



PEOPLE PASSION PRINCIPLES

2022 SUSTAINABILITY REPORT



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MESSAGE TO OUR STAKEHOLDERS



Michael Williams
President and Chief Executive Officer

DEAR STAKEHOLDERS:

I am pleased to share TimkenSteel's 2022 Sustainability Report, which provides a comprehensive look at how we continue to strive for excellence in all areas of environmental, social, and governance (ESG) performance and reporting. Now in our second year of sustainability reporting, we are steadily progressing on our journey while learning from challenges along the way. We believe that it all starts with **PEOPLE**. We are building a culture that emphasizes the importance of diversity, equity, and inclusion in all aspects of our business, while enhancing and evolving professional development opportunities and training programs. Advancing our commitment to sustainability is one of our five strategic imperatives, and our company-wide actions are supported by cross-functional teams and workstreams aimed at creating greater awareness and meaningful progress against our sustainability goals.

That said, we experienced operational and safety incidents during the year that demanded our time and attention. Our first responsibility is to one another – to provide a safe workplace environment and to equip our team with the tools and training to safely perform their jobs. In this report, we share more about how we have implemented enhanced safety training, made upgrades, invested in safety improvements, and enhanced processes and programs to reinforce a lasting culture of safety.

Steelmaking is our **PASSION**. We have a distinguished legacy of producing sustainable, high-quality steel for more than 100 years. Using electric arc furnaces for over 70 years, we are proud to contribute to the circular economy – 100% of our products include recycled material and 92% of inputs by weight are recycled scrap materials. As a result of our well-established operating processes, we produce some of the cleanest, highest-performing alloy air-melted steels in the world for our customers’ most demanding applications in automotive, oil and gas, industrial equipment, mining, construction, rail, defense, heavy truck, agriculture, and power generation. The durability and dependability of our products allow us to meet our customers’ needs, all while reducing environmental impact in the long run.

The steel industry, both domestically and globally, remains highly competitive. We firmly believe that our **PRINCIPLES** will continue to govern how we operate safely, maintain high standards of product quality and reliability, stay competitive, foster an inclusive culture of trust and belonging, and protect the environmental resources of air, land, and water. The foundation of all our efforts is a strong corporate governance structure and an unwavering commitment to integrity, ethics, and compliance in all we do.

This report’s theme – **PEOPLE. PASSION. PRINCIPLES.** – reflects our promise to our people, our passion about reducing our environmental impact, and our compliance with our organization’s governing principles. We thank you for your interest in TimkenSteel and our sustainability story.

MS Williams

Michael Williams

President and Chief Executive Officer

April 18, 2023



“Sustainability is embedded into our daily work and represents a lens through which we evaluate every aspect of our operations, from the shop floor to our office spaces. It is what we believe in and what we do.”

ABOUT THIS REPORT

Thank you for your interest in TimkenSteel’s 2022 Sustainability Report, which communicates our environmental, social, and governance (ESG) commitments and shares our progress. The report was published in April 2023 and is based on fiscal year 2022 information and activities, except where noted.

We are proud to share an update on the progress we have made against our strategic imperatives and 2030 sustainability goals, as we live our commitment to operate responsibly and sustainably. As a steel company with more than 100 years of history and experience, we understand the importance of corporate responsibility for our business and our stakeholders. This year’s theme of **PEOPLE. PASSION. PRINCIPLES.** reflects our ongoing commitment to care for our employees and our communities, protect the environment, and maintain strong governance and ethics in everything we do.

Our second sustainability report builds on what we presented in our 2021 report and marks our third consecutive year of alignment with the Sustainability Accounting Standards Board (SASB) for the Iron & Steel Producers reporting standard. In the pages that follow, we share progress against our commitments and 2030 environmental goals, address key components of the Task Force on Climate-related Financial Disclosures (TCFD), and new for 2022, report metrics in reference to the Global Reporting Initiative (GRI) standards. This reflects our continuing and intentional efforts to drive sustainability performance, demonstrate progress, and develop a road map for the future. We welcome your questions and feedback at sustainability@timkensteel.com.



PEOPLE



PASSION



PRINCIPLES

OUR APPROACH TO SUSTAINABILITY

At TimkenSteel, our sustainability strategy reflects our vision to harness the enduring power of steel to make the world a better place. Our commitment to operating responsibly and sustainably helps ensure we create and maintain a safe and healthy workplace, protect our natural resources, and deliver sustainable technologies that contribute to economic growth and prosperity.

AREAS OF FOCUS

Our sustainability goals align with the ESG topics that matter most to our stakeholders, as defined by the materiality assessment we conducted in 2021. After collecting and analyzing responses from key stakeholders, we determined the following ESG matters are most relevant and reasonably likely to impact the company’s financial condition, operating performance, strategy, and financial planning. Accordingly, we established three pillars and twelve focus areas for our sustainability program.

OUR SUSTAINABILITY STRATEGY CONSISTS OF 3 PILLARS AND 12 FOCUS AREAS ORGANIZED AROUND ENVIRONMENTAL, SOCIAL, AND GOVERNANCE:



ENVIRONMENTAL STEWARDSHIP

We embrace our role as responsible stewards of the environment.

Focus Areas

- Climate action
- Waste and recycling
- Water conservation
- Product stewardship



SOCIAL COMMITMENT

We strive to foster a culture that prioritizes safety; thrives on diversity, equity, and inclusion; and supports our communities.

Focus Areas

- Health and safety
- Employee engagement
- Diversity, equity, and inclusion
- Community engagement



GOVERNANCE AND ETHICS

We are committed to building public trust and operating in accordance with the highest standards of ethics and integrity.

Focus Areas

- Corporate governance
- Business ethics and compliance
- Supply chain management
- Cybersecurity and data privacy

"Our approach to sustainability must address our needs for today and tomorrow. We keep this mindset at the forefront of all our decisions, including priorities, capital investments, and engineering strategies."

Andrew Bissot

Vice President, Engineering, Manufacturing Excellence & Reliability

OVERSIGHT OF OUR SUSTAINABILITY STRATEGY

TimkenSteel’s Board of Directors oversees the company’s corporate responsibility and sustainability strategy.

The Board conducts an annual review of our strategy and ESG risks and opportunities, in addition to regularly reviewing information relative to the company’s environmental and safety performance, as well as human resources and governance matters.

At the management level, we have established a cross-functional steering committee that is comprised of senior-level leaders responsible for implementing the Board’s sustainability strategy by:

- Sponsoring, informing, and advising on high-priority sustainability topics through periodic materiality assessments
- Ensuring high-priority sustainability projects align with 2030 goals
- Reviewing, approving, and monitoring key sustainability projects
- Embedding a sustainability mindset into our company culture

Core working groups are established to lead high-priority topics and projects under the guidance and leadership of a steering committee sponsor. This governance structure facilitates the establishment of sustainability priorities by the company’s senior management team (in alignment with the strategy set by the Board of Directors), with functional area experts throughout the company responsible for leading the projects to implement the established priorities.

2022 represented the first full year of steering committee operations, and the committee's focus during the year was on the development of its organizational strategy, including team composition and project-tracking procedures. This included forming specialized subcommittees responsible for implementing foundational elements of our company-wide sustainability programs and initiatives. These subcommittees promote enhanced cross-functional engagement and are organized around key topics such as data controls and procedures, external reporting, governance and strategy, sustainability projects, and annual priorities and key performance indicators (KPIs).

SUSTAINABILITY GOVERNANCE STRUCTURE AT TIMKENSTEEL



ENGAGING OUR STAKEHOLDERS

Maintaining relationships with our key internal and external stakeholders helps inform our ESG strategy and priorities. We interact daily and in a variety of ways with our employees, customers, suppliers, investors, and communities. Through our sustainability strategy, we are committed to regular dialogue with stakeholders to better understand their needs and to share updates and progress in our environmental, social, and governance priority areas.

We Engage With Stakeholders by Reporting on Relevant Platforms to Various Organizations

For customers, we report to:

- Carbon Disclosure Project (CDP)
- Manufacture 2030 (M2030)
- EcoVadis

For investors, we directly engage with the following rating agencies, which are related to our current scores and opportunities for improvement:

- Institutional Shareholder Services (ISS)
- Morgan Stanley Capital International (MSCI)
- Sustainalytics
- S&P Corporate Sustainability Assessment



STAKEHOLDER PRIORITIES

The table below summarizes how we engaged with our key stakeholders in 2022 on ESG topics of interest to them.

