this Notice of Annual Meeting of Shareholders.

By order of the Board of Directors,

Gaither M. Keener, Jr.

Chief Legal Officer,

Chief Compliance Officer & Secretary

Mooresville, North Carolina

April 15, 2013

Table of Contents

Table of Contents

<u>GENERAL INFORMATION</u>	1
<u>PROPOSAL ONE: ELECTION OF DIRECTORS</u>	4
<u>INFORMATION CONCERNING EXPERIENCE, QUALIFICATIONS, ATTRIBUTES AND SKILLS OF THE NOMINEES</u>	4
<u>INFORMATION ABOUT THE BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD</u>	8
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	19
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	20
<u>EXECUTIVE OFFICER COMPENSATION</u>	20
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	20
<u>COMPENSATION TABLES</u>	33
<u>COMPENSATION COMMITTEE REPORT</u>	40
<u>EQUITY COMPENSATION PLAN INFORMATION</u>	41
<u>RELATED-PARTY TRANSACTIONS</u>	42
<u>AUDIT MATTERS</u>	43
<u>PROPOSAL TWO: TO RATIFY THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	44
<u>PROPOSAL THREE: TO APPROVE THE COMPANY'S EXECUTIVE COMPENSATION</u>	45
<u>PROPOSAL FOUR: TO CONSIDER AND VOTE UPON THE SHAREHOLDER PROPOSAL REGARDING EXECUTIVE STOCK RETENTION REQUIREMENTS</u>	46
<u>ADDITIONAL INFORMATION</u>	48
<u>SHAREHOLDER PROPOSALS FOR THE 2014 ANNUAL MEETING</u>	49
<u>ANNUAL REPORT</u>	50
<u>MISCELLANEOUS</u>	50
<u>APPENDIX A: CATEGORICAL STANDARDS FOR DETERMINATION OF DIRECTOR INDEPENDENCE</u>	A-1

Table of Contents

Lowe's Companies, Inc.

Proxy Statement

for

2013 Annual Meeting of Shareholders

May 31, 2013

GENERAL INFORMATION

This Proxy Statement is being furnished in connection with the solicitation by the Board of Directors (the "Board of Directors" or the "Board") of Lowe's Companies, Inc. ("Lowe's" or the "Company") of proxies to be voted at the 2013 Annual Meeting of Shareholders (the "Annual Meeting") to be held at the Ballantyne Hotel located at 10000 Ballantyne Commons Parkway, Charlotte, North Carolina 28277 on Friday, May 31, 2013 at 10:00 a.m., Eastern Time.

In accordance with rules and regulations adopted by the U.S. Securities and Exchange Commission ("SEC"), instead of mailing a printed copy of our proxy materials to each shareholder of record, we are now furnishing proxy materials to most of our shareholders on the Internet. If you received only a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the proxy materials unless you request a copy. Instead, the Notice of Internet Availability of Proxy Materials will instruct you how you may access and review the proxy materials over the Internet. The Notice of Internet Availability of Proxy Materials will also instruct you as to how you may submit your proxy over the Internet. If you received only a Notice of Internet Availability of Proxy Materials by mail and would like to receive a printed copy of our proxy materials, however, you should follow the instructions for requesting those materials included in the Notice.

On or about April 15, 2013, we will begin mailing to our shareholders the Notice of Internet Availability of Proxy Materials or, to shareholders who requested a hard copy of the proxy materials, the Proxy Statement, the accompanying form of proxy and our 2012 Annual Report.

Outstanding Shares

On March 28, 2013, there were 1,088,511,808 shares of the Company's common stock ("Common Stock") outstanding and entitled to vote. Shareholders are entitled to one vote for each share held on all matters to come before the meeting.

Who May Vote

Only shareholders of record as of the close of business on March 28, 2013 are entitled to notice of and to vote at the meeting or any adjournment or postponement thereof.

