UFP Industries, Inc.
Corporate Governance Principles

The Board of Directors of UFP Industries, Inc. (the "Board") has adopted these Corporate Governance Principles to assist the Board in the exercise of its responsibilities and governance of the Company. These principles do not, and are not intended to, change or interpret any federal or state law or regulation or our Amended and Restated Articles of Incorporation ("Articles") or Bylaws.

General Qualifications and Board Size. The Board and management are committed to a Board made up of individuals who by occupation, background and experience are in a position to make a positive contribution to the Company and its shareholders. For purposes of fostering Board continuity, Board members are elected for staggered terms of three years each. The Board periodically reviews the size of the Board and whether a larger or smaller Board is warranted under the prevailing circumstances or projected demands on the Board and the Company.

Director Independence. A majority of the members of the Board must be "independent directors," as that term is defined in the applicable rules of the Nasdaq Stock Market as well as the standards for independence established by the Securities and Exchange Commission. Each year, the Board will affirmatively determine the independence of each member who qualifies as an "independent director."

Selection of Board Members. Nominees for Directors are recommended to the Board by the Nominating and Corporate Governance Committee (the "Nominating Committee"). The Nominating Committee is responsible for determining the criteria for the selection of nominees, consistent with the Company's Policy Governing Director Qualifications and Nominations. That policy includes certain minimum qualification and board composition standards. Each director candidate is evaluated based upon the overall composition and needs of the Board, with the objective of recommending a candidate that can best assist the Board and management in managing the business and affairs of the Company and represent shareholder interests. The Nominating Committee evaluates the suitability of each nominee under the same standards. The Company's Bylaws set forth the procedures for shareholders to make Director nominations.

Election of Directors. Our Bylaws require that Directors be elected by the affirmative vote of a majority of the votes cast in the election of the nominee, except for contested elections. In any non-contested election of Directors, any Director nominee who receives a greater number of votes cast "against" his or her election than in favor of his or her election is required to tender his or her resignation to the Board. Abstentions and broker nonvotes are not counted as votes cast either "for" or "against" that director's election. The Nominating Committee is required to make a recommendation to the Board on whether to accept or reject the resignation or whether any other action should be taken. The Board is required to act on the Nominating Committee's recommendation and publicly disclose that decision within 90 days from the date of the certification of the election results for that meeting.

Separation of CEO and Chairman Positions. The Board's current practice is to separate the offices of Chairman of the Board and the Chief Executive Officer. The Board believes that, at present, the separation of these offices is in the best interests of the Company and its shareholders and enhances the Board's oversight and direction of the Company's executive management team. Changes to this practice may be made in the future by the full Board, but only after full deliberation as to what structure will best serve the Company and its shareholders.

Change in Occupation. Any Director who incurs a change in the principal occupation he or she held since last elected to the Board shall submit his or her offer of resignation to the Board. If the Board (excluding the interested Director, if applicable) determines that the individual Director's change in principal occupation will have a significant adverse impact on the Director's ability to serve on the Board, the Board shall accept that resignation. The Board will act on the offer of resignation not later than 30 days after it is submitted to the Board; pending action on the offer, that Director's change in principal occupation will have no impact on his or her ability to continue to participate on the Board.

Director Responsibilities. The basic responsibility of each Director is to exercise his or her business judgment in good faith and to act in what he or she reasonably believes to be in the best interests of the Company and its shareholders. In discharging that obligation, Directors are entitled to rely on the honesty and integrity of their fellow Directors and the Company's senior executives as well as outside advisors and auditors. In general, the Board of Directors is responsible for supervising and directing senior management of the Company in the interest and for the benefit of the Company's shareholders.

Directors are expected to attend the Company's Annual Meeting of Shareholders and to attend all regularly scheduled meetings of the Board and Committees on which they serve. A director who is unable to attend a meeting (which is understood will occur on occasion) is expected to notify the Chairman of the Board or the Chairman of the appropriate Committee in advance of such meeting. Directors are expected to spend the time needed and to meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or Committee meeting will generally be distributed in writing to the Directors well before the meeting, and Directors are expected to review these materials in advance of each meeting.

