

# Disclosure Under the California Transparency in Supply Chains Act of 2010 (SB 657)

As a manufacturer doing business in California, Northwest Pipe Company (collectively with its subsidiaries and affiliates, “Northwest Pipe”) is subject to the California Transparency in Supply Chains Act of 2010 (Cal. Civ. Code s 1714.43 and Cal. Rev. & Tax Code s 19547.5) (the “Act”). The Act requires Northwest Pipe to disclose its efforts to eradicate slavery and human trafficking from its direct supply chains for tangible goods offered for sale. Northwest Pipe discloses that:

- **Verification.** Northwest Pipe recognizes the importance of ensuring that our supply chain reflects Northwest Pipe’s values and respect for human rights. Northwest Pipe has adopted a Code of Business Conduct and Ethics that includes a commitment to adherence to all applicable laws and regulations. Northwest Pipe intends to implement through its Purchasing Group verification procedures for its major suppliers. Northwest Pipe does not engage a third party to verify and evaluate its supply chain for risks of human trafficking and slavery.
- **Audit.** Northwest Pipe does not currently conduct audits of suppliers to evaluate supplier compliance with company standards against human trafficking and slavery in supply chains. Northwest Pipe has, however, implemented procedures employed by its Purchasing Group to help assure compliance by major suppliers with Northwest Pipe’s values and purchasing guidelines, including its desire that its supply chain not involve human trafficking or slavery.
- **Certification.** Northwest Pipe does not currently require direct suppliers to certify that materials incorporated into Northwest Pipe’s products comply with the laws regarding human trafficking and slavery. At the same time, because of the type of products we manufacture, the raw materials used in the manufacture of our products, and the locations where those products are made, we believe that our supply chain does not involve human trafficking or slavery.
- **Accountability.** Northwest Pipe requires all employees to read and acknowledge receipt and understanding of our Code of Business Conduct and Ethics, a copy of which is available on our website. The Code of Business Conduct and Ethics includes, among other things, certification that the employee will comply with all applicable laws and regulations. Human trafficking and slavery is a violation of such laws, and would constitute a violation of the Code of Business Conduct and Ethics. Such a violation could result in disciplinary action against the employee.
- **Training.** Northwest Pipe explains the Code of Business Conduct and Ethics to employees and makes sure they understand their obligations to comply with all laws, including dealings with suppliers. In addition, our Purchasing Group has been advised of the Act and of Northwest Pipe’s commitment to have its supply chain free from human trafficking and slavery, and on ways to minimize such risks.