

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 3. Revenue from Contracts with Customers

The Company's revenues are primarily derived from the sale of products in product lines within our Performance Materials, Specialty Minerals and Refractories businesses.

On a regular basis, the Company reviews its segments and the approach used by the chief operating decision maker to assess performance and allocate resources. Accordingly, in the first quarter of 2021, the Company reorganized the management structure for its Energy Services and Performance Materials operating segments to support MTI's key growth initiatives, more closely align complementary technologies, processes and capabilities, and better reflect the way performance is evaluated and resources are allocated. As a result, Energy Services, was combined into the Environmental Products product line within the Performance Materials operating segment. The Performance Materials' operating segment restated financial results for the years ended 2020 and 2019, by product line, are presented in Note 21 to conform to the current management structure.

Our primary performance obligation (the sale of products) is satisfied upon shipment or delivery to our customers based on written sales terms, which is also when control is transferred. In most of our contracts in our Paper PCC product line, which is in our Specialty Minerals segment, the price per ton is based upon the total number of tons sold to the customer during the year. Under these contracts, the price billed to the customer for shipments during the year is based on periodic estimates of the total annual volume that will be sold to such customer. Revenues are adjusted at the end of each year to reflect the actual volume sold.

Revenue from sales of equipment, primarily in our Refractory products product line within our Refractories segment, is recorded upon completion of installation and control is transferred to the customer. Revenue from services is recorded when the services have been performed. Included within our Refractory products product line are certain consignment arrangements with certain customers in our Refractories segment. Revenues for these transactions are recorded when the consigned products are consumed by the customer and control is transferred.

Revenue where our performance obligations are satisfied in phases is recognized over time using certain input measures based on the measurement of the value transferred to the customer, including milestones achieved.

The following table disaggregates our revenue by major source (product line) for the years ended December 31, 2021, 2020 and 2019:

(millions of dollars)	Year Ended December 31,		
	2021	2020	2019
Net Sales			
Household, Personal Care & Specialty Products	\$ 460.5	\$ 380.2	\$ 376.6
Metalcasting	319.2	258.1	291.2
Environmental Products	136.3	131.6	181.8
Building Materials	60.0	55.9	68.9
Performance Materials	<u>976.0</u>	<u>825.8</u>	<u>918.5</u>
Paper PCC	349.7	308.4	364.9
Specialty PCC	77.1	69.3	69.1
Ground Calcium Carbonate	98.1	89.3	91.3
Talc	54.0	43.9	49.1
Specialty Minerals	<u>578.9</u>	<u>510.9</u>	<u>574.4</u>
Refractory Products	237.1	212.3	244.8
Metallurgical Products	66.3	45.8	53.3
Refractories	<u>303.4</u>	<u>258.1</u>	<u>298.1</u>
Total	<u>\$ 1,858.3</u>	<u>\$ 1,594.8</u>	<u>\$ 1,791.0</u>