

valspar
if it matters, we're on it.®

people matter

Sustainability at Valspar starts with its people





people



community



innovation



operations



governance



A message from our Chairman and Chief Executive Officer

We are pleased to present the first-ever Valspar Sustainability Report. While this formal report is a new venture, our sustainability journey has been integral to our success for many years. Valspar enjoys a long history of integrating our economic success with efforts to safeguard human health and the environment and active engagement in making our communities stronger.

In this report, we cover five important aspects of our business: employee safety, community engagement, innovation, operational excellence and governance. Our commitment to continuous improvement in each of these areas relies on understanding what we are doing well and how we can apply those successes throughout our business. We are establishing baselines in each of our locations, evaluating those against other regions and against industry benchmarks, and setting objectives for improvement. We will continue to bring our successes and knowledge in individual regions and operations together to further strengthen Valspar's sustainability performance worldwide.

These efforts are guided by our cross-functional Sustainability Council. The Sustainability Council meets to assess progress, highlight areas for improvement and make recommendations to senior executives for continuous improvement.

This report marks a significant milestone in that ongoing, important work. Its theme, *People Matter*, identifies why we undertake this sustainability journey and pursue continuous improvement. The people who work at Valspar innovate to create new products, ensure a safe workplace, minimize Valspar's impact on the environment and volunteer their talents and time to strengthen the communities in which we operate. These are the people who make Valspar what it is today and build a sustainable future.

Thank you for your interest in our progress and the trust you place in Valspar.

Gary E. Hendrickson
Chairman and Chief Executive Officer

Sustainability overview

If it matters, we're on it! Throughout its history, Valspar has focused on what **matters** to our key constituents — our shareholders, our customers, our employees and our communities. Operating with a sense of urgency and integrity, we respond to their needs and enable their success. By being “on it,” we build strong relationships, trust and loyalty.

For more than two centuries, Valspar has delivered coatings solutions to help our customers succeed. Valspar is constantly striving to improve the performance, safety and environmental profile of our products. Doing this enables our customers to improve the sustainability of their operations, products and manufacturing.

From our customers to our shareholders, our employees, suppliers and neighbors, **People Matter** in everything we do and how we do it at Valspar. Our sustainability journey centers on people — today and in the future. People innovate new products and new processes that enhance performance, improve profits, reduce waste, streamline our operations, increase safety and decrease our impact on the natural environment. People benefit from our products, our community engagement and our commitment to integrity. Each of the three integrated elements of our sustainability performance — our economic strength, environmental responsibility and community collaboration — focuses on this mission.



Sustainability pillars

Valspar has defined five pillars of continuous improvement to integrate sustainability throughout its business:

People inspire us and power our success. Safeguarding our employees and investing in their growth fuels the future. Holding ourselves to the highest standards of ethical conduct conveys our commitment to doing business the right way, every time.

Community collaboration and educational support allows Valspar to help more people achieve success. We provide economic contributions, volunteer hours and Valspar products to support housing and urban revitalization programs to strengthen our communities around the world.

Innovation creates the best coatings and paints in the world for our customers who entrust us with their business. Our teams work continuously to develop paint and coatings that perform better than conventional materials, use safer raw materials, reduce emissions and minimize waste.

Operations focus on improving the efficiency of our people and processes as we achieve continual reductions in our environmental impact. We assess our strengths and set targets to measure improvements.

Governance provides the framework in which every person at Valspar carries out our sustainability journey. Our governance policies and practices define how we operate, measure our performance against financial targets and against our statement of mission and beliefs, and hold us to the highest standards of legal compliance and ethical conduct.

In this report, we invite you to learn the ways **People Matter** at Valspar and how we're “on it” in each of these five integrated areas.



people

The employees of Valspar are the core of our company's strength. Their creativity and talent drives the success of everything we do, and their dedication to our customers, shareholders and communities shapes the Valspar experience.

Our employees are our most valuable asset. Our innovations draw on their creativity, talent and dedication. Their commitment to quality drives our operational excellence. Our engagement with the community is powered by their time and generosity. Their integrity shapes every interaction with our customers, shareholders and the public. We are committed to their well-being and to continuous improvement in employee and environmental safety. Our Health, Safety and Environment teams lead these efforts, but it is in the actions of each individual employee that bring this commitment to life.