How To Vote

You may vote by proxy or in person at the meeting. If you received a paper copy of the proxy materials by mail, you may vote your shares by proxy by doing any one of the following: vote at the Internet site address listed on your proxy or voting instruction card; call the toll-free number listed on your proxy or voting instruction card; or mail your signed and dated proxy or voting instruction card to our tabulator in the self-addressed envelope provided. If you received only a Notice of Internet Availability of Proxy Materials by mail, you may vote your shares

Edgar Filing: LOWES COMPANIES INC - Form DEF 14A

online by proxy at the Internet site address listed on your Notice. You may also request a paper copy of our proxy materials by visiting the Internet site address listed on your Notice, calling the toll-free number listed on your Notice or sending an e-mail to the e-mail address listed on your Notice. Even if you plan to attend the meeting, we recommend that you vote by proxy prior to the meeting. You can always change your vote as described below.

Table of Contents

How Proxies Work

The Board of Directors is asking for your proxy. By giving us your proxy, you authorize Gaither M. Keener, Jr. and Robert F. Hull, Jr. (members of Lowe's management and shareholders of the Company), as proxyholders, to vote your shares at the meeting in the manner you direct. If you do not specify how you wish the proxyholders to vote your shares, they will vote your shares **FOR ALL** director nominees, **FOR** ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm, **FOR** the proposal to approve the Company's executive compensation and **AGAINST** the shareholder proposal. The proxyholders also will vote your shares according to their discretion on any other matter properly brought before the meeting.

If for any reason any of the nominees for election as director becomes unavailable for election, discretionary authority may be exercised by the proxyholders to vote for substitutes proposed by the Board of Directors.

You may receive more than one Notice of Internet Availability of Proxy Materials, more than one e-mail (if you have elected electronic delivery of proxy materials) or more than one paper copy of the proxy materials, including multiple copies of this Proxy Statement, multiple proxy or voting instruction cards and multiple copies of our 2012 Annual Report, depending on how you hold your shares. For example, if you hold your shares in more than one brokerage account, you may receive a separate Notice, a separate e-mail or a separate voting instruction card for each brokerage account in which you hold your shares. If you are a shareholder of record and your shares are registered in more than one name, you may receive more than one Notice, more than one e-mail or more than one proxy card. To vote all of your shares by proxy, you must vote at the Internet site address listed on your proxy or voting instruction card, call the toll-free number listed on your proxy or voting instruction card, or sign, date and return each proxy card and voting instruction card that you receive; and vote over the Internet the shares represented by each Notice and e-mail that you receive (unless you have requested and received a proxy or voting instruction card for the shares represented by one or more of those Notices or e-mails).

Quorum

In order to carry out the business of the meeting, we must have a quorum. This means that at least a majority of the outstanding shares eligible to vote must be represented at the meeting, either by proxy or in person. If the persons present or represented by proxy at the meeting constitute the holders of less than a majority of the outstanding shares of common stock as of the record date, the meeting may be adjourned to a subsequent date for the purpose of obtaining a quorum.

Revoking Your Proxy

The shares represented by a proxy will be voted as directed unless the proxy is revoked. Any proxy may be revoked before it is exercised by filing with the Secretary of the Company an instrument revoking the proxy or a proxy bearing a later date. A proxy is also revoked if the person who executed the proxy is present at the meeting and elects to vote in person.

Votes Needed

Election of Directors. In uncontested elections, directors are elected by the affirmative vote of a majority of the outstanding shares of the Company's voting securities voted at the meeting, including those shares for which votes are cast as withheld. In the event that a director nominee fails to receive the required majority vote, the Board of Directors may decrease the number of directors, fill any vacancy, or take other appropriate action. If the number of nominees exceeds the number of directors to be elected, directors will be elected by a plurality of the votes cast by the holders of voting securities entitled to vote in the election.

Approval of the Company's Executive Compensation. The result of the vote on the proposal to approve the Company's executive compensation will not be binding on the Company or the Board of Directors. The Board of Directors will review the voting result and take it into consideration when making future decisions regarding executive compensation.

Table of Contents

Other Proposals. Approval of the other proposals and any other matter properly brought before the meeting requires the favorable vote of a majority of the votes cast on the applicable matter at the meeting in person or by proxy.

