



Anti-Corruption and Anti-Bribery Policy
Policy # 302

PURPOSE

This Anti-Corruption Policy ("Policy") is designed to comply with the requirements of the U.S. Foreign Corrupt Practices Act ("FCPA") and the anti-bribery laws of those jurisdictions in which we do business and has been adopted to establish the standards and procedures to be followed by Company employees and business partners to prevent bribery and official corruption in the conduct of Company business worldwide.

SCOPE

This Policy applies worldwide to all U.S. and international subsidiaries, affiliates, partnerships, ventures and other business associations that are effectively controlled by Minerals Technologies Inc., directly or indirectly (the "Company" or "MTI"). It applies to all directors, officers and employees of the Company.

POLICY

Neither the Company nor any third party acting on the Company's behalf shall offer, promise, authorize or pay "anything of value" to any "government official" or any other person or entity including those in the private or commercial sector, where it is intended to induce the recipient to misuse his or her position or to obtain an improper "business advantage".

For purposes of this Policy:

- "Anything of Value" includes, but is not limited to: cash, cash equivalents (such as gift cards), gifts, travel, meals, entertainment, use of vehicles, accommodations or valuable favors, such as educational and employment opportunities for friends and relatives. For purposes of this policy, a "thing of value" has no minimum value. Even a small gift is a "thing of value."
- "Bribe" is an offer of, promise of, authorization to pay or payment of "anything of value" to any "government official" or any other person or entity, including persons or entities in the private or commercial sector, where it is intended to induce the recipient to misuse his or her position or to obtain an improper "business advantage".
- "Business advantage" is broadly defined. It includes, by way of example, obtaining or retaining business, obtaining preferential treatment or securing political or business concessions.
- "Government Official" is broadly defined to include any elected or appointed government official; any employee or other person acting for or on behalf of a government official, agency, instrumentality or enterprise that performs a government function; any employee or other person acting for or on behalf of any entity that is wholly or partially government owned or controlled; any political party, officer, employee or other person acting for or on

behalf of a political party, or any candidate for public office; or any employee or person acting for or on behalf of a public international organization.

- “Intermediary” means any third party, regardless of title, who represents the Company; or acts with discretion on its behalf; or acts jointly with it, including commissioned sales agents, distributors, sales representatives, consultants, lobbyists, transportation or logistics providers, customs clearing agents, brokers and joint venture partners, and any non-company third parties operating under a power of attorney granted by the Company.

GENERAL GUIDANCE AND PROCEDURES

Gifts, Entertainment and Hospitality

Many alleged acts of corruption arise in the context of gifts and entertainment. While gifts and hospitality (including transportation, housing, meals and entertainment) may be appropriate in many situations, it is crucial that such gifts and hospitality not be given or received on such a scale that it forms an inducement to enter into a business transaction or arrangement which would not otherwise be undertaken. Moreover, in no event may any gift or hospitality cause any other provision of this Policy, the Company's Gifts and Entertainment Policy, or any provision of the Company's business conduct policies to be violated, or put MTI or you in a position that may cause embarrassment.

Due to special rules that apply when the intended recipient is a Government Official, prior review by, and written approval from the responsible representative of the Legal Department must be obtained before any gift is given to or hospitality is provided to any such individual.

Accounting; Books and Records

The Company will maintain a system of internal accounting controls and make and keep books and records which, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets. False, misleading or incomplete entries in such records or in other documents are prohibited. No undisclosed or unrecorded fund or account may be established for any purpose.

A system of accounting controls shall be maintained that provides reasonable assurances that (i) transactions are executed in accordance with management authorization; (ii) transactions are recorded so as to permit preparation of accurate financial statements and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management authorization; and (iv) appropriate auditing functions are conducted.

No payment on behalf of the Company is to be approved or made without adequate supporting documentation or made with the intention or understanding that all or any part of the payment is to be used for any purpose other than the specific purpose described by the documents supporting the payment.

Money Laundering

Money laundering is the process by which one conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate. Use by the Company of

proceeds tainted by illegality can give rise to liability in the United States and in other countries in which the Company operates. Employees should contact the Legal Department if they are aware of suspicious circumstances leading them to believe that any transaction might involve the payment or the receipt of proceeds of any unlawful activity.