Our systems are designed to recognize and mitigate risks, to learn from our best practices as well as from our mistakes, to celebrate superior safety achievement and to hold ourselves accountable for continuous improvement.

Consistent focus helps improve safety record

Every employee responsible for learning and practicing safety

At Valspar, sustainable business practices begin with safeguarding our employees' health and safety on the job. We work to instill safe practices as our standard in every operation, not simply as a short-term reaction after an incident or injury has occurred. To keep safety at the forefront of every employee's behavior, our program relies on employee engagement.

Every employee is expected to take responsibility for safe working conditions and promote safe practices. Employees raise questions and make suggestions to ensure safety remains at the forefront of our work. Each employee's annual performance review includes a rating for working safely according to the employee's job function. Managers are held accountable for meeting performance targets related to safety in their areas of responsibility.

While Valspar is proud of its safety record, we are continuing to make significant improvements. We believe that every incident is preventable. Our goal is to get to zero incidents. We are currently tracking to record 0.5 incidents or fewer per 100 employees by the end of 2015, a 32 percent reduction in on-the-job injuries among Valspar employees over three years. Reaching that target will extend our significant progress toward safer work environments and zero incidents. Our incident rate has declined nearly 84 percent since 1995 and has dropped more than 35 percent in just the past five years.





We will reach our targets through an ongoing emphasis on safe behaviors, as well as safe working environments. Every business function, in every location, begins meetings with a safety message. Senior leaders tailor the messages to individual functions and strive to involve employees directly in keeping health, safety and environmental objectives at the forefront of everything we do. This consistent focus and openness to learning helps Valspar create a collaborative commitment to safety.

In each of our manufacturing facilities, every shift, every day begins with a safety huddle. The topic of the huddles focuses on the day's work conditions, recent incidents that present learning opportunities, or other opportunities to share safety best practices.

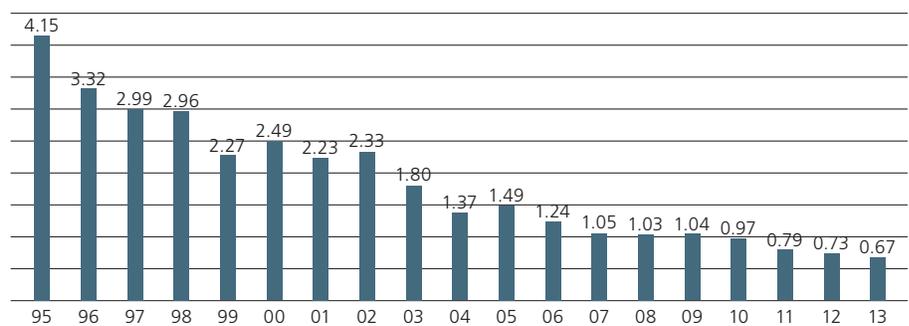
A senior leader spearheads monthly safety conferences within the manufacturing function and encourages every participant to ask questions as well as sharing progress and knowledge across the organization. Each call provides a structured opportunity to:

- evaluate performance against internal and external Health, Safety and Environmental metrics,
- review incidents to identify and correct gaps in safety practices,
- learn from best practices,
- update information on Valspar standards or governmental regulations, and
- ask questions and suggest topics for future review.

Other teams present safety information at regular meetings, using approaches and topics most relevant to each employee group. To extend our commitment to employee health and safety beyond the workplace, these presentations also help employees learn about safe behavior at home and in their recreational activities.

We also share information with our customers during site visits, when specific product handling questions might arise. We work closely with our suppliers to identify and remediate safety concerns related to the packaging, handling or delivery of materials.

Valspar safety performance TRIR* rate



*TRIR = number of injuries per 100 employees

President's Award honors exemplary safety improvements

Facilities honored for continuous improvement

Our President's Award for Safety and Environmental Achievement recognizes facilities that have exemplified our culture of continuous improvement in safety. Five Valspar facilities earned the President's Award for Safety and Environmental Achievement in 2013.

"The key to success is ensuring every single employee understands the aim, is a part of this change and buys in, day after day," one winning team said. "Safety is a continuing process. There is always room for improvement. We need to make sure we maintain our workplace in a safe and clean condition, with a high level of quality and productivity."