Withhold Votes, Abstentions and Broker Non-Votes

Abstentions and broker non-votes are counted as present or represented for purposes of determining the presence or absence of a quorum for the Annual Meeting. A broker non-vote occurs when a brokerage firm or other nominee holding shares for a beneficial owner votes on one proposal but does not vote on another proposal because, with respect to such other proposal, the nominee does not have discretionary voting power and has not received instructions from the beneficial owner. Shares held by a brokerage firm or other nominee that are not voted on any matter at the meeting are not included in determining whether a quorum is present.

Under the New York Stock Exchange rules and regulations (the NYSE rules), the proposal to ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm is considered a discretionary matter, which means that brokerage firms may vote in their discretion on this matter on behalf of clients who have not furnished voting instructions. However, the election of directors, the proposal to approve the Company's executive compensation and the shareholder proposal are non-discretionary matters under the NYSE rules, which means brokerage firms that have not received voting instructions from their clients on these matters may not vote on these proposals.

With respect to Proposal One, the election of directors, only for and withhold votes may be cast, and abstentions and broker non-votes will have no effect on the outcome of this proposal. With respect to Proposals Two, Three and Four, the ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm, the approval of the Company's executive compensation and the shareholder proposal, abstentions and broker non-votes will not be counted as votes cast and, therefore, will not have any effect on the outcomes of these proposals.

Our Voting Recommendation

Our Board of Directors recommends that you vote:

FOR ALL of our nominees to the Board of Directors;

FOR the proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm;

FOR the proposal to approve the Company's executive compensation; and

AGAINST the shareholder proposal regarding executive stock retention requirements.

Proxy cards that are timely signed, dated and returned but do not contain instructions on how you want to vote will be voted in accordance with our Board of Directors' recommendations.

Voting Results

The preliminary voting results will be announced at the Annual Meeting. The final voting results will be published in the Company's Quarterly Report on Form 10-Q for the first quarter of fiscal 2013 or in a Current Report on Form 8-K filed with the SEC within four business days of the Annual Meeting.

Attending In Person

Only shareholders as of the close of business on March 28, 2013, their properly designated proxies and guests of the Company may attend the Annual Meeting. You must present photo identification for admittance. If you are a shareholder of record or hold your shares through the Company's 401(k) Plan, Employee Stock

Table of Contents

Purchase Plan or Direct Stock Purchase Program, your name will be verified against the list of shareholders of record or plan or purchase program participants on the record date prior to your admission to the Annual Meeting. If you are not a shareholder of record or a participant in one of the Company's plans or purchase programs, but hold shares through a broker, trustee or nominee, you must provide proof of beneficial ownership on the record date, such as your most recent account statement prior to March 28, 2013 or other similar evidence of ownership. If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the Annual Meeting.

The meeting will begin promptly at 10:00 a.m., Eastern Time, and check-in will begin at 8:30 a.m., Eastern Time.

Conduct of the Meeting

Pursuant to the Company's Bylaws, the Chairman of our Board will act as chairman and preside over the Annual Meeting. The Chairman has broad authority to conduct the meeting in an orderly and timely manner. This authority includes making all rulings on matters of procedure at the Annual Meeting, including recognizing shareholders or proxies who wish to speak, determining the extent of discussion on each item of business and managing disruptions or disorderly conduct. In his discretion, the Chairman may also appoint the Company's Secretary or another officer of the Company as parliamentarian to rule on all questions of procedure at the Annual Meeting.

PROPOSAL ONE:

ELECTION OF DIRECTORS

The number of directors is currently fixed at 11. On the recommendation of the Governance Committee, the Board of Directors has nominated the 11 persons named below for election as directors this year. If elected, each nominee will serve until his or her term expires at the 2014 Annual Meeting of Shareholders or until his or her successor is duly elected and qualified. All of the nominees are currently serving as directors and all of the nominees were elected to the Board at last year's Annual Meeting. Each nominee has agreed to be named in this Proxy Statement and to serve if elected.

The Board of Directors recommends a vote **FOR ALL** of the 11 nominees listed below. Unless authority to vote in the election of directors is withheld, it is the intention of the persons named as proxies to vote **FOR ALL** of the 11 nominees. If at the time of the meeting any of these nominees is unavailable for election as a director for any reason, which is not expected to occur, the proxyholders will vote for such substitute nominee or nominees, if any, as shall be designated by the Board of Directors.