Conduct of Meetings. The Chairman of the Board, in consultation with the other members of the Board, determines the timing and duration of the meetings of the Board. The Board expects that at least four regular meetings at appropriate intervals on an annual basis are, in general, desirable for the performance of the Board's responsibilities. In addition to regularly scheduled meetings, unscheduled Board meetings may be called upon appropriate notice at any time to address the specific needs of the Company, or Board action may be taken by unanimous written consent.

The Chairman of the Board, in consultation with the Chief Executive Officer, will establish the agenda for each Board meeting and preside at all meetings. Each Director is free to suggest the inclusion of items on the agenda and should advise the Chairman of the Board of such. Each Director is free to raise, at any Board meeting, subjects that are not on the agenda for that meeting. In connection with its regular Board meetings, the Board will have at least one meeting per year, with management, during which long range issues and strategies will be reviewed and discussed. All Directors are expected to keep the contents of Board and Committee meetings confidential. If the Chairman of the Board is to be absent at a Board meeting, the Chief Executive Officer shall preside at the meeting in his or her absence.

The Independent Directors are required to meet periodically (but at least two times a year) in executive session (without the presence of the Chief Executive Officer or any other member of the Company's senior management). The Chairman of the Board will preside at these meetings so long as he or she is not also the Chief Executive Officer and he or she is an "independent director" (as defined above). In addition to being responsible for chairing executive sessions of the Board, the Chairman of the Board is responsible for communicating actions requested by the Independent Directors and to serve as a liaison between the Independent Directors and the Company's CEO. If the Chairman of the Board is not an "independent director," the Board will appoint one of the independent directors as "Lead Director," who will fulfill the aforementioned duties.

Board Committees. The Board will have an Audit Committee, a Personnel and Compensation Committee (the "Compensation Committee"), and a Nominating and Corporate Governance Committee. All of the members of these committees are required to be independent directors under applicable rules of the Nasdaq Stock Market. Also, each member of the Audit Committee must meet the independence standards imposed by the Sarbanes-Oxley Act of 2002 and the Nasdaq Stock Market, and each member of the Compensation Committee must meet the independence standards imposed on members of that committee under the rules of the Nasdaq Stock Market.

The Board may have additional standing and temporary committees as deemed appropriate by the Board. Committee members will be appointed on the basis of the responsibilities of the various committees and the skills, background and experience of individual Directors. Committee assignments and chairpersons of each committee are recommended to the Board by the Nominating Committee.

Each standing committee is required to have its own charter which will be reviewed and updated periodically. The charters must set forth the purposes, goals and responsibilities of the committees as well as any specific qualifications for committee membership. Any Director who is not a member of a particular committee may attend any committee meeting.

The chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The chairman of each committee, in consultation with the appropriate members of the committee and management, will develop that committee's agenda. Each committee will establish a schedule of agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee, including agenda items and minutes of each committee meeting, will be furnished to each Director.

The Board and each committee will have the power to hire, at the Company's expense, independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

Periodic Performance Evaluation. The Nominating Committee is required to conduct an evaluation of the Board's performance, on an annual basis, based on criteria established by the Nominating Committee, to determine whether the Board is functioning effectively. Each committee is also required to conduct an annual self-evaluation. The assessments will focus on the Board's and committee contributions to the Company, and specifically focus on areas in which the Board or management believes that the Board or any committee could improve.

The Nominating Committee has the responsibility for ensuring that the foregoing reviews and evaluations are completed. All such reviews and evaluations are privileged and strictly confidential. That information will not be available to the public.

Director Access to Officers and Employees. The Board and management are committed to openness and candor in their interactions and in all information flowing between them. Accordingly, Directors have full and free access to officers and employees of the Company and its subsidiaries. The Directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, as appropriate, communicate significant issues to the Chief Executive Officer.