Stakeholder Group	Methods of Engagement	Primary Topics of Interest
Employees	<ul style="list-style-type: none"> • Quarterly town halls • Intranet • Standup meetings • Training and other sessions • Employee Resource Groups • Employee appreciation events • Volunteer projects • ESG working group outreach • Engagement surveys 	<ul style="list-style-type: none"> • Occupational health and safety • Process and product improvements • Social impact/community engagement • Benefits and compensation • Data privacy • Engagement and culture • Training and education • DE&I • Financial performance
Customers	<ul style="list-style-type: none"> • Customer portal • Inquiry records • Industry organizations • Regular business reviews • Third-party platforms • Customer sustainability surveys • Customer service councils • Conferences and webinars 	<ul style="list-style-type: none"> • Health and safety • Environmental impact • Supply chain responsibility • Data privacy • Governance and ethics • Climate and net-zero targets
Suppliers	<ul style="list-style-type: none"> • Regular meetings • Vendor portal 	<ul style="list-style-type: none"> • Updated policies • Supplier Code of Conduct • Human Rights Policy • Environmental Management Policy
Communities	<ul style="list-style-type: none"> • Regular outreach • Volunteer board and civic engagement • Volunteerism 	<ul style="list-style-type: none"> • Community projects • Employee volunteerism • Philanthropy • Nonprofit board service
Investors	<ul style="list-style-type: none"> • Quarterly conference calls • Virtual and in-person meetings • Conferences and presentations • ESG-related reports and other disclosures 	<ul style="list-style-type: none"> • Capital allocation • Executive compensation • Financial performance • Strategy and operations • Sustainability strategy and actions
Local, state, and federal officials	<ul style="list-style-type: none"> • Trade group meetings and conferences • In-person and virtual meetings with elected officials 	<ul style="list-style-type: none"> • Workforce development • State and federal energy policy • Decarbonization policy • Global trade policy
Non-governmental and industry organizations	<ul style="list-style-type: none"> • In-person and virtual meetings • Conferences and sponsored events 	<ul style="list-style-type: none"> • Environmental regulatory compliance • Steel industry best practices related to technology, safety, and operations • Workforce development • Decarbonization and environmental stewardship
ESG rating organizations	<ul style="list-style-type: none"> • Platform engagement • Analyst/scoring criteria • ESG-related reports and other disclosures 	<ul style="list-style-type: none"> • Sustainability strategy • ESG metrics

ORGANIZATION MEMBERSHIPS

TimkenSteel belongs to and actively participates in various industry associations and committees focused on pertinent topics including safety, environmental stewardship, workforce development, sustainability, and diversity, equity, and inclusion (DE&I). These engagements help us promote the steel industry, advance the interests of our stakeholders, and engage with peers. TimkenSteel is a member of the following organizations:

Industry/Technology/Professional

- American Gear Manufacturers Association
- American Petroleum Institute
- Association for Iron & Steel Technology
- Association of Women in the Metal Industries
- Colorado School of Mines — Advanced Steel Processing and Products Research Center (ASPPRC)
- Electric Metal Makers Guild
- Forging Industry Association
- Institute of Asset Management
- Manufacturers Alliance — Information Systems Management Council
- Metals Service Center Institute
- NEOhioCIO Forum
- Northeast Ohio Chapter of the Institute of Internal Auditors
- Traffic Club of Pittsburgh
- Society of Maintenance & Reliability Professionals
- Steel Manufacturers Association
- Women in Manufacturing Association

Policy/Government Affairs

- Canton Regional Chamber of Commerce
- Industrial Energy Consumers of America
- Manufacturing Policy Alliance
- Ohio Energy Group
- Ohio Chamber of Commerce
- PJM Industrial Customer Coalition

Human Resources/DE&I/Sustainability

- American Axle & Manufacturing Supplier Sustainability Council
- Ohio Diversity Council

ADVOCACY AND LOBBYING

TimkenSteel's advocacy efforts primarily focus on policies at the state and federal levels to ensure that we remain competitive within a global industry with respect to environmental, energy, workforce, and tax issues. We also provide critical insights to policymakers and government regarding challenges and opportunities associated with our industry, and lobby for change where appropriate. In 2022, TimkenSteel did not directly or indirectly contribute to political campaigns.



ABOUT TIMKENSTEEL

Founded in 1917 and headquartered in Canton, Ohio, TimkenSteel provides high-quality specialty steel, manufactured components, and supply chain solutions for demanding applications in mobile, energy, and a variety of industrial end markets. We are proud to be the leading manufacturer of special bar quality (SBQ) large bars and seamless mechanical steel tubing in the United States.



AT A GLANCE



Annual melt capacity of approximately 1.2M tons with approximately 900K tons of ship capacity



Net sales of \$1.3B in 2022



Approximately 1,700 employees as of December 31, 2022



3 steelmaking plants in Canton, Ohio



2 machine shops in the U.S. and 1 warehouse in Mexico



Over 300 grades of steel produced annually



Electric arc furnace process, the most energy-efficient steelmaking process in the world today



100% of our products include recycled material and 92% of inputs by weight are recycled scrap materials



70 years of producing clean steel for demanding applications

TIMKENSTEEL'S EAF STEELMAKING: CLEAN, INNOVATIVE, AND ENERGY EFFICIENT

All our steel is produced in electric arc furnaces (EAF) using primarily recycled scrap metal. Unlike the blast furnace production method, an EAF does not rely on mining for material, and significantly reduces material processing and transportation requirements. The EAF process is the most energy-efficient steelmaking process in the world today, and we have produced steel with our EAFs for 70 years.

EAF steelmaking is more energy efficient than traditional steelmaking – with 75% lower CO₂ emissions and less environmental impact.

Source: Steel Manufacturers Association

OUR EAF PROCESS AT A GLANCE

1

RECYCLED METALS

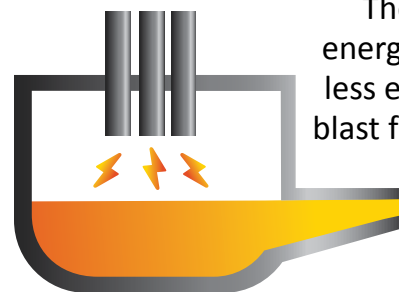
Recycled scrap materials make up 92% of our production inputs by weight.



2

ELECTRIC ARC FURNACE

The EAF process is energy efficient, with less emissions than a blast furnace process.



3

CONTINUOUS CASTING

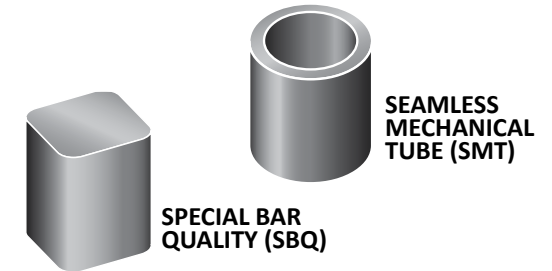
We create more than 300 grades of SBQ bars and tubes annually.



4

FINAL PRODUCT

100% of our products include recycled material to produce clean steel necessary for demanding applications.



GUIDED BY OUR CORE VALUES

OUR VISION AND MISSION INFORM EVERYTHING WE DO



Vision

Harnessing the enduring power of steel to make the world a better place.



Mission

To be an industry-leading provider of high-quality specialty steel, manufactured components, and supply chain solutions and to deliver exceptional value to our customers, employees, and investors.

OUR WORK IS GROUNDED IN OUR CORE VALUES



Values

Safety First

Our first responsibility is to one another – to provide a safe workplace environment where we can all thrive. Without safety, none of our other values are supported.

Innovative and Collaborative

We recognize that innovation and the collaboration between employees and customers is what will drive value and results, now and in the future.

Best-in-Class Quality

We stand by our more than century-old tradition and value of creating the very best products.

Ethical and Responsible

We hold ourselves to the highest ethical standards and recognize that we are all responsible for our company culture, and for the impact that our practices have on society.

Customer-Driven

Our products and processes are keenly focused on the customer. Exceptional customer service and focus are at the root of our ongoing success.



PEOPLE

SOCIAL COMMITMENT

Our social commitment codifies our promise to our people. We believe that the health and well-being of our fellow employees is essential to our ability to achieve our mission, and we uphold Safety First as a core value. Providing meaningful experiences for our employees and encouraging engagement are critical to delivering best-in-class quality and service to our customers. We also strive to foster an inclusive workplace environment where everyone has the opportunity to learn and grow, and aim to make a positive impact in the communities where we live and work.

