

ANTI-CORRUPTION POLICY

I. Purpose

As stated in its Code of Business Conduct and Ethics, AMCOL International Corporation and its Subsidiaries (“AMCOL”) conducts its business in compliance with the laws of the countries where it operates. This Anti-Corruption Policy (the “Policy”) is to help ensure compliance by AMCOL with applicable worldwide anti-corruption laws, including the U.S. Foreign Corrupt Practices Act (the “FCPA”), the UK Bribery Act 2010 (the “UK Bribery Act”), and the anti-corruption laws of the member countries of the Organization for Economic Cooperation and Development’s Anti-Bribery Convention (the “OECD Convention”). In addition, this policy is intended to assist AMCOL in complying with the U.S. Patriot Act. This Policy should be read in conjunction with AMCOL’s Code of Business Conduct and Ethics.

AMCOL will conduct every business transaction with integrity, regardless of differing local manners and traditions, and will comply with the laws and regulations of each country where it operates (except to the extent inconsistent with U.S. law). In particular:

- AMCOL does not offer or pay bribes directly or indirectly.
- AMCOL does not request or accept bribes.
- AMCOL works to ensure that its agents, distributors, representatives and contractors comply with this Policy.

II. Application

This Policy applies to all officers and employees of AMCOL, both within and outside the U.S., and should be extended by written agreement to all distributors, consultants, representatives, brokers, agents and contractors retained by AMCOL (“third-party contractors”). This Policy also extends to all of AMCOL’s financial record-keeping activities and is integrated with AMCOL’s other financial record-keeping requirements, including those required under U.S. securities laws. This Policy will be provided to those AMCOL employees whose job duties are reasonably likely to lead to an involvement in or exposure to any of the areas covered by this Policy.

III. Summary of FCPA

The FCPA has two primary sections. The first section makes it illegal to bribe foreign officials, and the second section imposes record keeping and internal accounting requirements upon publicly traded U.S. companies, like AMCOL, and their subsidiaries.

A. Anti-bribery Provisions

1. Prohibited Payments

The FCPA’s anti-bribery provisions make it illegal to bribe foreign officials in order to obtain or retain business or to secure any improper advantage. Specifically, the FCPA prohibits payments, offers or gifts of money or anything of value, with corrupt intent, to a “foreign official”.

For purposes of this Policy, a “foreign official” means any officer or employee of a government or any department, agency, or instrumentality thereof (including a government-owned or government-controlled state enterprise) or of a “public international organization” (for example the UN or IMF), any person acting in an official capacity for or on behalf of a foreign government or government entity or of a public international organization, any foreign political party or party official, or any candidate for foreign political office. Foreign officials include not only elected officials, but also consultants who hold government positions, employees of companies owned by foreign governments, political party officials and others.

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Bribery laws, including the FCPA, prohibit both direct and indirect payments to foreign officials. Thus, a company can face FCPA liability based upon improper payments made by its agents or other business partners. Accordingly, except as set forth in this Policy, neither AMCOL nor any of its employees, agents or business partners shall make, promise or authorize any gift, payment or offer anything of value on behalf of AMCOL to a foreign official or to any third person who, in turn, is likely to make a gift, payment or offer anything of value to a foreign official.

If permitted by local law, AMCOL employees may offer and receive reasonable meals and entertainment and small promotional gifts. These must be reasonable in value, and frequency, not lavish or extravagant and directly related to the promotion, demonstration or explanation of products or services or to the execution or performance of a contract. Exchanges of gifts and entertainment must be exercised with discretion. Depending on their size, frequency and circumstances in which they are given, gifts and entertainment may constitute a bribe. The key test is whether gifts and entertainment could be intended, or even be reasonably interpreted, as a reward or encouragement for a favor or for preferential treatment. If the answer is yes, they are prohibited under the AMCOL Code of Business Conduct and Ethics and this Policy and may violate one or more laws.

2. Limited Exceptions and Affirmative Defenses

The FCPA contains certain limited exceptions and affirmative defenses to the prohibitions set forth above. These limited exceptions and affirmative defenses may only be utilized or relied upon in accordance with this Policy.

2a. Facilitating Payments

The FCPA does allow certain types of “facilitating” payments to foreign officials under very limited circumstances to obtain non-discretionary, “routine governmental action”, such as obtaining a permit to do business in a foreign country, processing visas or obtaining police protection. The term “routine governmental action” does not include any decision by a foreign official on whether, or on what terms, to award new business to or continue business with a particular party, or any action taken by a foreign official involved in the decision-making process to encourage a decision to award new business or to continue business with a particular party.

2b. Promotional Payments

Various types of “promotional or marketing payments” may also be permissible under the FCPA in certain circumstances. For example, certain reasonable, bona fide expenses incurred while promoting AMCOL to foreign officials, hosting a tour of foreign public officials at an AMCOL facility or entertaining employees of a foreign state-owned firm may also be legitimate expenses under the FCPA. Once again, AMCOL employees and agents should not provide gifts and entertainment to foreign officials or authorize a promotional expense or event for a foreign official except as set forth in this Policy. Moreover, these expenses must be fully and accurately described in AMCOL’s books and records.

B. Record-Keeping, Accounting & Payment Practices

The record-keeping provisions of the FCPA require AMCOL and its subsidiaries to keep their books, records and accounts in reasonable detail, accurately and such that they fairly reflect all transactions and dispositions of assets. Thus, the FCPA prohibits the mischaracterization or omission of any transaction on a company’s books or any failure to maintain proper accounting controls that result in such a mischaracterization or omission.