CEO Evaluation and Compensation; Management Succession. Each year, the Compensation Committee will gather information concerning the Chief Executive Officer's performance for the prior year and discuss it with the Board in executive session. Subject to recommendation and input from the Compensation Committee, the Board shall set the CEO's performance goals and evaluate the CEO's performance against those goals. The Compensation Committee will recommend to the Board the Chief Executive Officer's compensation based on the achievement of his or her performance goals and, taking into consideration the Compensation Committee's recommendation, the Board will be responsible for establishing the CEO's compensation. The CEO may not be present during his or her performance evaluation or during the deliberation or voting upon his or her compensation.

The CEO will report annually to the Compensation Committee and the Board on succession planning for top management. The CEO will review his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

Director Compensation. The form and amount of Director compensation will be evaluated by the Compensation Committee, in accordance with its charter, and then recommended to the Board. It is the policy of the Board that Board compensation should be a mix of cash and equity-based compensation. Directors who are full-time employees of the Company will not be paid for serving as a Director or for attendance at Board or committee meetings. Unless approved in advance by the Board, Independent Directors may not receive consulting, advisory, or other compensatory fees from the Company in addition to their Board compensation.

Director Stock Ownership Policy. A Director is expected to own a minimum of 7,500 shares of the Company's common stock within two years of his or her initial election to the Board.

Management Stock Ownership Guidelines. Management and the Board believe that key employees should hold a significant amount of stock in the Company. Consequently, the Board believes that a significant portion of senior executive compensation should be made in some form of Company equity. The Board has established stock ownership guidelines for key employees, which are as follows:

Title	*Minimum Stock Ownership Requirement*
Officers	$200,000 worth of UFPI
General Managers of Operations and Corporate Directors	$100,000 worth of UFPI
Operations Managers, Plant Managers, Sales Managers/Directors, Executive Managers, Senior Managers, and Purchasing/Transportation Managers	$50,000 worth of UFPI

An employee who has achieved initial compliance with his or her ownership objective will be deemed to be in continued compliance, irrespective of subsequent declines in the market price of the Company's common stock, provided that the employee does not dispose of any shares of Company common stock until his or her stock ownership objective is subsequently achieved.

Conflicts of Interest. The Audit Committee will review potential Director conflicts of interest. If a conflict of interest develops between a Director and the Company during the year, the Director or Company will report the matter to the Audit Committee for evaluation.

For the purpose of minimizing the risk of actual or perceived conflicts of interest, any financial arrangement (other than Director or employee compensation) between a Director (including any member of a Director's immediate family) and the Company or any of its affiliates or members of senior management or their affiliates for goods or services shall be disclosed to the Board and shall be subject to approval by the Board of Directors as a whole. If a Director has a personal interest in a matter before the Board, the Director shall disclose the interest to the full Board, excuse himself or herself from participation in the discussion and shall not vote on the matter.

Director Orientation. The Board will provide for the orientation of new Directors, at or about the time a new Director joins the Board. This orientation may include presentations by senior management to familiarize new Directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Corporate Governance Principles and Code of Business Conduct and Ethics, its principal officers, and its independent auditors. All continuing Directors are also invited to attend the orientation programs.

Board's Interaction with Institutional Investors, the Press, Customers, and Other Constituencies of the Company. The Board believes that management and others within the Company should speak for the Company. The Chief Executive Officer is the principal spokesperson for the Company. The Chairman of the Board is the principal spokesperson for the Company's Board. Individual Directors may, on occasion, receive requests for comment from the press and various outside constituencies. It is expected that Directors will do so only with the knowledge and prior approval of the Chief Executive Officer and the Chairman of the Board.

Indemnification. The Directors shall also be entitled to have the Company purchase reasonable Directors' and Officers' Liability Insurance on their behalf; to the benefits of indemnification to the fullest extent permitted by law and the Company's Articles, Bylaws and any indemnification agreements; and to exculpation as provided by state law and the Company's Articles.

Periodic Review of These Principles. The operation of the Board is a dynamic and evolving process. Accordingly, these Principles will be reviewed periodically by the Nominating Committee and any recommended revisions will be submitted to the full Board for approval.