The teams who earned the 2013 award were:

- Tournus Packaging, France (six-time winner),
- Ballinamore, Ireland (three-time winner),
- Moline, Illinois (two-time winner),
- Bowling Green, Kentucky (four-time winner), and
- Selangor, Malaysia (four-time winner).

We continue to review and strengthen the award criteria and requirements to support continuous improvement in our operations.



Safety and health management programs earn independent recognition

Awards recognize prevention-based, systemic hazard control programs

Valspar earned recognition from U.S. federal and state authorities for safety programs that go beyond mere compliance.

- Four of our U.S.-based manufacturing sites earned recognition through the Voluntary Protection Programs standards of the U.S. Department of Labor. VPP recognizes businesses who “have implemented effective safety and health management systems and maintain injury and illness rates below national Bureau of Labor Statistics averages for their respective industries.” Several other Valspar plants are in the midst of the rigorous site evaluations required for VPP recognition. The VPP system focuses on hazard prevention and control, worksite analysis, training, management commitment and worker involvement.
- Our flagship research and development facility, the Valspar Applied Science and Technology (VAST) Center in Minneapolis, earned the Governor’s Award in occupational safety and recognition from the Minnesota STAR program, modeled on the federal VPP program.

The Governor’s Award recognizes “exceptional efforts in implementing a comprehensive safety program and the excellent safety record” Valspar has achieved. “Your safety measures reduce worker injuries and related costs, maximize productivity, and build morale,” Governor Mark Dayton wrote in a letter of commendation. “These outcomes improve the lives of your workforce and strengthen your organization which, in turn, benefits all Minnesotans.”

The VAST in Minneapolis is one of 35 Minnesota facilities named as a model worksite through the Minnesota STAR program. The program recognizes companies that go beyond simple compliance with federal occupational safety and health standards to create environments that foster long-term prevention of job-related injuries and illnesses. Factors included in the STAR evaluation include: management leadership and employee involvement; an allocation of resources to address safety issues; systems that identify and control workplace hazards; and a plan for employee safety training and education.





community

The employees of Valspar care about the people of our worldwide communities. We believe we succeed when those around us succeed. That's why we work to engage, support and improve local communities everywhere we operate, with a focus on providing and maintaining quality housing for people in need.

Through The Valspar Foundation, established in 1979 and funded entirely by the Valspar Corporation, we provide approximately \$10 million per year in Valspar products and cash to support better housing in communities where we do business. Equally important, we invest our time and talents directly with the people in those communities. Primary among our commitments is our support of Habitat for Humanity. Around the world, we have collaborated with Habitat to bring the power of color, the dignity of decent housing and the transformative power of community to people and neighborhoods in need of hope and a helping hand.

Support Habitat for Humanity

Valspar invests products, funding and time to support affordable housing

Helping people establish and maintain quality, affordable housing has been the cornerstone of Valspar's community efforts for more than three decades. With this clearly defined focus, our efforts are intended to have deep, lasting impact. From our first affiliation with Habitat for Humanity in the Twin Cities, to the creative range of Habitat programs we support around the world today, the dedication, generosity and ingenuity of Valspar has helped bring hope and homes to thousands of families.

In every location where we have major operations, Valspar supports initiatives to improve access to affordable housing and to help people remain in and maintain their homes despite economic or physical hardships. During the past decade, Valspar has donated nearly 2 million gallons of paints and coatings for Habitat affiliates throughout the United States, protecting homes and adding color to the lives of homeowners around the country. Our employees serve in leadership roles in Habitat affiliates and donate countless volunteer hours at local build sites.

We've launched creative programs and partnerships to expand our effectiveness, raise community awareness and generate additional support for Habitat and other affordable housing initiatives.

A Brush with Kindness, driven by Valspar in cooperation with Habitat, is transforming urban neighborhoods and the lives of people with low incomes, senior citizens and people with disabilities. Through this innovative revitalization program, we provide paint and help organize volunteer labor to restore home exteriors, as well as helping with minor repairs and landscaping. The program pays dividends beyond the individual household. Often, A Brush with Kindness encourages neighbors to improve their own properties and begin a positive transformation of these neighborhoods.





Begun in one Minneapolis neighborhood, A Brush with Kindness is now operating in 16 U.S. cities, with another 50 in planning phases. It now serves nearly 6,700 families annually and continues to grow rapidly. Affiliates in Australia and Canada are planning A Brush with Kindness programs, and Habitat is working with Valspar to explore ways to expand this program to all of its affiliates worldwide.