INFORMATION CONCERNING EXPERIENCE, QUALIFICATIONS,

ATTRIBUTES AND SKILLS OF THE NOMINEES

RAUL ALVAREZ

Director Since: 2010

Age: 57

Mr. Alvarez is the Chairman of the board of Skylark Co., Ltd., a privately-held Japanese holding company operating more than 3,000 restaurants. Mr. Alvarez served as President and Chief Operating Officer of McDonald's Corporation from August 2006 until his retirement in December 2009. Previously, he served as President of McDonald's North America from January 2005 to August 2006 and as President of McDonald's USA from July 2004 to January 2005. Mr. Alvarez joined McDonald's in 1994 and held a variety of leadership positions during his tenure with the company, including Chief Operations Officer and President of the Central Division, both with McDonald's USA, and President of McDonald's Mexico. Before joining McDonald's,

Table of Contents

Mr. Alvarez served as both a Corporate Vice President and as Division Vice President Florida for Wendy's International, Inc. from 1990 to 1994. Prior to that, he was with Burger King Corporation from 1977 to 1989 where he held a variety of positions including Managing Director of Burger King Spain, President of Burger King Canada, and Regional Vice President for Florida Region. Mr. Alvarez currently serves on the boards of directors of Dunkin' Brands Group, Inc. and Eli Lilly and Company. Mr. Alvarez was a director of McDonald's Corporation and KeyCorp until 2009. He was also a member of the board of directors of the National Retail Federation Inc., the world's largest retail trade association, until 2010.

Experience, Qualifications, Attributes and Skills. Mr. Alvarez brings to the Board over 30 years of experience in the retail industry. As a senior executive of the leading global foodservice retailer and other global restaurant businesses, Mr. Alvarez developed in-depth knowledge of consumer marketing, brand management, global expansion, multi-national operations and strategic planning. His background in these areas, along with his international perspective, is highly valuable to the Board as it continues to focus on the Company's global expansion.

DAVID W. BERNAUER

Director Since: 2007

Age: 69

Mr. Bernauer, who has served as Lead Director of Lowe's since May 2010, served as the Non-Executive Chairman of the board of directors of Walgreen Co., the nation's largest drugstore chain with approximately 8,000 locations in 50 states, the District of Columbia, Guam and Puerto Rico, from January 2007 until his retirement in July 2007. From January 2002 until July 2006, he served as Chief Executive Officer of Walgreens, at which time he ceased to be Chief Executive Officer and served as Executive Chairman of the company until January 2007. Mr. Bernauer previously served as President and Chief Operating Officer of Walgreens and in various management positions, with increasing areas of responsibility, since joining Walgreens in 1966. Mr. Bernauer currently serves on the board of directors of NBTY, Inc., and was a director of Office Depot, Inc. until 2011.

Experience, Qualifications, Attributes and Skills. In addition to his strong leadership and broad business management skills developed as the Chief Executive Officer of the nation's largest drugstore chain, Mr. Bernauer brings more than 40 years of retail industry experience to Lowe's Board, including an in-depth knowledge of the challenges of managing an expanding store base, store operations, marketing, merchandising, finance and information technology.

LEONARD L. BERRY, PH.D.

Director Since: 1998

Age: 70

Dr. Berry is a University Distinguished Professor of Marketing, Regents Professor and Presidential Professor for Teaching Excellence and holds the M.B. Zale Chair in Retailing and Marketing Leadership in the Mays Business School at Texas A&M University. Dr. Berry has been a Professor of Marketing at Texas A&M University, since 1982, and a Professor of Humanities in Medicine in the College of Medicine at The Texas A&M University System Health Science Center, since 2004. He is also the founder of the Center for Retailing Studies at Texas A&M University. An accomplished author, he has published numerous articles and a series of books on service management, marketing and quality. Dr. Berry currently serves on the boards of directors of Darden Restaurants, Inc. and Genesco Inc.

Experience, Qualifications, Attributes and Skills. Dr. Berry's extensive academic background in teaching and conducting research in marketing is a valuable asset to Lowe's Board in support of understanding customer expectations, improving service quality and building a strong services brand for Lowe's.

