

# **Universal Forest Products, Inc.**

## **Code of Business Conduct and Ethics**

Adopted by the Board of Directors on January 18, 2013

### **Introduction**

This Code of Business Conduct and Ethics (the "Code") covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all directors, officers, and employees of Universal Forest Products, Inc. and of its subsidiaries and affiliates (collectively, the "Company"). All of the Company's directors, officers, and employees must conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

If this Code conflicts with applicable laws, rules, or regulations, such laws, rules, or regulations must be complied with. If an officer or employee has any questions about such conflicts, a supervisor should be asked how to handle the situation.

Those who violate the standards in this Code will be subject to disciplinary action, up to and including termination of their relationship with the Company. If a director, officer or employee is in a situation which he or she believes may violate or lead to a violation of this Code, the guidelines described in Section 11 should be followed.

### **1. Compliance with Laws, Rules, and Regulations and Company Policies**

Obeying the law, both in letter and in spirit, as well as fair dealing and honesty, are the foundations on which this Company's ethical standards are built. All directors, officers, and employees must respect and obey the laws of the cities, states, and countries in which the Company operates. Although not all directors, officers, and employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers, or other appropriate management personnel. Similarly, all directors, officers, and employees must respect and abide by all Company policies.

### **2. Conflicts of Interest**

A conflict of interest exists when a person's private interest interferes or potentially interferes in any way with the interests of the Company. A conflict situation can arise when a director, officer, or employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when a director, officer, or employee, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Transactions between the Company and entities in which directors, officers, or employees or their relatives have an interest, loans to or guarantees of obligations of directors, officers, and employees or their relatives, and similar situations may give rise to conflicts of interest.

No director, officer, or employee is allowed to work for a competitor in any capacity. With respect to the Company's officers and employees, it is almost always a conflict of interest for that person, and in some cases their relatives, to work simultaneously for a competitor, customer, or supplier. Accordingly, the best policy is to avoid any direct or indirect business connection with the Company's customers, suppliers, or competitors, except on the Company's behalf.

The relationship between the directors of the Company and the Company's competitors, customers and suppliers also creates potential conflicts of interest. Accordingly, any transaction between the Company and any director or his or her affiliate must be disclosed to the Board or the Audit Committee. The Board or the Audit Committee may establish procedures for evaluating the nature of the relationship and whether the transaction in question creates a conflict of interest.

Conflicts of interest are prohibited as a matter of Company policy, except when specifically reviewed and approved by the Audit Committee. Directors, officers, and employees are expected to avoid activities, financial interests, and relationships that create conflicts of interest. Conflicts of interest may not always be clear-cut, so if questions arise, senior management should be consulted. Any officer, director, or employee who becomes aware of a conflict or potential conflict should promptly bring it to the attention of a supervisor, manager or other appropriate personnel.

### **3. Insider Trading**

Directors, officers, and employees who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All nonpublic information about the Company should be considered confidential information. To use nonpublic information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. In order to assist with compliance with laws against insider trading, the Company has adopted a specific policy governing directors, officers, and employees trading in securities of the Company.

### **4. Corporate Opportunities**

Directors, officers, and employees are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No director, officer, or employee may use corporate property, information, or position for improper personal gain, and no director, officers, or employee may compete with the Company directly or indirectly. Directors, officers, and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

## **5. Competition and Fair Dealing**

We seek to outperform our competition fairly and honestly. Each director, officer, and employee should endeavor to respect the legal rights of the Company's customers, suppliers, competitors, and employees.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships. No gift or entertainment should ever be offered, given, provided or accepted by any Company director, officer, or employee, or relative of a director, officer, or employee unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws, rules, or regulations. If there is a doubt that a gift or proposed gift is appropriate or in accordance with Company policy or practice, ask a supervisor.

## **6. Record-Keeping**

The Company requires honest and accurate recording and reporting of information. For example, only the true and actual number of hours worked should be reported. Also, many employees regularly use business expense accounts, which must be documented and recorded accurately. If there is a doubt whether a certain expense is legitimate, ask a supervisor.

All of the Company's books, records, accounts, and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform to applicable legal requirements, to the Company's system of internal controls, and to the Company's applicable policies and practices.

Business records and communications, including e-mail and internal memos, often become public, and the Company should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. In the event of litigation or governmental investigation consult the Company's corporate counsel.

## **7. Confidentiality**

Directors, officers, and employees must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, except when disclosure is authorized by senior management or required by applicable laws, rules, or regulations. Confidential information includes all nonpublic information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information in accordance with Company policy and practice continues even after employment ends.

## **8. Protection and Proper Use of Company Assets**

All directors, officers, and employees should endeavor to protect the Company's assets and ensure their efficient use consistent with Company policy and practice. Theft, carelessness, and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft must be immediately reported for investigation. Company equipment may not be used for non-Company business, though incidental personal use may be permitted.

The obligation of employees to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information, and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy and practice and could be illegal and result in civil or even criminal penalties.

## **9. Payments to Government Personnel**

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws, rules, and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer, or delivery to an official or employee of the U.S. government of a gift, favor, or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules. In order to assist with compliance with these laws and requirements, the Company has adopted a Policy on Conducting Business Abroad. This Policy has been distributed Companywide.

## **10. Waivers of the Code of Business Conduct and Ethics**

Any waiver of this Code for executive officers or directors may be made only by the entire Board and will be promptly disclosed (on Form 8-K) and as otherwise required by law, rule, or regulation.

## **11. Reporting any Illegal or Unethical Behavior**

Employees are encouraged to talk to supervisors, managers, or other appropriate management personnel about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. It is the policy and practice of the Company not to allow retaliation for reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct.

Employees must read the Company's Whistleblower Policy, which describes the Company's procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting and auditing matters, internal controls, or fraud or unethical business practices. Any employee may submit a good faith concern anonymously regarding such questionable matters without fear of dismissal or retaliation of any kind.

## **12. Company Policies and Agreements**

The Company has in place various policies which are set forth in handbooks and other Company literature. These policies are generally available on our website. The Company also requires certain personnel to execute employment understandings and agreements. It is incumbent upon those to whom such policies, understandings, and agreements apply to comply with them.

### **EMPLOYEE SIGN-OFF**

I have read, understand, and agree to abide by the above Code of Business Conduct and Ethics.

\_\_\_\_\_  
Employee

Printed Name: \_\_\_\_\_

Date Signed: \_\_\_\_\_