- Since 2007, we have supplied paints and coatings to the Jimmy & Rosalynn Carter Work Project each year, when the former President and First Lady donated a week of their time to help Habitat improve and build homes, and to raise awareness of the critical need for decent, affordable housing. Valspar paints are helping protect and brighten homes in Haiti, Vietnam, Brazil and China through the Carter Work Projects, as well as numerous sites throughout the United States.
- Valspar's cash and in-kind donations to Habitat for Humanity International will top \$60 million in value over the past decade.

Celebrities contribute Handprints for Habitat

Social media campaign raises awareness and funds

Celebrities' handprints set in vibrant Valspar paint formed the centerpiece of the Hearts and Hands for Habitat auction to benefit the Disaster Response program of Habitat for Humanity. The program provides immediate and long-term assistance to communities devastated by house-destroying natural disasters such as Hurricane Sandy on the U.S. East Coast and tornadoes in Oklahoma and Texas.

Now in its third year, Hearts and Hands builds on Valspar's social media presence to raise awareness and support for Habitat, as well as funds. In 2013, Valspar donated to the Disaster Response program for each set of celebrity handprints and established a Facebook sweepstakes to win a heart created by actor Josh Duhamel. Every Facebook "like" for the auction raised additional funds from Valspar to Habitat. All told, the auction raised \$50,000 for disaster relief projects.

In addition to Duhamel, celebrities who donated their handprints to raise funds included: Patrick J. Adams, Kate Bosworth, Mischa Barton, Brooke Burke, Rosanne Cash, Eric Close, Marcia Cross, Fergie Duhamel, Jenna Elfman, Ethan Hawke, Genevieve Gorder, Heather Graham, Jonathan Groff, Warren Haynes, Ashley Hebert, Stacy Keibler, Minka Kelly, Jenny McCarthy, Jillian Michaels, Lea Michele, Bette Midler, Miles Redd, JP Rosenbaum, Kelly Rutherford, Susan Sarandon, Liev Schreiber, Taylor Spreitler and Naomi Watts.





Valspar provides for new University of Minnesota materials science and engineering lab

\$1 million dollars donated

In 2014, Valspar announced a \$1 million gift to the University of Minnesota College of Science and Engineering to provide high-tech equipment for a new undergraduate laboratory. Students will begin benefitting from the new Valspar Materials Science and Engineering Lab when classes begin in fall 2014. The lab will include testing equipment that characterizes the mechanical performance of materials, electron microscopes that image at the nanoscale, and other equipment that can measure magnetic, electrical and optical properties. The University of Minnesota's materials science and engineering program has seen tremendous growth in demand as a wide range of companies, from oil companies to computer chip manufacturers, to medical device companies, begin recognizing this emerging field as critical to their success. The alliance of Valspar with the University of Minnesota is clearly a strong match with Valspar's strategy for science and innovation leadership in the coatings industry.



Valspar Scholarship Program assists continuing education efforts

Supporting higher education for our families

The Valspar Foundation has established a scholarship program to assist employees' children who plan to continue their education in college or vocational school programs. Scholarships are offered each year for full-time study at an accredited institution of the student's choice. Up to forty (40) awards will be granted each year. Scholarship recipients are selected on the basis of academic performance, demonstrated leadership and participation in school and community activities, work experience, statement of career and educational goals and objectives. Awards are granted without regard to race, color, creed, religion, sexual orientation, age, gender, disability or national origin.



Valspar Scholarships support North Dakota State University students

Supporting the next generation of scientists

In 2013, Valspar announced two new scholarship programs to provide opportunities for North Dakota State University (NDSU) students studying coatings and polymeric materials. These scholarships strengthen the pipeline of talent by supporting students to develop insights into fundamental performance drivers of coatings and polymers and providing them an experience associated with an industrial environment. Valspar and NDSU have a long history of technical collaboration. The new program supports up to five graduate student scholarships and a new program for Summer Undergraduate Research Experience. The scholarship program is administered through the Department of Coatings and Polymeric Materials at NDSU and coordinated through the NDSU Development Foundation. A selection committee consisting of NDSU faculty and Valspar's technical leaders announced the first Valspar Graduate Scholars Program awards to Olena Kudina from Lviv, Ukraine; Casey Orgon from Bemidji, Minnesota; Adlina Paramarta from Java, Indonesia; Andriy Popadyuk from Lviv, Ukraine; and Alison Rohly from Lino Lakes, Minnesota.