IN THIS SECTION:

- 14. Occupational Health and Safety
- 17. Engaging Our Employees
- 19. Our Holistic Approach to Employee Well-being
- 20. Labor Relations
- 21. Diversity, Equity, and Inclusion
- 23. Positively Impacting Our Communities

OCCUPATIONAL HEALTH AND SAFETY

At TimkenSteel, our core value of Safety First expresses our belief that the health and well-being of our fellow employees is essential to achieve our mission to be an industry-leading provider of high-quality steel and to deliver exceptional value for our customers, employees, and investors. Our commitment to safety is rooted in the recognition that our personal actions affect the safety and performance of others. This sense of responsibility drives engagement through increased awareness of the vital role each team member plays in promoting a safe work environment while maintaining our commitment to best-in-class quality in our processes and products.

YEAR IN REVIEW

Consistent with our Global Environmental, Health, and Safety (EHS) Policy, we are committed to continuously improving our EHS performance by driving employee awareness and implementing additional layers of protections and safe work practices. In 2022, we expanded and further formalized our job safety analysis and housekeeping programs, approved increases in capital spending for safety-related projects, increased our safety training, and added more safety professionals and union safety representatives to our team. To accelerate progress, we commenced these efforts in early 2022 and expanded on them during the year.

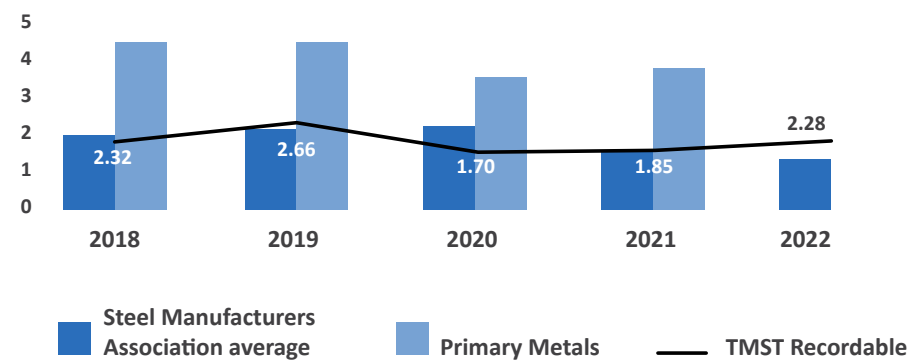
However, our overall 2022 safety performance was disappointing. In July, we experienced a melt shop safety incident at our Faircrest facility. Unfortunately, this incident resulted in a fatality. TimkenSteel fully cooperated with OSHA during the investigation, and we continue to provide support to affected families and colleagues. We are dedicated to improving the company's safety culture.

Consequently, in 2022, we:

- Implemented additional safety leadership training for all levels of plant operations management
- Audited equipment and made safety upgrades and process changes
- Created tangible action plans to improve our safety culture
- Made necessary repairs and improvements to impacted assets

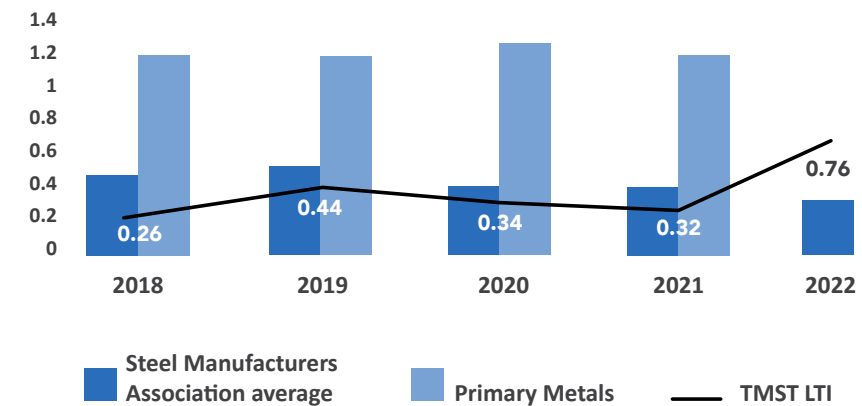
Our leadership is fully committed to safety and expects to invest approximately \$7 million in 2023 in company-wide training, new equipment, and improved safety practices, processes, and programs to ensure we are creating a lasting culture of safety. To reinforce the strategic importance of safety, the Board of Directors significantly increased the portion of our executive leadership team's annual incentive compensation tied to safety performance beginning in 2023.

OSHA RECORDABLE INCIDENT RATE¹



¹ OSHA-recordable incident rate is defined as OSHA-recordable incidents multiplied by 200,000, then divided by the total number of hours worked during the applicable year.

LOST-TIME INCIDENT RATE²



² Lost-Time Incident Rate is defined as OSHA days away from work cases multiplied by 200,000, then divided by the total number of hours worked during the applicable year.

ADVANCING THE SAFETY CULTURE

Building and maintaining a culture of safety empowers each of us as individuals, and collectively as a company, to successfully grow. We are focusing on the core factors that will enable us to continuously improve our performance. These core factors include enhancing our safety training and expanding our safety audit program, with a focus on mission-critical areas of machine guarding, lockout/tagout, molten metal safety, and robust housekeeping.

To measure the impact of these efforts, we are looking beyond lagging indicators (which measure the occurrence and frequency of events that occurred in the past) such as injury rates. Instead, we are emphasizing the importance of leading indicators (proactive, preventive, and predictive measures that provide information about the effective performance of safety and health activities) such as near miss reporting, the number and impact of safety audits, on-time completion of corrective actions, and training completion rates.

We are leveraging a third-party global information supplier system, ISNetwork, for contractor EHS reporting. Any incidents involving on-site contractors are reported, tracked, and included in weekly safety reports to the extended leadership team. Corrective actions, discipline, fines, and penalties are assessed for violations. We also review our EHS rules and procedures with contractors in periodic contractor conferences and meetings.

Safety Training

In 2022, we implemented a comprehensive safety leadership training program for front-line supervisors, plant management, and other leaders across the company. The goal was to help leaders focus on the core elements of improving our safety culture and safety performance and to better understand the direct impact human factors can have on all of us. The small-group sessions covered risk assessment tools and processes and provided techniques and practice exercises for engaging employees about safety. In 2023, we intend to build on this foundation by expanding safety leadership training to all manufacturing support professionals, as well as staff members.

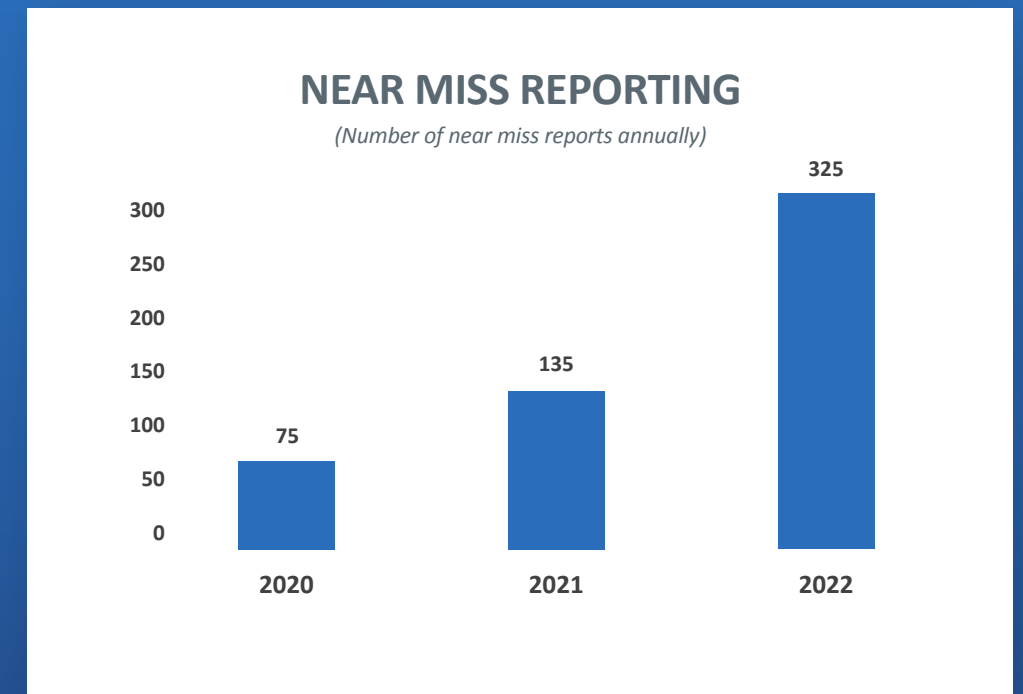
Safety Auditing

We have made significant advancements in our safety auditing program. The changes include standardizing our safety auditing and job safety analyses to ensure consistent use of best practices and evaluating job-specific tasks for risk mitigation. Every assessment will be focused on the most significant risks and potential hazards and will document the measures, tools, and equipment needed to reduce or eliminate those conditions. We are training our managers and supervisors on an environmental, health, safety, and housekeeping audit program that takes a comprehensive approach to not only housekeeping improvements, but other potential hazards. We will also continue to use third-party providers to help us look at life-critical programs and work tasks with a fresh set of eyes from all angles and implement best-in-class practices.