Accordingly, AMCOL employees must follow applicable standards, principles, laws and AMCOL procedures and practices for accounting and financial reporting. In particular, employees must be timely and complete when preparing all reports and records

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required by management. In connection with dealings with public officials and with other international transactions explained in this Policy, employees must obtain all required internal approvals and, when appropriate, from foreign governmental entities. Prior to paying or authorizing a payment to a foreign official, AMCOL employees or agents should be sure that no part of such payment is to be made for any purpose other than that to be fully and accurately described in AMCOL's books and records. No undisclosed or unrecorded accounts are to be established for any purpose. False or artificial entries are not to be made in the books and records of AMCOL for any reason. Finally, personal funds must not be used to accomplish what is otherwise prohibited by this Policy.

IV. Other Anti-Corruption Laws

Many of the countries in which AMCOL and its subsidiaries operate have adopted anti-corruption laws. Many of these laws prohibit both governmental and private bribery. For example, the UK Bribery Act, adopted in 2010, is arguably the most far reaching anti-bribery law and it is more restrictive than the FCPA, as it covers all kinds of bribery not just governmental. In addition to prohibiting bribes, the UK Bribery Act requires organizations to adopt adequate procedures to prevent bribery. China has recently enacted updated and more comprehensive bribery laws. In addition, many countries in which AMCOL operates are member countries of the OECD Convention. Members of the OECD have pledged to prohibit bribery of foreign officials in international business transactions. Brazil, Poland and South Africa are each a member country of the OECD. All AMCOL employees are expected to abide by all relevant anti-corruption laws and regulations. The summary of the FCPA in Section III of this Policy describes many of the types of payments to be avoided when doing business both inside and outside of the United States

V. Penalties

The FCPA, the UK Bribery Act and the anti-corruption laws of other countries impose criminal liability on both individuals and corporations. This means that individuals can go to jail and pay personal fines, if convicted. In addition to criminal penalties, the relevant regulatory authority may bring a civil action against the corporation and/or the individual, which can result in large personal fines and penalties. Violating this Policy, the FCPA or any other applicable anti-corruption law will also result in discipline by AMCOL, up to and including termination of employment.

VI. Due Diligence and Selection of Representatives and Business Partners

In many instances, the use of a local sales agent, consultant, distributor, or joint venture partner is an essential element of doing business in a foreign country. Generally speaking, an agent is a person engaged specifically for the purpose of securing or retaining business.

As discussed above, the prohibitions of anti-corruption statutes, including the FCPA and the UK Bribery Act, include payments made by agents or intermediaries on a company's behalf. Local agents are retained and local partners are selected in part for their knowledge of and access to persons in the relevant market and their ability to contribute to the success of sales efforts. AMCOL should be careful to avoid situations involving third parties that might lead to a violation of anti-corruption laws

Therefore, prior to retaining any agent, representative, consultant, or other third party contractor, (collectively "third-party contractors") who act on behalf of AMCOL with regard to foreign governments or international business development or retention, AMCOL will perform proper and appropriate anti-corruption due diligence and obtain from the third party certain assurances of compliance.

Such due diligence should include where available:

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- checking public sources of information, including any published press reports concerning the agent, the commercial attaché at the foreign embassy in the relevant foreign country and/or relevant country desk officers at the U.S. Department of State and U.S. Department of Commerce;
- checking with business references provided by the potential third-party contractors;
- interviewing the third-party contractor; and
- obtaining information from institutions (banks, accounting firms, lawyers) in the third-party contractor's country of operations.

All third-party contractors must be identified and selected on the basis of objective and written evaluation criteria, e.g., a partner should be selected on the basis of identifiable commercial and technical competence and not because he is the relative of an important government official.

All arrangements with third-party contractors should be pursuant to written agreements that include language that protects AMCOL. At a minimum the third-party contractor should acknowledge that they are aware of all applicable anti-corruption laws and will comply with those laws, with the understanding that a failure to do so will result in a termination of the relationship.

VII. U.S. Patriot Act

The U.S. Patriot Act is intended to prevent and detect money laundering and terrorist financing. AMCOL is committed to ensuring that our operations do not further money laundering or terrorist activities. In the course of conducting its business, AMCOL engages in financial transactions with foreign entities, including foreign companies and governments. To ensure that these transactions do not facilitate money laundering or other illegal activities, AMCOL conducts due diligence into the identity and reputation of the organization, the identity of its principals and the nature of the organization's business. If you detect any suspicious activities that reasonably cause you to believe that an activity is illegal or involves money laundering or terrorist financing, you should report the matter to the Legal Department.

VIII. Enforcement of Policy

Every AMCOL employee, agent or representative whose duties are likely to lead to involvement in or exposure to any of the areas covered by this Policy is expected to become familiar with and comply with this Policy. Periodic certifications of compliance with the Policy may be required, as will participation in training sessions as instructed by management.

If you have questions or problems concerning this Policy, foreign officials or payment practices you can contact your supervisor or the Legal Department at:

AMCOL International Corporation
Attn: James W. Ashley
Vice President, General Counsel
2870 Forbs Avenue
Hoffman Estates, IL 60192
Telephone: (847) 851-1420
Email: Jim.Ashley@AMCOL.com

In addition you can file a report on MySafeWorkplace by phone (800.461.9330) or at the website www.mysafeworkplace.com.