innovation

Since 1806, innovation remains in Valspar's DNA. From being the first to commercially produce varnish in 1810, to developing the first clear-coat wood varnish in 1906, to being the first to introduce colored paint chips in 1925, to becoming the worldwide leader in packaging coatings at turn of the millennium, Valspar has brought innovative solutions to market. For two centuries, we have protected clipper ships in the 1800s with varnish, created the lining for the world's first commercial beer cans and coated Charles Lindbergh's Spirit of St Louis. Today, there are 4,500 metric tons of Valspar Greenbar® coated rebar in One World Trade Center in New York City. We are also expanding our high-tech, water-based coatings to reduce emissions for shipping containers. Valspar's history is rich with innovations that help consumers and industries advance.

We develop quality solutions to real needs. We challenge ourselves to answer marketplace demands, increase product performance and design solutions that protect people and the planet. That's why we've helped customers reduce costs with coatings that protect surfaces from weather damage, pioneered lower-emission household paints and protected food and products with superior package coatings.

As we look to the future, Valspar is linking our commitment to sustainability and our passion for innovation with an approach that focuses equally on efficacy and safety at every point in the product development, use and disposal lifecycle.

New product development processes put sustainability at forefront

Shift in focus helps protect industry customers, consumers

At Valspar, innovation is at the heart of our commitment to serving our customers as a technology leader and to serving our shareholders as a market leader. We continue to develop new solutions to emerging challenges and do so while we help our company and our customers minimize our collective environmental impact.

We are developing a holistic portfolio management system. It will integrate continuous improvement for human health and the environment with desired performance characteristics, helping us create new coatings technologies. With this system, we can leverage business risks into opportunities for us and our customers.

We are also developing metrics to quantify our continuous improvement goals and measure our success in reducing the potential health and environmental impact of our products. The metrics will lay the groundwork for a broader, integrated process for innovating the next generation of products. As the system develops, we expect to be able to define continuous improvement goals across all portfolios, delivering top line growth through technology-leading solutions with an improved sustainability footprint.





Products such as Valspar Reserve™, with zero volatile organic compounds (VOCs), illustrate the environmental, human and business value of this holistic approach. With a built-in primer for thick one-coat coverage, and a stain-resistant, scrubbable finish, Reserve gives customers premium results. Zero VOCs translates to healthier, more comfortable indoor air quality. It is part of our drive to continuously reduce the VOCs in our coatings. By meeting new regulations that limit allowable VOCs in paint and reducing associated fees Reserve also benefits consumers' wallets and Valspar's shareholders. In California alone, we have reduced VOCs tied to our products by 57 percent in seven years. Additional environmental and economic benefits include its superior formulation and durability to protect and beautify surfaces longer with less need to repaint or to apply multiple coats.

Our Packaging business has implemented Safety by Design, a process based on systems used in pharmaceutical development. Safety by Design takes a holistic approach to product development by including factors such as performance, safety, regulatory compliance and manufacturing practicality, such as cost and ease of use in customers' existing supply chains.

Aquaguard protects shipping containers and reduces emissions 75%

Zinc-free corrosion protectant helps shippers reduce costs, improve sustainability

Intermodal shipping containers revolutionized international trade of manufactured goods — and Aquaguard™ Coating System is revolutionizing the durability of those shipping containers. It is the first solvent-free, zinc-free corrosion protectant in the market that works consistently and reliably.



Shipping containers efficiently transport goods via truck, train or ship, but even minor surface damage can make the steel susceptible to corrosion from outdoor elements, especially salty ocean air and water spray. Coatings meant to deter this corrosion have typically been zinc based. Water-based formulas introduced by other manufacturers simply didn't provide reliable performance. Now with Aquaguard, shipping lines benefit from corrosion-resistant coatings that meet or exceed the performance of zinc technology. Aquaguard helps shipping lines reduce their operating costs while improving their environmental sustainability. The zinc-free formula produces 75 percent less emissions and improves working conditions for those who apply it, eliminates the risk of zinc leaching into water, and reduces energy costs and insurance premiums. Aquaguard coatings also weigh 43 percent less than zinc-based formulas, helping to reduce the total load weight and, in turn, reduce fuel use and costs.