The Importance of Leading Indicators: Near Miss Reporting

The tracking of leading indicators such as near misses is an important element in advancing our safety culture. OSHA defines a near miss as “an unplanned event that has the potential to cause, but does not actually result in, human injury, environmental or equipment damage, or an interruption to operations.” OSHA notes that near misses are an opportunity to improve health and safety before a condition or incident can have more serious consequences.

TimkenSteel trains employees to recognize such situations and encourages them to report concerns to their supervisor or another leader. The significant increases in TimkenSteel’s near miss reports from 2020 to 2021 and from 2021 to 2022 are indicators of enhanced safety awareness across our operations. The early ability to address these concerns supports our core value of Safety First.



Mission-Critical Safety Focus Areas

Given the hands-on, machine-driven nature of our business, our safety strategy and investments focus on protecting our people from serious injuries by reducing man-to-machine interface through machine guarding, fencing, lockout/tagout programs, and artificial intelligence initiatives to aid employees in identifying hazards in real time. In fact, a significant part of our planned \$7 million investment in safety in 2023 is related to advancements in machine guarding and lockout/tagout.

Machine guarding: We are implementing a wide variety of enhanced guarding features, including individual guards, area fencing, gates, and process controls that help keep employees away from potential harm. We are also using third-party professionals to assess our operations and propose new ideas for guarding and work procedures.

Lockout/tagout: Both internal and external audit resources are helping us to standardize our lockout/tagout procedures across our manufacturing operations campus. We are standardizing how locks are used and tracked. All procedures and documentation will be accessible from a campus-wide system to ensure that maintenance teams and other employees have easy access to the information they need and to verify that everyone understands the program.

Other priorities include enhancing our learning and training approach with our shop floor employees, particularly in molten metal areas; improving our confined space safety procedures and equipment; providing additional training and practice drills for emergency preparedness; and standardizing housekeeping responsibilities based on the idea that a cleaner workplace, free of waste and clutter, is a safer workplace.



Safety Climate Success Factors

No-Blame Mindset:
Pause. Think. Respond.

Fresh Eyes:
Spot hazards and assess the risk.

Systems & Data:
Learn from reporting, team input, and analysis.

Personal Commitment:
Demonstrate that you care about keeping your people safe.

Trust & Engagement:
Engage coworkers with open communication.

Active Leadership:
Inspire action through what you do and say.

Additional Resource Related to This Section:

[Global Environmental, Health, and Safety \(EHS\) Policy](#)



ENGAGING OUR EMPLOYEES

We are committed to creating meaningful experiences for each employee and recognize that an engaged workforce is critical to delivering best-in-class quality and service to our customers. We strive to create a work environment that provides opportunities for each employee to learn, grow, and be heard.

Through our employee engagement mechanisms, we continue to encourage open and honest discussions across all levels of our workforce, giving each employee the opportunity to provide candid feedback. Our methods of obtaining feedback include:

- **Employee Engagement Survey:** New in 2022, and available to all non-union employees, we measure and monitor the engagement of our employees and effectiveness of our programs, offerings, and actions. We launched an engagement survey last March, with follow-up pulse surveys throughout the rest of the year focused on key strategic topics. Results were shared in our quarterly town halls and were critical to driving continuous improvement in our employee programs throughout the year.
- **Quarterly Town Halls:** Throughout the year, TimkenSteel's management team hosts all-employee meetings to share business updates and progress on strategic initiatives. Additionally, employees have the opportunity to submit questions to be addressed during the sessions, which are held in person and virtually and are available for all employees to attend.

- **Leadership Plant Visits:** Regular visits to our plants give TimkenSteel leadership the opportunity to hear directly from employees on the shop floor about conditions, success stories, and opportunities for improvement. Leaders are encouraged to clear their calendars every Wednesday afternoon for plant visits. This hands-on approach empowers leaders to transform employee feedback more efficiently into action at the plant level. For example, in 2022, these visits led to ergonomic improvements and prompted leaders to implement changes within their own areas of responsibility.
- **Plant Manager Office Hours:** Each plant manager hosts scheduled, open-door office hours on a regular basis to encourage open dialogue at each location. Additionally, our on-site supervisors host regular team meetings to share business updates, reinforce safety protocols, and more.
- **Department Meetings:** At least quarterly, full-team meetings are held within the various functional business departments to cover a wide range of topics, from corporate initiatives to engagement survey results and feedback. Our executive team and senior leaders are also encouraged to schedule regular skip-level one-on-one meetings with their teams to promote open channels of communication throughout layers of the organization.

Employee Feedback Leads to Action

Through our employee engagement activities and active listening approach in 2022, several themes emerged that led to meaningful changes across our employee offerings, policies, and programs.

What We Heard:	Actions We Took:
Employees are seeking better work-life balance.	For our non-union employees, we implemented flexible and hybrid workplace policies, and gave employees an additional personal day to focus on their health and well-being in 2022. Additionally, we designated Martin Luther King Jr. Day as a paid holiday.
Meaningful professional development opportunities are of growing importance to employees.	We hired three new training managers to facilitate an enhanced approach to employee training and development across the organization. This included expanding our internal and external training programs, which we prioritized over the course of the year.
There is room to improve our benefit offerings to best meet our employees' evolving needs.	We enhanced our benefits plan to ensure our offerings are competitive and supportive. This included an additional health plan option, as well as voluntary benefits offered to both salaried and hourly workers.

“Our vision moves us forward and our people drive our success.”

Michael Williams
President and Chief Executive Officer

FOCUSING ON TRAINING AND DEVELOPMENT

The professional development of our employees is essential to the long-term, sustainable success of our business. We invest in the growth of employees at all levels through on-the-job training, customized development plans, and a formal mentorship program. We also continue to introduce new training programs as a way to reinforce our commitment to continuous learning and added training managers to our team in 2022. Development opportunities available to our salaried employees include the following:

- The **TimkenSteel Mentoring Program**, which is a unique learning experience for mentors and mentees, offers the opportunity for employees to establish a formal relationship with a senior team member. Mentors provide support, direction, and feedback around personal and professional development.
- A **learning management system** that offers thousands of hours of on-demand training for individuals who want to enhance their skills.
- Daily **Toolbox Talks**, which take place on the shop floor and offer timely opportunities for managers to deliver pertinent, time-sensitive training to their direct reports.

Training Program Builds Safety Leadership Skills

Approximately 120 employees participated in our comprehensive safety training program in 2022. Highlights of the initiative included:

- Training conducted in a series of 4-hour sessions
- Small-group training that enabled conversation and problem-solving exercises
- Practical exercises for effectively facilitating safety discussions on the shop floor

For our managers, we offer training to ensure that they feel equipped to lead effectively and instill appropriate culture throughout our organization. We also provide leadership training facilitated by a third party designed to support leaders in creating deeper trust and cooperation between team members and to help their team grow together. In 2022, approximately 50 team members went through high-performance team training and additional sessions are slated for the training throughout 2023.

Additional leadership philosophies embedded in the training include:

- Calibrate to the standards, not to your peers
- Provide the environment to do the right thing – no one should be afraid to speak up
- Trust must be earned by being genuine, reliable, competent, and caring

During the year, over a dozen senior leaders attended Thayer Training at West Point Academy in New York. The Thayer Training model is based on military training with a special emphasis on team building, experiential learning, and leading in a constantly changing, volatile environment.

“My key takeaways from the Thayer Training are building a culture based on values and trust, effectively communicating clear objectives, and that success is all about growing others.”

