



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.