Fluropon SR improves energy efficiency in buildings

Metal Coating contributes to building energy savings

With the introduction of solar-reflective Fluropon® SR, Valspar has added energy efficiency benefits to our line of superior coatings for metal building components.

Architects, building owners and manufacturers worldwide have come to trust the Fluropon line to protect and beautify coil-coated metals that are formed into roofing, soffits, walls and siding. These coatings are durable for decades against pollution and wear, retain their colors with extreme resistance to chalking, and retain their flexibility, strength and beauty during forming.

The newest product in the lineup adds solar-reflective, energy efficiency benefits. With solar-reflective pigments, Fluropon SR helps keep buildings cooler, reduce energy demand and manage costs. It also helps reduce urban heat islands. Leading green building programs including LEED® and ENERGY STAR® recognize the benefits of paints with high solar reflectance values. While these programs currently focus on roof temperatures, aluminum extrusions and wall panels coated with Fluropon SR finishes will also reduce surface temperatures.

Fluropon SR is available in a wide array of standard and custom earth tones, pastels and restoration colors, as well as tints, shades and effects to create a distinguishing look.



Zenith wood coatings contribute to better indoor air quality

Greenguard-certified products offer superior coating quality

As a leading supplier of wood coatings for the home furniture and kitchen cabinet markets, Valspar developed the Zenith™ line of wood coatings to help distributors, furniture manufacturers, original equipment manufacturers and builders meet environmental performance targets without sacrificing beauty or affordability. With 22 Greenguard®-certified products, the Zenith line enables our customers to choose superior coatings that meet strict standards for indoor air quality.

The most recent Zenith product to be Greenguard certified is Zenith G-1 Solvent-Based Self-Seal Topcoat. It offers furniture and cabinet manufacturers the flexibility to drop it in to existing production lines without the need for new equipment or changes to existing process. G-1 offers excellent moisture, chemical and mar resistance, as well as superb performance in flow, leveling, build and appearance, and is compatible with the full range of Valspar wood finish colors.



operations

At Valspar, we know that genuine sustainability is never an achievement, but always an ongoing process. We engage this process in all our operations through programs to continuously improve the efficiency of our people and processes, a focus on value delivery and a conscientious drive to protect people and the planet.

Our teams consistently develop ideas and projects to reduce our waste stream, improve our energy use, manage water more efficiently and produce products that help our customers operate more safely and with less environmental impact as well. We have begun to amplify those efforts with a more rigorous process of evaluation and tracking. We plan to determine benchmarks for progress and document measurable outcomes from our initiatives.

Laying the groundwork for improved operational sustainability

Worldwide examination of best practices, successes and gaps will chart a path forward

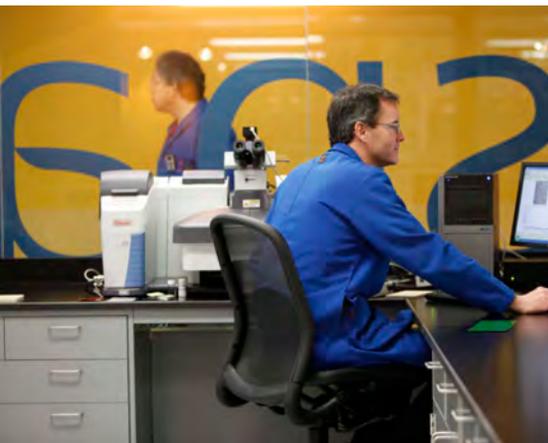
We are engaged in a company-wide journey toward greater efficiency across our operations, from developing processes and systems that use fewer resources to finding creative ways to reduce waste.

Individual projects at specific sites or within operations have yielded significant improvements in our energy and water use, reduced our waste streams and increased the volume of resources we reuse or recycle. We have recognized the need to take these improvements to scale throughout the company, using site-specific successes as a roadmap.

We are creating a comprehensive sustainability framework to set targets and evaluate progress in several areas, including:

- reducing overall emissions to air, water and land;
- eliminating and reducing waste in manufacturing through source reduction, reuse, recycling, reclamation and pollution prevention programs;
- optimizing the use of environmentally benign materials and processes; and
- working with our customers on the safe use, transportation and disposal of Valspar products.