Table of Contents

PETER C. BROWNING

Director Since: 1998

Age: 71

Mr. Browning has been the Managing Director of Peter Browning Partners, a board advisory consulting firm, since 2009. Mr. Browning serves as Lead Director of Nucor Corporation, a steel manufacturer, a position he has held since 2006. Mr. Browning was Non-Executive Chairman of Nucor from 2000 to 2006. He was the Dean of the McColl Graduate School of Business at Queens University of Charlotte, North Carolina, from 2002 to 2005. From 1998 to 2000, Mr. Browning was President and Chief Executive Officer, from 1996 to 1998, President and Chief Operating Officer, and from 1993 to 1996, Executive Vice President of Sonoco Products Company, a manufacturer of industrial and consumer packaging products. Before joining Sonoco, Mr. Browning was Chairman, President and Chief Executive Officer of National Gypsum Company, a manufacturer and supplier of building and construction products, from 1990 to 1993. He currently serves on the boards of directors of Acuity Brands, Inc., where he serves as Lead Director, EnPro Industries, Inc., Equilar, Inc. and Nucor Corporation, and was a director of Wachovia Corporation and The Phoenix Companies, Inc. until 2008 and 2009, respectively.

Experience, Qualifications, Attributes and Skills. Mr. Browning brings a unique breadth and depth of experience and expertise to Lowe's Board, including board governance, board performance and dynamics and executive leadership transition and succession planning. Mr. Browning also brings to Lowe's Board industry experience in the building and construction products sector.

RICHARD W. DREILING

Director Since: 2012

Age: 59

Mr. Dreiling has served as Chief Executive Officer of Dollar General Corporation, the nation's largest small-box discount retailer, since January 2008, and Chairman of the board, since December 2008. Before joining Dollar General, Mr. Dreiling served as Chief Executive Officer, President and a director of Duane Reade Holdings, Inc. and Duane Reade Inc., the largest drugstore chain in New York City, from November 2005 until January 2008, and as Chairman of the board of Duane Reade from March 2007 until January 2008. Prior to that, Mr. Dreiling, beginning in March 2005, served as Executive Vice President Chief Operating Officer of Longs Drug Stores Corporation, an operator of a chain of retail drug stores on the West Coast and Hawaii, after having joined Longs in July 2003 as Executive Vice President and Chief Operations Officer. From 2000 to 2003, Mr. Dreiling served as Executive Vice President Marketing, Manufacturing and Distribution at Safeway, Inc., a food and drug retailer. Prior to that, Mr. Dreiling served from 1998 to 2000 as President of Vons, a southern California food and drug division of Safeway. Mr. Dreiling is also Vice Chairman and a member of the board of directors of the Retail Industry Leaders Association (RILA), a trade association based in Arlington, Virginia for the retail industry that includes nine of the top 10 U.S. retailers among its members.

Experience, Qualifications, Attributes and Skills. Mr. Dreiling brings to Lowe's Board over 40 years of retail industry experience at all operating levels. Mr. Dreiling provides a unique perspective regarding the retail industry as a result of his experience progressing through the ranks within various retail companies. Over the course of his career, Mr. Dreiling has developed deep insight into all key areas of a retail business as a result of his experience overseeing the operations, marketing, manufacturing and distribution functions of a number of retail companies.

DAWN E. HUDSON

Director Since: 2001

Edgar Filing: LOWES COMPANIES INC - Form DEF 14A

Age: 55

Ms. Hudson is Vice Chair of The Parthenon Group, an advisory firm focused on business strategy consulting. Ms. Hudson was the President and Chief Executive Officer of Pepsi-Cola North America, the refreshment beverage unit of PepsiCo, Inc. in the United States and Canada, until November 2007, where she served as

Table of Contents

President from May 2002 and Chief Executive Officer from March 2005. She also served as Chief Executive Officer of the PepsiCo Foodservice Division from March 2005 to November 2007. Prior to joining PepsiCo, Ms. Hudson spent 13 years in the marketing, advertising and branding strategy arena with leadership positions at major agencies such as D Arcy Masius Benton & Bowles and Omnicom. She currently serves on the boards of directors of Allergan, Inc. and The Interpublic Group of Companies, Inc. She was a director of P.F. Chang's China Bistro, Inc. until 2012.

