

Governance – Materials Sourcing Statement

Albany International Corp (“the Company”) and its subsidiaries are engaged in two business segments: Machine Clothing and Albany Engineered Composites. The company conducts due diligence and performs a risk assessment to ensure that each prospective provider of materials and/or services are qualified and responsible suppliers. Additionally, Albany requires all suppliers of metals used in the manufacture of its products to demonstrate that they understand ethical sourcing requirements and the laws and regulations surrounding conflict minerals, ensuring they are congruent with the [Conflict Minerals Policy](#). The Company does so through an initial supplier survey which is reviewed by the Quality team to ensure it meets standards, which includes being ISO9001 or AS9100 compliant for the composites business. Regular, periodic business reviews are conducted for all key strategic suppliers where performance and risks are identified and mitigated.

To ensure suppliers adhere to Albany International’s standards, the Company established a [Supplier Code of Conduct](#) and [Terms and Conditions](#).

Currently, the primary raw materials used in each segment are derived from petroleum and are therefore sensitive to changes in the price of petroleum and petroleum intermediates.

The Machine Clothing (“MC”) segment supplies consumable permeable and impermeable belts used in the manufacture of paper, paperboard, tissue and towel, pulp, nonwovens, fiber cement and several other industrial applications.

Primary raw materials for the MC segment products are polymer monofilaments and fibers, which have generally been available from a number of suppliers. More than 65% of the raw and intermediate materials used in MC products do not contain any critical materials. For the products that do, the Company requires a business continuity plan, such as having alternate suppliers for these critical materials.

The Albany Engineered Composites (“AEC”) segment provides highly engineered, advanced composite structures to customers in the commercial and defense aerospace industries. The material qualification and procurement requirements of the aerospace industry are demanding and strictly governed, both by our prime contractor customers and by government agencies.

In the AEC segment, the primary raw materials are carbon fiber and resin. While there are a number of potential suppliers of carbon fiber and other raw materials used by AEC, the use of certain suppliers may be mandated by customer agreements, and alternative suppliers would be subject to material qualification or other requirements that may preclude or delay their availability. In the case of mandated suppliers, AEC endeavors to enter into long-term supply agreements to help mitigate price and availability risks.