Daniel Halm
Director of Regional Sales

TimkenSteel’s Robust Apprenticeship Program Offers Hands-On Training

After a pause during the COVID-19 pandemic, TimkenSteel’s apprenticeship program was reintroduced and rejuvenated in 2022 to include more hands-on training and less time in the classroom. The program includes approximately 8,300 hours of classroom learning and shop floor experience with the guidance of experienced instructors. The program is open to current union employees and external applicants, and includes the following components:

- Pay increases as apprentices gain skills and experience
- Paid classroom training that is scheduled as part of participants’ normal workday
- Paid medical, dental, and vision coverage after 90 days
- Overtime eligibility
- Provision of all necessary materials, including personal protective equipment (PPE), a personalized toolbox, and classroom materials
- On-site experience in a TimkenSteel facility
- Specialized courses in topics such as safety, pipe fitting, welding, crane maintenance, electrical controls, hydraulics and pneumatics, and many more

Candidates can choose from two tracks (electrical or mechanical), and must have at least one year of experience, as well as a high school diploma or GED. In 2022, nine apprentices completed their programs and more than 50 enrolled.

OUR HOLISTIC APPROACH TO EMPLOYEE WELL-BEING

As part of our people-first culture, we continue to prioritize the well-being of our employees – personally, professionally, and financially. TimkenSteel is proud to offer a comprehensive and competitive total rewards package, including an Employee Assistance Program (EAP), designed to support employee wellness and development while enabling profitable growth for our business. Our EAP includes resources, referrals, and support for child care and senior care, legal services, and financial guidance. Through our offerings, we strive to:

- Attract, reward, and retain the talent necessary to succeed
- Support the health and overall well-being of our employees
- Reinforce a performance-based culture

We regularly evaluate our benefits and take advantage of opportunities to enhance our offerings to best meet the evolving needs of our employees while maintaining market-based, cost-effective offerings. For example, in response to feedback received as part of our 2022 engagement surveys, we introduced a second health plan option for salaried employees for 2023 and added new benefits, including hospital indemnity, identity/fraud protection, and pet insurance. For union employees, we extended our offerings to include additional voluntary benefits.

In addition, in recognition of the importance of self care, all salaried and non-union hourly employees were given an additional personal day to focus on their health and well-being.

We provide on-site care for our employees at the TimkenSteel Medical Clinic, located on the company's corporate campus in Canton, Ohio. Physician assistants and nurses provide employees with health counseling and medical care for job-related injuries or illnesses, including rehabilitation. In alignment with our commitment to continuous improvement, the clinic hosts proactive training and conducts ongoing health assessments to ensure employees can perform their jobs safely.

On-site health coaching is also available for our employees in person and virtually. The health coaching program helps employees:

- Eat healthier and increase exercise
- Lose weight, manage stress, or quit tobacco
- Manage conditions like diabetes, heart disease, high blood pressure, or high cholesterol
- Learn more about health and wellness benefits

SETTING PERFORMANCE-BASED COMPENSATION GOALS

Our performance management approach is aligned with our talent strategy, which prioritizes attracting, retaining, and empowering top talent. Using a cascading goal structure, our approach is designed to promote personal accountability and inspire continuous improvement.

Our pay-for-performance philosophy:

- Recognizes our people are our strongest asset
- Rewards results linked to short- and long-term performance
- Positions pay competitively in the marketplace



Additional Resources Related to This Section:

[TimkenSteel's Careers Webpage](#)

[Comprehensive List of TimkenSteel Benefits](#)

LABOR RELATIONS

TimkenSteel is committed to working with United Steelworkers (USW) Local 1123, which represents most of our operative workforce, in a collaborative and professional manner.

We are united by our pursuit of shared goals, including improving our safety performance and achieving manufacturing and operational efficiencies. A true partnership, both parties have demonstrated a commitment to ensuring we remain aligned on all standards and expectations as we pursue progress together. In 2022, additional union safety representatives were hired to assist with the collaborative rollout of enhanced training programs. For more information on our safety training programs, see the Occupational Health and Safety section on [page 14](#) of this report.

To foster continued momentum, TimkenSteel leadership provides business updates and answers questions from union representatives during quarterly meetings. We recognize the importance of maintaining positive labor relations locally and internationally, and invest in nurturing trusted relationships built on transparency, open communication, and collaboration. During 2023, we are conducting several joint training sessions facilitated by TimkenSteel and the USW International training leaders. Two of these trainings were completed in the first quarter of 2023 and four more are planned throughout the year.



DIVERSITY, EQUITY, AND INCLUSION

Our commitment to promoting diversity, equity, and inclusion (DE&I) is woven into many aspects of our business. We foster diverse perspectives and create an equitable, engaging culture through inclusive workplace policies designed to strengthen our reputation as an employer of choice. We prioritize listening to the various needs of our people, as well as providing access to leadership and developing diverse leaders throughout the organization.

In 2022, we developed our company-wide DE&I vision and laid the foundation for continued growth with the formation of our DE&I Advisory Council, which will allow us to foster greater awareness and training within the organization. The TimkenSteel DE&I Advisory Council aims to advance and champion the company's efforts to leverage our unique perspectives, backgrounds, and experiences to make a positive impact and promote unity within TimkenSteel and our communities.

We aim to fulfill the following objectives:

- Enhance employee engagement
- Recruit, develop, and retain talented employees with diverse backgrounds and experiences
- Positively impact our communities

FOSTERING AN INCLUSIVE WORKPLACE

Our people-focused culture lends a variety of perspectives and expertise to our operations, and we strive to reflect the diverse nature of the communities in which we operate. We promote diversity, equity, and inclusion at all levels of our organization. As of December 31, 2022, 45% of our Board members were diverse in terms of gender, race, or ethnicity.¹ Additionally, 47% of our leaders, defined as senior managers and above, are diverse.²

Our three Employee Resource Groups (ERGs) provide connections, personal growth, and professional development opportunities for all employees. The ERG network was reorganized in 2022 to ensure that we continue to offer engagement options that meet the needs of all employees. Following the reorganization, leaders from each ERG developed a 2023 action plan, which included an overview of proposed activities for the coming year and initiatives to expand each ERG's reach and impact.

As we progress on our DE&I journey, we recognize the importance of collaborating and learning from others in our communities. TimkenSteel is proud to be affiliated with the following groups committed to advancing DE&I:

- American Legion National Large Employer of Veterans
- Disability:IN Ohio network
- Ohio Diversity Council
- Veteran Jobs Mission coalition
- Women in Manufacturing Association

ERGS AT TIMKENSTEEL: ENCOURAGING EMPLOYEES TO CONNECT



STEPS encourages all employees to maximize their total well-being: physical, emotional, and financial. TimkenSteel recognizes the value of the collective health of employees and the impact this has on individual and organizational achievement.



INSPIRE encourages and supports diversity, equity, and inclusion through its mission and helps to create and foster a sense of belonging and community for all employees at TimkenSteel.



The mission of the **VETS** Employee Resource Group is to recognize and integrate veterans with all TimkenSteel employees, and to continue building and developing a stronger workforce by giving veterans a voice within the company. Approximately 15% of our workforce has served in the U.S. military.

¹ With respect to the members of our Board of Directors identified as diverse, three identify themselves as women, one as Hispanic/Latino, and one as Black. Data are current as of December 31, 2022.

² Leadership diversity is defined as employees who identify themselves as women and/or any racial or ethnic category other than "White (not Hispanic or Latino)." Data are current as of December 31, 2022.

TimkenSteel's mission is to be an industry-leading provider of high-quality specialty steel, manufactured components, and supply chain solutions and to deliver exceptional value to our customers, employees, and investors. We believe that diversity, equity, and inclusion are at our core and empower us to successfully pursue this mission. We are committed to fostering a culture that lends a variety of perspectives and expertise to our operations and reflects the diversity in the communities in which we operate.



INSPIRE ERG Fostering Sense of Belonging

INSPIRE, TimkenSteel's newest ERG launched in 2022, strives to support diversity, equity, and inclusion by fostering a sense of community and belonging that empowers all employees to bring their full, authentic selves to work.

The ERG hosts events designed to raise awareness around DE&I-related topics. At INSPIRE's inaugural event in August, participants were encouraged to sign a poster representing a personal commitment to DE&I. Michael Williams, TimkenSteel's President and Chief Executive Officer, kicked off the initiative by being one of the first contributors.

INSPIRE hosted Bruce Allison, a Canton, Ohio dignitary, who gave a powerful recitation of Martin Luther King Jr.'s "I Have a Dream" speech and engaged our employees in thoughtful discussion. Mr. Allison and his wife are pictured above with INSPIRE leaders.

