

Universal Forest Products, Inc.

Code of Business Conduct and Ethics

Adopted by the Board of Directors
on March 12, 2004

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. (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 the director, 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 13 should be followed.

1. COMPLIANCE WITH LAWS, RULES, AND REGULATIONS AND COMPANY POLICIES

Obedying the law, both in letter and in spirit, is the foundation on which the 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 the director, officer, or employee's 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.

It is almost always a conflict of interest for a director, officer, or employee, and in some cases their relatives, to work simultaneously for a competitor, customer, or supplier. No director, officer, or employee is allowed to work for a competitor in any capacity. 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.

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 may present possible conflicts of interest or the appearance of a conflict. 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 or consult the procedures described in Section 13 of this Code.

3. INSIDER TRADING

Director, 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 the Company's 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 unethical and 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. This policy has been distributed Company-wide.

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, officer, 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

The Company seeks to outperform its competition fairly and honestly. Misappropriating proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present representatives or employees of other companies is prohibited. Each director, officer, and employee should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors, and employees. No director, officer, or employee should take unfair advantage of anyone through

manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage or affect business decisions. 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 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 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 often become public, and the Company should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports. 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 be harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to the Company. 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 Company-wide.

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 various policies in place which are set forth in handbooks and other Company literature. These policies are generally available on the Company's 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.

13. COMPLIANCE PROCEDURES

Working together to ensure prompt and consistent action against violations of this Code is important. In some situations, however, it is difficult to know if a violation has occurred. Since this Code cannot anticipate every situation that will arise, it is important that the Company, its directors, officers, and employees have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, the Company must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This question will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your employees informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.
- Seek help from Company resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, discuss it with more senior management.
- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees for good faith reports of ethical violations.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.