



Governance – Business Ethics

Overview

Integrity – doing what is right every time – is one of Albany’s Core Values.

At Albany, we embrace uncompromising honesty and behave ethically and fairly. We are unwavering in our commitment to following the laws, regulations, standards, and ethical practices everywhere we do business. Ethics and compliance play an integral part in our decision making and business operations.

Key Initiatives

Business Ethics Policy

To communicate expectations and establish the high standard to which we hold ourselves we have adopted a broad and robust **Business Ethics Policy** with oversight from the Audit Committee of our Board of Directors. Our Business Ethics Policy applies to all employees and non-employee directors of the Company and its subsidiaries, as well as all third-party representatives such as sales agents, distributors, independent contractors, and subcontractors. The policy addresses how we should conduct our business by addressing issues such as lavish gift giving and potential conflicts of interest. It also expressly prohibits wrongful conduct, such as abusive conduct, sexual harassment, bribery, and corruption. To ensure the creation and maintenance of an ethical culture, the Business Ethics Policy is published in the local language of every country where we have operations. All parties to whom the policy applies are trained and tested annually on the contents of the policy.

Ethics Absolutes & Code of Ethics

We also maintain a series of stated **Ethics Absolutes**, upon which employment is conditioned. The nine Ethics Absolutes are designed to be a clear and succinct statement of the foundations for ethical performance. We also have a **Code of Ethics** signed by our Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, whereby those officers certify their adherence to a higher level of principles and responsibilities appropriate to their positions.

Reporting Wrongdoing/EthicsPoint Helpline

Our Business Ethics Policy, as well as other corporate policies, encourages, and at times require, the reporting of any suspected wrongdoing. To facilitate such reporting, we have established and communicated several options for the filing of reports. In addition to the option of directing communications to senior management or the board of directors, we have implemented an online reporting platform, EthicsPoint Helpline, maintained by an independent third party, whereby reports may be made anonymously. All reports are investigated by either the Office of Ethics and Compliance within the legal department, or a third party at the direction of the Audit Committee of the Board of Directors, and corrective and/or disciplinary action is taken, as appropriate.

Related Policies/ Governance Documents

- [Business Ethics Policy](#) 
- [Ethics Absolutes](#) 
- [Code of Ethics \(including Whistleblower Policy\)](#) 

SASB Business Ethics Disclosures:

Albany International is categorized in the Industrial Machinery & Goods industry under the SASB's Sustainable Industry Classification System® (SICS®) and discloses information and data to that standard. Given the company's significant aerospace composites business, the company has elected to supplement its disclosure by reporting certain relevant Sustainability Disclosure Topics and Accounting Metrics contained in the SASB Aerospace & Defense standard. The reporting boundaries for the disclosure metrics below include all parent and consolidated subordinate entities of Albany International Corp.

BUSINESS ETHICS					
SASB CODE	ACCOUNTING METRIC	CATEGORY	UNIT OR MEASURE	DISCLOSURE	
				2020	2019
RT-AE-510a.1	Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, and/or illicit international trade	Quantitative	Number	None	None
RT-AE-510a.2	Revenue from countries ranked in the "E" or "F" Band of Transparency International's Government Defence Anti-Corruption index	Quantitative	US dollars (in thousands)	See table below	
RT-AE-510a.3	Discussion of processes to manage business ethics risks throughout the value chain	Discussion and Analysis		See discussion above	
RT-AE-510a.3	Discussion of processes to manage business ethics risks throughout the value chain	Discussion and Analysis		For a discussion of our management approach to business ethics including a discussion of our anti-corruption policy and efforts to ensure ethical business practices across our global operations see the discussion above.	

The company breaks out the sales for this disclosure by business segment for clarity given the commercial nature and immaterial amount of the sales in Band E and F countries within the Albany Engineered Composites segment.

SASB RT-AE-510a.2 Revenue from E and F Band Countries (US \$ x 1,000)				
	2020		2019	
	Band E	Band F	Band E	Band F
Machine Clothing Segment*	121,339	2,200	118,570	1,734
Albany Engineered Composites Segment†	35	0	46	0
Total Corporation	121,374	2,200	118,616	1,734

* Sales in China and Brazil, nations where we have Machine Clothing presence, comprise >90% of Band E sales.

†These immaterial sales in the Albany Engineered Composites segment are exclusively comprised of aftermarket maintenance materials for Boeing commercial airliners.