Experience, Qualifications, Attributes and Skills. Ms. Hudson brings to Lowe's Board extensive experience in executive leadership spanning consumer goods, foodservice and communication companies. In addition, as a former marketing executive, Ms. Hudson brings to Lowe's Board valuable expertise and insights in leveraging national brands, proprietary brand development and consumer behavior. Ms. Hudson also has broad governance experience gained through serving as a director of public companies for more than 10 years.

ROBERT L. JOHNSON

Director Since: 2005

Age: 67

Mr. Johnson is the founder and Chairman of The RLJ Companies, which owns or holds interests in a diverse portfolio of companies in the banking, private equity, real estate, hospitality, professional sports (including the NBA Charlotte Bobcats), film production, gaming and automobile dealership industries. Prior to forming The RLJ Companies, he was founder and Chairman of Black Entertainment Television (BET), which was acquired in 2001 by Viacom Inc., a media-entertainment holding company. Mr. Johnson continued to serve as Chief Executive Officer of BET until 2006. He currently serves on the boards of directors of KB Home and Strayer Education, Inc.

Experience, Qualifications, Attributes and Skills. As a successful business leader and entrepreneur, Mr. Johnson brings to Lowe's Board his experience in a number of critical areas, including real estate, finance, brand development, multicultural marketing and providing customer satisfaction.

MARSHALL O. LARSEN

Director Since: 2004

Age: 64

Mr. Larsen retired in July 2012 as Chairman, President and Chief Executive Officer of Goodrich Corporation, a supplier of systems and services to the aerospace and defense industry. Mr. Larsen had served as Chairman of Goodrich since October 2003 and President and Chief Executive Officer, since February 2002 and April 2003, respectively. Prior to that, Mr. Larsen was Chief Operating Officer of Goodrich from February 2002 to April 2003, and Executive Vice President and President and Chief Operating Officer of Goodrich Aerospace division of Goodrich from 1995 to 2002. He currently serves on the boards of directors of Becton, Dickinson and Company, United Technologies Corporation and the Federal Reserve Bank of Richmond.

Experience, Qualifications, Attributes and Skills. As Chairman and Chief Executive Officer of a publicly traded company for nine years, Mr. Larsen developed strong executive leadership and strategic management skills. Mr. Larsen also brings to Lowe's Board 30 years of domestic and international business experience, including expertise in a number of critical areas, such as accounting and finance, retail sales and marketing.

Edgar Filing: LOWES COMPANIES INC - Form DEF 14A

RICHARD K. LOCHRIDGE

Director Since: 1998

Age: 69

Mr. Lochridge is the founder and served as President of Lochridge & Company, Inc., a general management consulting firm, from 1986 until his retirement in September 2010. He currently serves on the boards of directors of Dover Corporation and PetSmart, Inc. He was a director of John H. Harland Company until 2007.

Table of Contents

Experience, Qualifications, Attributes and Skills. Mr. Lochridge brings to Lowe's Board his more than 40 years of experience as a consultant working closely with senior management on operational and organizational strategies and challenges at leading companies across a broad range of industries, including a number of large retailers with international operations.

ROBERT A. NIBLOCK

Director Since: 2004

Age: 50

Mr. Niblock has served as Chairman of the Board and Chief Executive Officer of Lowe's Companies, Inc., since January 2005. In May 2011, he reassumed the title of President, after having served in that role from 2003 to 2006. Mr. Niblock joined Lowe's in 1993, and during his career with the Company, has served as Vice President and Treasurer, Senior Vice President Finance, and Executive Vice President and Chief Financial Officer. Before joining Lowe's, Mr. Niblock had a nine-year career with the accounting firm Ernst & Young. He currently serves on the board of directors of ConocoPhillips. Mr. Niblock is also Secretary and has been a member, since 2003, and previously served as Chairman of the board of directors, of the Retail Industry Leaders Association (RILA).