POSITIVELY IMPACTING OUR COMMUNITIES

As one of the largest employers in Canton, Ohio, we recognize our responsibility to help build a strong Northeast Ohio community – one where our neighbors can grow and thrive. We take a holistic approach to community engagement, and we seek to understand and appropriately respond to the needs of the communities in which we live and work. Community engagement is a critical element of our leadership development programs, and our ERGs are encouraged to support community initiatives that align with their goals and aspirations. We also continue to support education and focus on helping young people in our communities reach their highest potential. Through these efforts, we hope to create a strong pipeline of professionals for our industry and our local economies.

In 2022, we supported our local communities through employee volunteer efforts, in-kind donations and monetary support, corporate sponsorships, and board service.

OUR COMMUNITY IMPACT IN 2022

TimkenSteel Employees donated:

- Over 10,100 meals to the Akron-Canton Regional Foodbank
- More than 500 new pairs of socks for individuals experiencing homelessness
- Meals to Tiqvah Hands of Hope in partnership with the United Way of Greater Stark County's Stone Soup initiative

TimkenSteel Employees assembled:

- 120 mindfulness kits for students at Gibbs Elementary
- 11 bikes – part of a commercial team exercise – which were then donated to local children in need
- A portion of a Habitat for Humanity house for a local family in need

TimkenSteel sponsored:

- The [Preble County Pork Festival](#), a more than 50-year-old signature event for our Eaton, Ohio, community. The “Pork Fest” brings more than 100,000 people together to celebrate Preble County's rich agricultural history
- The installation of more than 70 markerboards at [CommQuest](#), a local behavioral health center with residential treatment facilities. The markerboards were part of an overall renovation project and enable residents to personalize their rooms without making permanent change, as well as feel more connected to their space





TimkenSteel Receives 2022 Leading the Way Award from United Way of Greater Stark County

TimkenSteel was honored as one of three organizations helping to make a difference in the community in 2022. This award recognizes companies demonstrating excellence in partnership with United Way through generous contributions to their annual campaign.



Our Valued Partnership with United Way

In 2022, TimkenSteel continued to support the United Way of Greater Stark County through our annual pledge campaign and other impactful employee engagement activities, including participation in United Way’s Day of Caring. This hands-on opportunity connects volunteers and businesses with local nonprofits to help complete service projects throughout our community. TimkenSteel sponsored a team at ASCEND (formerly Foundations of Canton), which provides peer recovery services in Stark County, Ohio. As part of the project, teams painted, cleaned, and organized the facility.

TimkenSteel employees support their local organizations through service on the following boards:

- Akron Area YMCA
- Canton Regional Chamber of Commerce
- Coleman Health Services
- CommQuest
- Leadership Stark County
- MAGNET
- Michigan State University – Eli Broad College of Business
- Perry Township Youth Soccer Club
- RG Drage Career Center
- Stark County Hunger Task Force
- Seton Catholic School
- United Way of Greater Stark County
- VANTAGE Aging
- William McKinley Presidential Library and Museum



PASSION

ENVIRONMENTAL STEWARDSHIP

We are passionate about making strong, sustainable steel and embrace our role as responsible stewards of the environment. Evaluating and managing our impact includes a systemic approach to our business operations, as well as a focus on climate risk mitigation.

We continuously seek more efficient and environmentally conscious manufacturing methods and employ proactive environmental practices that focus on maintaining clean air, water, and land, and compliance with environmental rules and regulations. Innovation, collaboration, and stakeholder engagement are embedded within our environmental programs.

IN THIS SECTION:

- 26. Our Environmental Commitments
- 27. Environmental Goals Progress Update
- 29. Climate Action
- 32. Waste and Recycling
- 34. Water Conservation
- 35. Product Stewardship and Innovation
- 37. Environmental Management and Governance

OUR ENVIRONMENTAL COMMITMENTS

Our commitment to environmental stewardship encompasses how we continuously seek to improve the efficiency and cleanliness of our electric arc furnace (EAF) operations while delivering quality products and services that help our customers succeed. Our EAF operations are inherently environmentally responsible, as we rely almost exclusively on recycled materials as the critical input into our process. We employ proactive environmental practices that focus on maintaining clean air, water, and land, and endeavor to comply with environmental rules and regulations. Innovation, collaboration, and stakeholder engagement are embedded within our environmental programs.

WE ARE COMMITTED TO A HIGH LEVEL OF ENVIRONMENTAL MANAGEMENT AND PERFORMANCE BY:



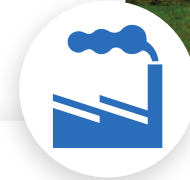
DRIVING OPERATIONAL EFFICIENCY

Our EAF process uses primarily recycled scrap and 100% of our products contain recycled material. We also continuously invest in improving the efficiency of our EAF operations.



CONTRIBUTING TO THE CIRCULAR ECONOMY

Through comprehensive scrap management and procurement practices, we produce steel that is over 90% recycled content. In 2022, we recycled 842,000 pounds of scrap, which were recycled into new steel. Additionally, many valuable byproducts of steelmaking are sent for recycling or recovery through a variety of outlets.



REDUCING ENERGY CONSUMPTION AND EMISSIONS

We look to reduce our energy consumption by implementing efficiency measures where possible, and TimkenSteel's greenhouse gas (GHG) emissions are consistently well below the global steel industry average.¹



MAINTAINING HIGH STANDARDS

All our domestic steelmaking and processing operations, and our water treatment plant, have ISO 14001 certification, the globally recognized voluntary standard for environmental management systems.²



CONSERVING WATER

We track water usage at all our steelmaking and processing facilities, and we are committed to processing and reusing water when possible. Our water treatment plant, which takes in water that has been used across our Canton, Ohio, campus, allows us to process and reuse more than 7 billion gallons of water annually.



¹According to data published by the World Steel Association. Electric arc furnaces are widely acknowledged to be cleaner than blast furnaces and TimkenSteel produces steel using only EAFs. Global industry average data source: <https://www.worldsteel.org/steel-topics/sustainability/sustainability-indicators>.

²ISO 14001 is an international standard that sets out the requirements for an environmental management system.

ENVIRONMENTAL GOALS PROGRESS UPDATE

TimkenSteel's 2030 environmental goals are based on key drivers affecting environmental performance, including business metrics, feasible reduction strategies, and industry growth factors. We are working toward the goals by deploying a variety of continuous improvement projects across the company's manufacturing, supply chain, and corporate operations.

To ensure we continue to make progress against the targets, we have allocated approximately \$3 million of capital expenditures per year through 2030 to achieve our long-term ESG goals. In 2022, we created our ESG expenditures guidelines, investigated available technology, and developed a road map for undertaking our projects in the years ahead. 2022 was also the first year that we began funding and implementing such projects, which accounted for approximately \$1 million in capital spend. Our 2023 capital allocation for ESG projects is just over \$4 million. In addition to the ESG-targeted projects, every capital project under consideration in our pipeline includes an environmental impact evaluation and is reviewed by our core ESG team.

Additionally, we incurred expenses of approximately \$1 million in 2022 related to ESG projects, such as a greenhouse gas study, cultural safety training, and deployment of artificial intelligence software in our manufacturing facilities to help us identify opportunities to improve yield and efficiencies throughout our operations.

We selected 2018 as our baseline year for the goals to align with our Sustainability Accounting Standards Board (SASB) disclosures, and we use reliable and verifiable calculation methodologies and data validation guidance (e.g., ISO 19011, CDP's GHG Protocol) to measure our annual performance.¹

¹ 2018 was selected as the baseline year as it aligns with the baseline used in our inaugural Sustainability Accounting Standards Board (SASB) disclosure, which was published in April 2021.



INTERPRETING OUR 2022 ENVIRONMENTAL PERFORMANCE DATA

In 2021, we indefinitely idled our Harrison melt and casting assets, which resulted in a reduction of GHG emissions and overall progress toward our environmental goals. It has also allowed us to pursue other projects, such as our scrapyards relocation project, to further reduce our GHG emissions and energy consumption.

While ongoing improvements in operational efficiency are intended to have a significant impact over time on our environmental performance data, other factors, such as production volume, can and do affect our absolute numbers. For example, in 2020, our production volumes and asset utilization were relatively low due to the COVID-19 pandemic, which resulted in notably lower emissions and energy consumption in comparison to other years. Additionally, in the second half of 2022, we experienced a melt shop operational incident, which resulted in unplanned downtime and likewise impacted our environmental performance data.

