

Governance – Supply Chain Management

The Company recognizes the importance of maintaining value and quality throughout our supply chain. Our business is conducted ethically, legally, environmentally, and socially responsibly. Accordingly, we require our global suppliers to respect human rights, employ fair labor practices and conduct business ethically. These expectations are outlined in our [Supplier Code of Conduct](#).

Albany International operates in eleven nations across the globe. The Company engages in two business segments: Machine Clothing (“MC”) and Albany Engineered Composites (“AEC”). To support our global operations the Company contracts with approximately 8,000 vendors to source raw and intermediate materials, supplies and services.

Albany International is a proud signatory of the UN Global Compact. To protect human rights throughout our supply chain, we screen suppliers during our initial procurement process. The Company proactively communicates our human rights and business ethics expectations to prospective and current suppliers. In addition to the expectations set out in our Supplier Code of Conduct, all suppliers are subject to [Albany International’s Business Ethics Policy](#) and must meet all the mandatory environmental standards under the laws, codes, and regulation applicable to the workplace, productions manufactured, and the manufacturing methods used. To ensure these standards are upheld by our suppliers, Albany International employees involved in the procurement process complete training and attain certifications to promote best practices in procurement operations.

The Company has a formalized risk assessment process in place for our supply chain, which includes scorecards, business reviews and criticality assessments. All suppliers undergo periodic review to confirm they continue to meet the standards required as an Approved Supplier. We are committed to ethical business practices and will take corrective action if a vendor fails to meet the requirements of our Supplier Code of Conduct.

Certain suppliers that are strategically critical to the success of the business participate in regular, periodic reviews of performance to manage and mitigate supplier risks that may arise. On-site supplier audits are conducted on an as-needed basis. Suppliers of raw and intermediate materials incorporated into AEC products must be ISO9001 or AS/EN9100 compliant.

Suppliers providing products and services to US Government contracts follow similar qualification and review standards to assure compliance with Federal Acquisition Regulation and the Defense Federal Acquisition Regulation Supplement requirements.