Experience, Qualifications, Attributes and Skills. During his 20-year career with the Company, Mr. Niblock has held a number of different positions with the Company, gaining a deep understanding of Lowe's operations and its organizational culture and values. With a background in accounting, Mr. Niblock also brings accounting and related financial management experience to Lowe's Board.

ERIC C. WISEMAN

Director Since: 2011

Age: 57

Mr. Wiseman has served as Chairman of VF Corporation, an apparel company, since August 2008, as Chief Executive Officer since January 2008, and as President since March 2006. Prior to that, he served as Chief Operating Officer of VF from March 2006 to January 2008. Mr. Wiseman joined VF in 1995 and has held a variety of leadership positions during his tenure with the company, including Executive Vice President, Global Brands and Vice President and Chairman, Sportswear and Outdoor Coalitions. Mr. Wiseman currently serves on the board of directors of CIGNA Corporation. Mr. Wiseman is also Treasurer and a member of the board of directors of the Retail Industry Leaders Association (RILA), and Chairman and a member of the board of visitors of the School of Business at Wake Forest University.

Experience, Qualifications, Attributes and Skills. As Chairman and Chief Executive Officer of a publicly traded company for more than four years, Mr. Wiseman has developed strong executive leadership and strategic management skills. Mr. Wiseman also brings to Lowe's Board valuable expertise and insights in a number of critical areas, including consumer marketing, brand management, multi-national operations and strategic planning.

INFORMATION ABOUT THE BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

Corporate Governance Guidelines and Code of Business Conduct and Ethics

Edgar Filing: LOWES COMPANIES INC - Form DEF 14A

The Board of Directors has adopted Corporate Governance Guidelines setting forth guidelines and standards with respect to the role and composition of the Board, the functioning of the Board and its committees, the compensation of directors, succession planning and management development, the Board's and its committees' access to independent advisers and other matters. The Governance Committee of the Board of Directors regularly

Table of Contents

reviews and assesses corporate governance developments and recommends to the Board modifications to the Corporate Governance Guidelines as warranted. The Company has also adopted a Code of Business Conduct and Ethics for its directors, officers and employees. The Corporate Governance Guidelines and Code of Business Conduct and Ethics are posted on the Company's website at www.Lowes.com/investor.

Director Independence

Lowes's Corporate Governance Guidelines provide that in accordance with long-standing policy, a majority of the members of the Company's Board of Directors must qualify as independent directors. For a director to be considered independent, the Board must determine that the director does not have any direct or indirect material relationship with the Company. The Board has adopted Categorical Standards for Determination of Director Independence (Categorical Standards) to assist the Board in making determinations of independence. A copy of these Categorical Standards is attached as Appendix A to this Proxy Statement.

The Governance Committee and the Board have evaluated the transactions, relationships or arrangements between each director (and his or her immediate family members and related interests) and the Company in each of the most recent three completed fiscal years. They include the following, all of which were entered into by the Company in the ordinary course of business:

David W. Bernauer was a director until April 2011 and is a less than 1% shareholder of Office Depot, Inc. from which the Company purchases office equipment and supplies.

Peter C. Browning is the Lead Director and a less than 1% shareholder of Acuity Brands, Inc. from which the Company purchases various lighting products.

Robert L. Johnson is a controlling shareholder of OppsPlace, an online jobs site targeting minority professionals and business owners, of which the Company is a subscriber. Mr. Johnson controlled and was an officer of the organization that owns the Charlotte Bobcats NBA team until March 2010 when he sold majority interest of that organization to Michael Jordan and MJ Basketball Holdings, LLC. Mr. Johnson retains a minority interest in, but is no longer an officer of, the organization that owns the Charlotte Bobcats. The Company has a multi-year sponsorship agreement with the team that provides marketing and advertising benefits for the Company. Until September 2010, Mr. Johnson was a director and a significant shareholder of the parent holding company of Urban Trust Bank, which the Company continues to use as a depository bank.

Richard K. Lochridge is a director and less than 1% shareholder of Dover Corporation, which, through several subsidiaries, is a vendor to Lowes's for various products.

In addition, the Board considered the amount of the Company's discretionary charitable contributions in each of the most recent three completed fiscal years to charitable organizations where a director, or a member of his or her immediate family, serves as a director or trustee.