As shown in the data tables on the right, we met our environmental goals in 2022, which is well in advance of our 2030 target date. Nonetheless, we know that fluctuations in our operations can affect our key metrics from year to year, and therefore, we are continuing to drive initiatives to reduce emissions, improve energy efficiency, conserve water, and reduce waste.

Goal: 40% absolute reduction in combined Scope 1 and Scope 2 greenhouse gas emissions by 2030 from 2018 baseline

Status: Met & Monitoring

Year	Year Scopes 1 and 2 GHG Emissions (tons/yr CO ₂ eq)	% Change YoY	% Change from Baseline (2018)
2018	1,246,633	N/A	N/A
2019	869,015	-30%	-30%
2020	609,056	-30%	-51%
2021	750,260	+23%	-40%
2022	700,078	-7%	-44%

Goal: 30% absolute reduction in total energy consumption (direct and indirect) by 2030 from 2018 baseline

Status: Met & Monitoring

Year	Energy Consumption (GJ)	% Change YoY	% Change from Baseline (2018)
2018	10,545,937	N/A	N/A
2019	7,564,176	-28%	-28%
2020	5,563,317	-26%	-47%
2021	6,985,043	+26%	-34%
2022	6,320,335	-9.5%	-40%

Goal: 35% absolute reduction in fresh water withdrawn by 2030 from 2018 baseline

Status: Met & Monitoring

Year	Fresh Water Withdrawn (million gal)	% Change YoY	% Change from Baseline (2018)
2018	1,750	N/A	N/A
2019	1,570	-30%	-30%
2020	1,460	-30%	-51%
2021	1,208	+23%	-40%
2022	935	-23%	-46%

Goal: 10% reduction in Waste-to-Landfill (WTL) intensity by 2030 from 2018 baseline

Status: Met & Monitoring

Year	Waste-to-Landfill Intensity (lb/ton steel)	% Change YoY	% Change from Baseline (2018)
2018	8.35	N/A	N/A
2019	7.92	-5%	-5%
2020	7.19	-9%	-14%
2021	5.97	-17%	-29%
2022	6.89	+15%	-17%

CLIMATE ACTION

Evaluating and managing our impact on the environment includes a systemic approach to our business operations, as well as a focus on climate risk mitigation. Our approach is guided by analysis, investment, innovation, and a commitment to protecting the environment.

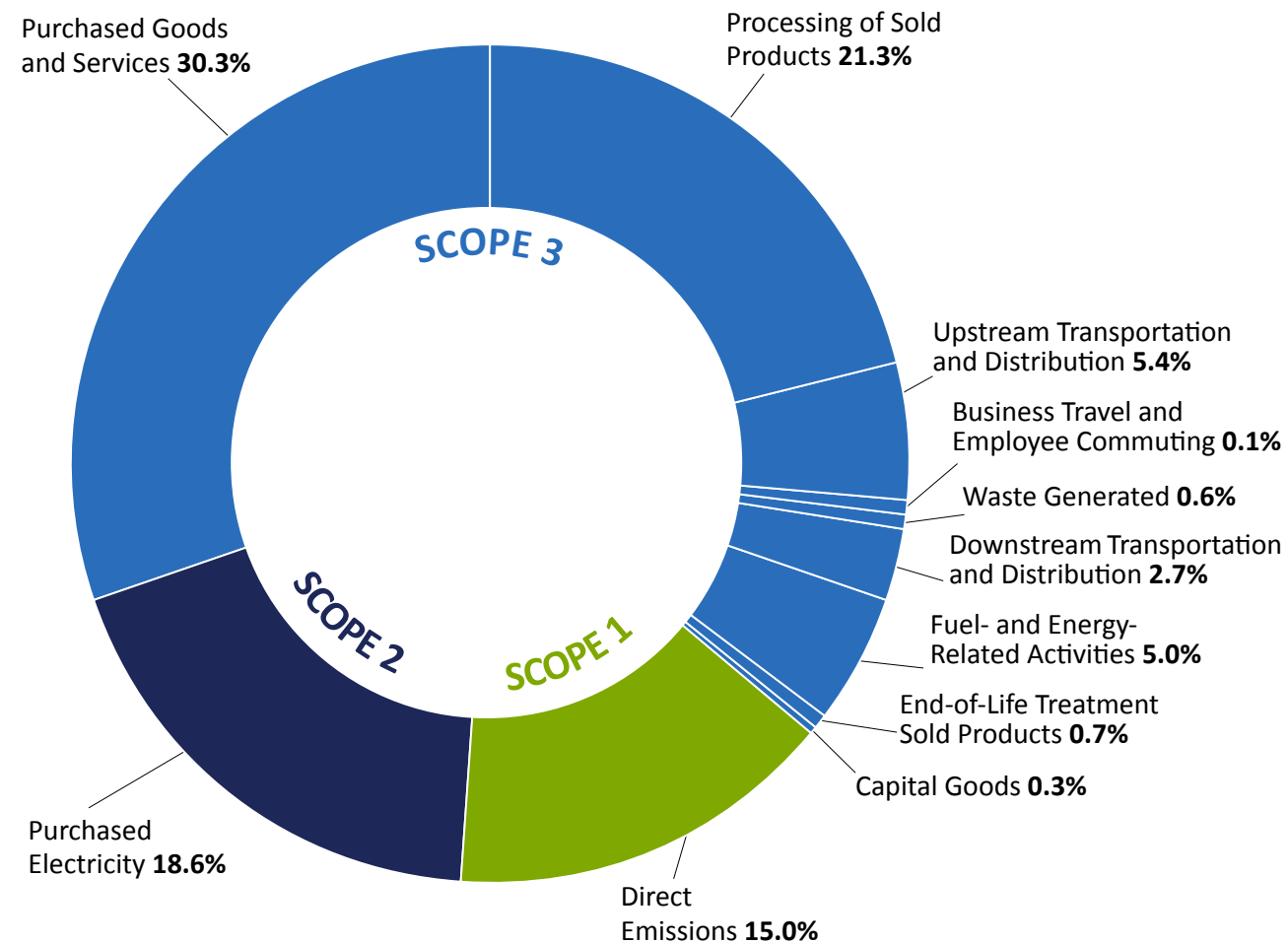
In 2022, we engaged multiple specialized partners to help us analyze our GHG emissions. For the Scope 1 and 2 analysis, we worked with our partner to identify short-, medium-, and long-term recommendations for technology enhancements and process efficiency measures. We are using the results of the study to guide road map development to reduce our emissions and energy usage in a manner consistent with current climate science. Similarly, we are working with our energy advisors to develop a renewable energy road map with the goal of gradually increasing the renewable energy share of our overall energy requirements.

In addition, we engaged an independent climate consultant to conduct a comprehensive Scope 3 GHG emissions inventory for 2022 and validate our Scope 1 and Scope 2 inventories. Our goal is to achieve a 40% absolute reduction in our combined Scope 1 and Scope 2 GHG emissions by 2030, compared with a 2018 baseline. As we continue to implement energy efficiency improvements throughout our operations, we are measuring our impact and working toward meeting and exceeding the 2030 target.

Following the anticipated publication of Science Based Targets initiative's (SBTi) steel sector guidance standards in 2023, the company intends to submit a science-based target for validation by an accredited third-party organization, which may result in refreshed environmental goals. Beyond our established 2030 environmental goals, TimkenSteel aspires to achieve carbon neutrality.

TIMKENSTEEL 2022 GHG GLOBAL EMISSIONS

We recognize the importance of reducing GHG emissions not only from our own operations, but also throughout our entire value chain. We are committed to reducing our largest Scope 3 categories, such as raw materials and downstream processing. Collaborative action is critical to achieve meaningful and lasting progress. That's why we have begun encouraging our suppliers to adopt more sustainable practices and are working with customers to develop process paths and end products that are designed to have a lower carbon footprint.



DEFINITIONS

Direct GHG Emissions

SCOPE 1:

GHG emissions generated directly by our operations from sources that are owned or controlled by the company.

Indirect GHG Emissions

GHG emissions that are a consequence of our activities but occur at sources owned or controlled by another entity.

SCOPE 2:

Indirect GHG emissions from consumption of purchased or acquired electricity, heat, steam, and cooling consumed by the company.

SCOPE 3:

All other indirect upstream and downstream emissions, such as the production of purchased goods and raw materials, outsourced services, electricity-related activities (e.g., transmission and distribution losses), downstream processing of our steel products, transportation, and end-of-life product treatment.