In 2013, we began sustainability planning across all of our operations worldwide. This will help us identify where we can make targeted improvements. We will develop global and local targets against defined performance benchmarks. In addition, gathering comprehensive data from our operations will enable us to begin mapping plans for sharing best practices and replicating our sustainability successes throughout the business.





The projects we have already implemented demonstrate the value of a comprehensive implementation plan for the sustainability triple bottom line — improving profitability, safeguarding people and bearing a lighter imprint on the planet.

- We have consolidated nonhazardous waste from all of our U.S. plants to increase our recycling options. Metal paint cans from our Garland, Texas plant, for instance, could not be recycled locally, but are now part of a consolidated recycling stream through our new waste management contract.
- Solvent recovery stills have decreased our demand for hazardous materials disposal in several plants. The stills enable us to reuse solvent to clean vessels between product batches. At our Birmingham, Alabama site, for instance, this has enabled us to reduce hazardous materials collection by 70- to 80 percent.
- Waste reduction has been an evaluative criteria for our President's Award for Safety and Environmental Performance since its inception in 1994. We recently added water efficiency and energy use reduction to the criteria for the award as well.



governance

We earn the trust of our customers, suppliers, shareholders and neighbors every day in the way our more than 10,000 Valspar employees conduct business. Through the integrity of our employees and their commitment to act in accord with Valspar values and the highest ethical standards, we sustain our reputation, improve our business performance and deliver the quality coatings our customers expect.

We have defined our expectations of ourselves and our business behavior in an integrated group of documents and practices.

- We measure our decisions and performance against our statement of mission and beliefs and our governance policies and practices.
- We comply fully with all applicable laws, locally, nationally and internationally.
- We rely on our Code of Ethics and Business Conduct to define a common set of ethical guidelines for every Valspar employee, officer and director.

Together, these statements and tools assist us in acting in a trustworthy, ethical manner every day, regardless of business circumstances.

The Valspar Mission

Statement defines our path toward being the best

The Valspar Corporation's mission is to be the best coatings company in the world as judged by our customers, shareholders, employees, suppliers and the communities in which we operate. To become the best, we must:

- Be #1 or #2 and a technology leader in each of our target markets
- Be in the top five in global sales
- Be the leader in organic sales growth, earnings growth and return on investment
- Be the lowest cost supplier through integrating technology and productivity improvements
- Be environmentally responsible
- Establish an accident-free work environment, and above all else
- Always act with integrity and comply with ethical codes of business conduct



Valspar Beliefs

We hold ourselves accountable for excellence

Integrity

Our business actions and decisions will always reflect the highest standards of integrity and ethical conduct.

Safety and environmental stewardship

Our products will be safe, reliable and environmentally responsible. We will create and maintain an accident-free work environment and will comply with laws and regulations.

Long-term relationships

We will create long-term relationships with customers, employees, suppliers and the communities in which we live and work. These relationships will be based on openness, integrity and trust.

Profitability

Profitability and profitable growth are critically important to allow us to remain independent and attractive to stockholders.

Belief in employees

Employees are Valspar's greatest asset. By encouraging individual achievement, teamwork and diversity, we are committed to high performance at all levels.

Leadership example

Managers must lead by example and foster cross-functional teamwork to earn the respect of customers, employees and peers. Managers must demonstrate their ability to achieve goals and develop leaders throughout our company.

Objectives, planning and review

All employees should know exactly what is expected of them and how this expectation aligns with the group and corporate objectives. We believe in semi-annual planning and review sessions for all employees.

Self-development and training

Personal development is a shared responsibility between employees and management. Employees should receive sufficient training to do their jobs and have opportunities to improve their skills and advance.

Recognition and reward

Employees should be recognized for their contributions to our performance through formal and informal reward programs that reflect individual and team performance. All employees should have an incentive compensation opportunity.

Consistency of style

Valspar's culture should be evident throughout the company. All employees should be accountable for becoming more productive and contribute to the maintenance of a low-cost environment.

Ownership

Employees are encouraged to own Valspar stock and should act as owners.



Code of Ethics and Business Conduct

Code guides employee behavior to preserve our integrity

The ethical behavior of our employees forms the heart of our reputation for doing business the right way. It is a reputation we have built and cherished for more than 200 years and which we continue to maintain as integral to the Valspar culture.