Facilitation or “Grease” Payments

Facilitating Payments, also known as “grease payments” are small payments (less than \$100) made to Government Officials in order to expedite or secure the performance of routine actions such as customs clearance, immigration and work permits, and telephone and utility connection.

No “facilitating payment” may be paid by any Company employee and is expressly prohibited, unless: (1) it is necessary to secure governmental services (such as police or fire protection or medical evacuation) in response to a medical or safety emergency or (2) the person reasonably believes that a Company employee is in imminent jeopardy of serious harm and no other reasonable alternatives are available.

Any such payment must be accurately and fully recorded in the Company’s books and records and immediately reported to the General Counsel.

Political, Community and Charitable Contributions

Monetary and other contributions to charities, social projects and funds, including schools, educational funds and infrastructure projects, should be handled with caution because they can be conduits for corrupt payments. In order to minimize this risk, the Company requires an appropriate investigation be conducted into such charities and projects. Any such contributions must comply with Company policies and procedures and require prior approval of the Legal Department.

Transactions with Intermediaries and Partners

1. Due Diligence

Anyone acting on the Company’s behalf can expose the Company to corruption risk and penalties. In order to minimize this risk, the Company requires that an investigation be conducted of the Intermediaries with whom the Company intends to do business when any “red flags” (described further below) or other suspicious circumstances are believed to exist. In such circumstances, the Company employee proposing an agreement or relationship shall ensure that the due diligence is completed before entering into any agreement or relationship. A due diligence investigation should include a review of reputation, expertise, experience and past performance of potential intermediaries or partners; their connection, if any, to government officials; the reasonableness of the proposed payment arrangements under the circumstances; and the business purpose for entering into the transaction. In certain situations, it may be necessary to hire private investigators to verify the reputation, credibility and financial stability of an intermediary or partner. No such investigation should be undertaken without the prior approval of the Legal Department. It is Company policy that all contracts for retention of the intermediaries be approved in advance by

the Legal Department. Certain standard provisions designed to ensure compliance with the standards set forth in the FCPA and which have been developed by the Legal Department shall be included in all such agreements.

2. “Red Flag” Circumstances

The Company can be liable under the FCPA not only for the actions of its own employees, but also in certain circumstances for the actions of its Intermediaries. Knowledge sufficient to make one liable is defined as including the belief that an improper payment is “substantially certain” to occur, or that there is a “high probability” it will occur. One cannot avoid liability by looking the other way. If there are “red flags” that raise questions, then there is a duty to inquire. In an intermediary situation, typical issues that may trigger red flags include the following:

- The transaction involves a country known for corrupt payments;
- A reference check reveals flaws in the party’s background or reputation;
- Due diligence reveals that the party is a shell or has some other unorthodox structure;
- The party is not clearly qualified or lacks the necessary experience to perform the functions for which it has been hired or retained;
- The party is recommended by a Government Official or the customer, particularly one with discretionary authority over the business at issue;
- The party has a close personal, family, or business relationship with a Covered Person or relative of a Covered Person or makes large or frequent political contributions to Covered Persons;
- The party suggests that a particular amount of money may be necessary to obtain business or to close a certain deal;
- The party requests unusual contract terms or payment arrangements that raise money laundering concerns under U.S. and local law, such as payment in cash, payment in another country’s currency, or payment in a third country;
- The party objects to anti-corruption and anti-bribery representations, warranties and covenants and related language in agreements with the Company;
- The party refuses to disclose its ownership, including any beneficial or other indirect owners, or requires that his or her identity or, if the party is a company, the identity of the company’s owners, principals, or employees, not be disclosed; or
- The party’s commission or fee exceeds the customary rate for similar services in the geographic area or unreasonably exceeds rates paid by the Company for similar services elsewhere.

The list above is not exhaustive, and Company employees must be alert to any suspicious circumstances pertaining to third parties with which Company does business or proposes to do business. If the background investigation – or later business relations with the party – uncovers any red flags, more indepth inquiry may be required. Red flags should be brought immediately to the attention of the Legal Department.

Hiring Government Officials

Retaining a Government Official (as an agent, lobbyist, consultant, etc.) may be permissible but must be handled with caution. Similar caution must be exercised where a potential employee or agent is affiliated with an organization which could be deemed to be a government instrumentality, has a familial relationship with a government official or was previously engaged in government service. Such relationships must be structured so that they meet the requirements of the FCPA and local law. No such relationship may be negotiated without the prior approval of the Legal Department.