

Code of Business Conduct



My Fellow Employees, Customers, Vendors, and Suppliers,

Our Company has a strong tradition of ethical conduct in the manner in which we conduct business. The purpose of this Code is to identify the Company's commitment to an ethical way of doing business. It describes a shared set of values that guide us in the way we do business and how we treat customers, suppliers and each other.

All directors, officers, and employees of BMHC and related subsidiaries and affiliates are expected to comply with the policies in this Code. Please read the Code carefully and make sure you understand it, what happens if you violate any part of it, and how to report violations. Observance of the Code is key to the ongoing success of the Company.

If you have questions or are faced with a situation where you think our values or the law may be in question, I urge you to speak up. The Code does not cover every applicable law or provide answers to all questions that might arise. For that, we must rely on your good sense of what is right, including a sense of when it is right to ask others about the best course of action. If you have questions or concerns, please speak to your supervisor, manager, or human resource representative, or you may confidentially report concerns by calling the BMHC Hotline toll-free at 1-866-262-4136. I can assure you that your concerns will be handled confidentially and immediately.

Robert E. Mellor — Chairman, President and Chief Executive Officer

Our Commitment

Building Materials Holding Corporation ("BMHC") is committed to conducting its business activities legally and with a strong sense of business ethics including honesty, integrity, respect, and responsibility.

The following Code of Business Conduct summarizes the principles of our commitment that drive the business actions of Directors, Officers, and Employees of BMHC and related subsidiaries and affiliates. As representatives of BMHC, we are all expected to report violations or suspected violations of the Code to a supervisor, manager, or human resources representative, or by calling the following confidential, BMHC Hotline toll-free at 1-866-262-4136.

Respect Each Other

We believe that all people should be treated with dignity and respect. Any conduct that fails to show appropriate respect to others, including fellow employees, customers, vendors, and suppliers, violates the Company's ethical principles. Examples of unacceptable conduct include: threats; vulgarity; harassment; sexual misconduct; and insensitivity to the beliefs and customs of others.

As an equal opportunity employer, we are committed to ensuring that employees work in an environment of mutual respect, free of harassment and discrimination. We will not discriminate against any employee or applicant with regard

to race, color, gender, sexual orientation, age, religion, national origin, physical or mental disability, or any characteristic protected by applicable law.

Avoid Conflicts of Interest

We will avoid any conflicts between our personal interests and the interests of the Company.

The following are examples of conflicts of interest to be avoided:

- A financial interest in a supplier, contractor, competitor, or customer. This excludes ownership of stock in publicly held companies.
- Direct dealing with a family member who is a competitor, supplier, or customer of the Company, or is employed by one.
- Owning or operating a company that competes with BMHC or its customers.
- Accepting lavish gifts, including cash and entertainment from a customer, supplier, or anyone attempting to have undue influence on the Company or its customers.
- Using Company property, information, or position for personal gain.

Issues that may pose potential conflicts of interest should be reported to a supervisor, manager, or human resource representative for assessment and resolution.



Provide a Safe and Healthy Workplace

We believe that our workplaces should be safe, healthy, and drug-free. We will observe all safety rules and practices and follow instructions regarding safe and efficient work performance. Unsafe work practices, activities, or conditions should be immediately reported to a supervisor, manager, or human resource representative.

Being free of alcohol, illegal drugs, illegally-used prescriptions, or controlled substances of any type on the job is a condition of employment at BMHC. With the exception of approved Company functions, we will not use, possess, or be under the influence of alcohol on Company premises. BMHC offers a confidential employee assistance program for those in need of assistance. Please contact a supervisor, manager, or human resource representative for more information.

Sustain Our Environment

We encourage and support a sustainable supply of wood products grown, harvested, manufactured, and replanted in environmentally sound ways in the forests of the world.

Deal Fairly with Others

We will deal fairly with our customers, suppliers, competitors, and coworkers and will not take advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts, or any other unfair practice.

Protect the Company's Assets

We are all responsible for the appropriate use and protection of the Company's assets. Theft, loss, misuse, damage, and waste of assets have a direct impact on all of us. Company assets include:

- Company-owned or leased land, buildings, equipment, and materials
- inventory and supplies
- customer information, including pricing policies
- electronic media (i.e. computers, phones, handheld devices, e-mail, Internet, Intranet, applications, and software)

Protect Confidential Information

We will protect and not disclose the Company's non-public information, which is any information that the Company treats as confidential and which has not been made available to the public. Some examples of non-public information are:

- financial information (sales, earnings, expenses, and investments)
- acquisitions or divestitures (purchase and sale of companies)
- pricing and cost of goods
- customer, vendor, and supplier lists
- personal information about employees
- salary information
- Company policies, procedures, manuals, and guidelines
- design documents and specifications

Comply with Laws, Rules, and Regulations

Securities Laws (Insider Trading): We are prohibited from trading or recommending the trading of BMHC stock or other securities when we possess "inside information" about the Company. Inside information may include: merger or acquisition negotiations; pending stock splits; and stock dividends or changes in dividends to be paid. Information becomes public and no longer considered "inside" after it has been made available to the public.

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Robert E. Mellor

Chairman, President and Chief Executive Officer

Labor and Employment Laws: We will comply with all laws relating to the hiring and employment of our employees. This includes complying with all laws prohibiting harassment and discrimination of any kind.

Antitrust — Fair Competition: Antitrust laws are intended to preserve a free and competitive marketplace by prohibiting unfair business arrangements and practices. We will not share confidential business information or discuss with competitors how we price, market, service, or otherwise compete.

Accounting and Financial Reporting: All of the Company's books, records, accounts and financial statements (paper and electronic) must be true and complete and maintained in reasonable detail to appropriately reflect the Company's transactions. We will never submit false expense or sales reports, incorrect time records, or any other false or misleading information to the Company. Mistakes should never be covered up; they should be immediately disclosed to appropriate members of management.

We will also retain Company records (paper and electronic) for the required period of time as our retention policies require.

Implement the Code

Reporting Violations: If you know of or suspect a violation of applicable laws or regulations, the Code, or the Company's related policies, **you must immediately** report that information to your supervisor, manager, or human resource representative, or by calling the confidential, toll-free BMHC Hotline listed below. It is the Company's policy that no one will be subject to retaliation because of a good faith report of suspected violation.

Discipline for Violations: BMHC will investigate all reported violations. Investigations will be performed by an objective (internal or external) party so that the integrity of the investigation is not compromised. The Company intends to use every reasonable effort to prevent conduct not in compliance with its Code and to stop any such conduct that may occur as soon as possible after its discovery. If you violate the Code and/or other Company policies and procedures, you may be subject to disciplinary actions, up to and including termination.

For More Information

More information regarding our policies and procedures can be found in our Employee Policy Manual, Employee Handbook, or on the Company Internet and Intranet.

BMHC Toll-Free Hotline: 1-866-262-4136

BMHC
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