The Valspar Code of Ethics and Business Conduct gives every person at Valspar a clear guide to making ethical, legal decisions in every aspect of our business operations. Every Valspar employee, officer and director is responsible for reading, understanding and complying with the code. It is available in 11 languages. Because no code can address every ethical issue that might arise, we instruct every employee “when in doubt, ask before you act.”

We rely on our employees to help make sure that Valspar management is aware of and can correct any issues that may not be in keeping with our ethical traditions. Employees are expected to raise questions or concerns with their managers, the department of human resources or the law department. Likewise, anyone who is aware of actions, situations or conditions that may violate the code is expected to report the concern promptly to his or her manager, the department of human resources or the law department. Employees also may make an anonymous report to the toll-free Business Conduct Information Line. All reports are investigated, and retaliation against those who make a report is strictly prohibited.

Through their actions every day, the people of Valspar help to protect and preserve our reputation for integrity as our most valuable asset.





people



community



innovation



operations



governance

The Valspar Corporation is a global leader in consumer paints and industrial coatings. For more than 200 years, our leadership in technology and innovation has enhanced the beauty of homes, improved the durability of industrial products and protected what we eat and drink. It’s why we say, “if it matters, we’re on it.”

We are committed to being the best coatings company in the world, dedicated to continuous improvement in economic performance, environmental responsibility and community involvement. We drive sales growth, earnings, and return on investment by innovative products that solve our customers’ most difficult challenges and minimize environmental impacts. By integrating technology with productivity improvements, we increase our financial performance and ensure our customers can count on us as the lowest cost supplier. We work to ensure a safe work environment for each of our more than 10,000 employees in more than 25 countries where we operate. In everything we do, we act ethically and with integrity to maintain the trust we have earned throughout our history.

Company overview

Valspar is the fourth largest manufacturer of paint and industrial coatings in the world.

The Valspar Corporation is a global leader in the paint and coatings industry. Since 1806, Valspar has been dedicated to bringing customers the latest innovations, the finest quality and the best service. With more than \$4.1 billion in sales Valspar is in a unique position to supply customers with best-in-class coating solutions in the coatings industry.

Coatings

Key products:

- Packaging
- General industrial
- Coil
- Wood

Paints

Key products:

- Consumer paints
 - United States
 - Australia
 - China
 - United Kingdom
- Auto refinish

Other

Key products:

- Specialty polymers
- Colorants
- Furniture protection

Valspar’s business around the world

Valspar sells products in more than 100 countries, serving thousands of customers.

The company’s primary geographies include the United States, Europe, Australia, China, Latin America and Canada.

Our brands and products

Valspar coatings surround us at work and at home... from food and beverage packaging to iconic buildings...from lawn tractors to heavy equipment...from oil pipes to wood furniture...from walls in homes and offices to hundreds of other uses. If it matters, we're on it.

Valspar's paints, stains and coatings are sold to industrial customers and consumers under recognized global brands, including the flagship Valspar brand, Cabot wood stains, Huarun paints in China and WattyL paints in Australia.



Product categories

Consumer paints and coatings

The latest innovations, finest quality, and best customer service for homeowners, do-it-yourselfers, contractors, professional decorators, faux finishers and paint retailers under the Valspar®, Devine Color®, Huarun®, PlastiKote®, Solver™ and WattyL® brands

Packaging coatings

Coatings that protect the interior and exterior of metal containers — and the brands that use them — including food containers and beverage cans, as well as coatings for aerosol and paint cans, crowns for glass bottles and plastic and bottle closures

Industrial coatings

General industrial: single source provider for powder, liquid and electro-deposition coatings technologies in a wide variety of industries

Coil and extrusion: enhance the appearance and increase durability of buildings, appliance, construction and transportation products with coatings that meet requirements for aesthetics, performance, color-matching, budget and environmental performance

Wood coatings

Decorative and protective coatings for wood furniture, building products, cabinets and floors under the Valspar®, Cabot®, Guardsman® and McCloskey® brands

Automotive refinish coatings

Refinish paints and aerosol spray paints sold through automotive refinish distributors, body shops, automotive supply distributors and retailers distributed under the Valspar®, De Beer™ and House of Kolor® brands

Polymers and colorants

Specialty polymers and colorants for a variety of applications in both paint and industrial coatings