ENERGY EFFICIENCY

While steel is an energy-intensive industry, we have an ongoing focus on driving efficiency and reducing energy consumption. We look at every aspect of our operations. Although our energy consumption can vary quite significantly from one year to the next, we are confident that we will be able to meet our goal of a 30% absolute reduction in total energy consumption by 2030, compared with a 2018 baseline.

In 2022, our energy efficiency initiatives included:

Scrapyard relocation: During the year, we made significant progress on the relocation of our Canton, Ohio, scrapyard to move it closer to our production operations. This is expected to result in greater operational efficiency and integration, a reduction in transportation needs and fuel costs, and lower annual carbon emissions by approximately 2.9 million pounds (which is equivalent to the emissions from about 280 gasoline-powered passenger vehicles driven an average of 11,520 miles in one year). The relocated scrapyard is near completion and expected to be fully operational in 2023.

LED upgrades: We made significant progress in our lighting upgrade projects during the year, with the goal to use 100% LEDs indoors and outdoors by 2030. We have budgeted \$500,000 for upgrades per year through 2030 or until all lighting is upgraded. We are also doing lighting studies to identify areas where we may need to make changes. This includes increasing lighting levels in certain areas to reduce potential slips, trips, or falls, and reducing the number of fixtures needed due to increased fixture lumen levels.

Yield improvement: We have a comprehensive, strategic focus on evaluating our manufacturing yield rates to consistently produce quality products the first time to prevent rework. This is a multi-year effort. In 2022, phase one was to evaluate our Faircrest melt shop to see where we could have the most significant impacts. In 2023, we are launching a cloud-based artificial intelligence app that will enable us to track and manage our data and determine how we can optimize manufacturing yield, asset performance, and operational efficiency.

Waste heat recovery: Waste heat is unused thermal energy that is released into the environment. TimkenSteel has programs in place to manage waste heat to conserve energy and reduce fuel usage. Just one of our waste heat recovery systems produces around 10,000 pounds per hour of steam from exhaust gas, saving enough natural gas per year to heat approximately 200 homes.



Protecting Biodiversity Where We Operate

TimkenSteel’s vision for biodiversity management is to secure a net positive impact on biodiversity in areas affected by our activities. We understand that protecting biological diversity is important for ensuring the survival of plant and animal species, genetic diversity, and natural ecosystems. Natural ecosystems provide clean water and air and contribute to food security and human health. TimkenSteel has taken the first step in understanding the bioregions in which we operate by following Global Reporting Initiative (GRI) guidance.

We have concluded as part of this initial assessment that TimkenSteel’s current operational activities, products, and services, including impacts in the supply chain, do not have a significant impact on biodiversity, as defined by GRI standards. This finding applies to our facilities in Canton and Eaton, Ohio; Columbus, North Carolina; and Santa Catarina, Nuevo León, Mexico.

Nonetheless, we strive to contribute positively to local ecosystems and biodiversity near our facilities. For example, we have seen a net positive impact on the Hurford Run waterway, a perennial stream that flows through our Canton, Ohio, campus.

We have in place Stormwater Pollution Prevention Plans as well as Spill Control and Countermeasure Plans for all our facilities in Canton that make or process steel. Additionally, our Canton campus is potentially a summer habitat for the Indiana bat and the northern long-eared bat, two species of concern. As a result, we try to avoid or minimize tree cutting on our property. Where tree cutting is needed, we do so only during the winter when bats are hibernating and less likely to be utilizing the trees, in accordance with the United States Fish and Wildlife Service general recommendations.

TimkenSteel will continue to assess areas within and surrounding our operational sites to identify future designated protected areas, areas of high biodiversity value, and species at risk, as applicable.

TimkenSteel's Strategy for Biodiversity Management

Threat to Biodiversity	Strategy
Terrestrial ecosystems: habitat transformation, including loss of wooded mosaic areas	<ul style="list-style-type: none"> Practice the mitigation hierarchy of 1) avoidance, 2) minimization, and 3) compensatory mitigation. Repurpose previously used/disturbed areas during operational activities when feasible to avoid changes to natural land use cover. Identify areas for potential biodiversity habitat enhancements on company-owned land and invest in them. Avoid and minimize tree removal; cut trees between October 1 and March 31 to minimize adverse effects to protected bats.
Aquatic ecosystems: impacts to water quality and quantity	<ul style="list-style-type: none"> Practice the mitigation hierarchy of 1) avoidance, 2) minimization, and 3) compensatory mitigation. Identify areas for potential biodiversity habitat enhancements on company-owned land and invest in them. Maintain 50-foot vegetated buffer along perennial streams, where no utility or safety conflicts exist, in order to minimize sedimentation entering into watercourses, promote banks stabilization, and provide habitat.



WASTE AND RECYCLING

TimkenSteel has a long history of responsible waste management and recycling processes dating back to the early 1950s, when we deployed our first EAF at the Harrison steel plant. Our initial goal is to improve efficiency to minimize waste throughout our operations. When we do generate waste material, our first thought is to consider how we can recycle or repurpose the material, as described on [page 33](#).

Our Gambrinus Recycle Center is located on the campus of our main processing facility in Canton, Ohio. The center recycles e-waste, universal waste (batteries, light bulbs, ballasts, and aerosols), and other miscellaneous, hard-to-recycle items. Recycling efforts include aerosol paint cans, from which the paint is collected and blended into fuel, and the cans are later recycled into steel at our melt shop. The center also manages and stores a small amount of hazardous waste, with the majority recycled and a lesser amount later incinerated or landfilled. The center also collects glycol and other oils in drums or totes and sends them out for recycling.

In addition to all our own efforts described in this section, in 2022, we began working with the [Ohio Materials Marketplace](#), a byproduct materials management portal run by the Ohio Environmental Protection Agency (EPA) that aims to connect local organizations to encourage collaborative recycling solutions. This arrangement allows us to contribute to local circular economies and reduce the amount of waste from our operations.

We recognize the need for continuous improvement in our waste reduction and recycling efforts, and we continue to be confident in our ability to reach our target of a 10% reduction in waste-to-landfill intensity by 2030, compared with a 2018 baseline.



From 2018 to 2022, We Have:

Reduced our waste-to-landfill from 6,517 tons to 2,684 tons

Grown our percentage of materials recycled annually from 78% to 82%

MATERIALS WE RECYCLE



SCRAP:

During the year, we melted approximately 842,000 tons of 100% recycled scrap in our EAFs. Some of that material is purchased from our suppliers, but we also work to recycle our own scrap, including the crop ends removed from our finished steel. In 2022, we recycled 174,000 tons of scrap steel from our own operations.

SLAG:

Slag, a byproduct of steelmaking that has added value to construction and agriculture markets, can be used in the production of building materials, including cement, brick, and concrete aggregates. We continue to find additional ways to reduce waste by partnering with our slag processing contractor to divert and recycle more of our slag. This third-party contractor is located within the footprint of our Faircrest facility, which also reduces emissions from transportation.

ELECTRIC ARC FURNACE (EAF) DUST:

We collect and recycle most of our EAF dust through an intricate baghouse collection system. This material, while considered hazardous waste under the “KO61” designation, still contains valuable resources for recovery. At many steel mills or melt shops, this material is typically sent to a hazardous waste landfill; however, at TimkenSteel, we are proud that 100% of our EAF dust collected in our baghouse is sent to recycling for zinc recovery. Historically, we have even added some of this material back into our melt process for internal recycling. The majority of the material is still recycled by outside parties. This dust collection process is vital to keeping the air in our surrounding communities clean, and for the health and comfort of employees in our Faircrest melt operations. The system is regularly monitored, adjusted, and cleaned to ensure it is capturing as much dust as possible.

WATER/OIL SEPARATION:

Beyond our initial water cleaning and recycling process at our on-site wastewater treatment plant in Canton, we also utilize another process that separates used oil (soluble or insoluble) from process water. The oil is collected separately and periodically hauled away for recycling, while the processed water is fully cleaned and reintroduced back into our operations. We are actively researching and testing methods to collect this oil even more efficiently, resulting in cleaner water, more oil to recycle, and less electricity usage.

HYDROCHLORIC ACID:

Hydrochloric acid has a variety of uses in our operations, labs, and quality testing facilities, but remains fully circular at TimkenSteel. The acid is collected after use and sent to our wastewater treatment plant, where the acid, normally landfilled, is beneficially reused to balance the pH in our water. This step is important to ensure the water is reintroduced to the local environment in the most responsible way possible.

REFRACTORY MATERIAL (BRICK):

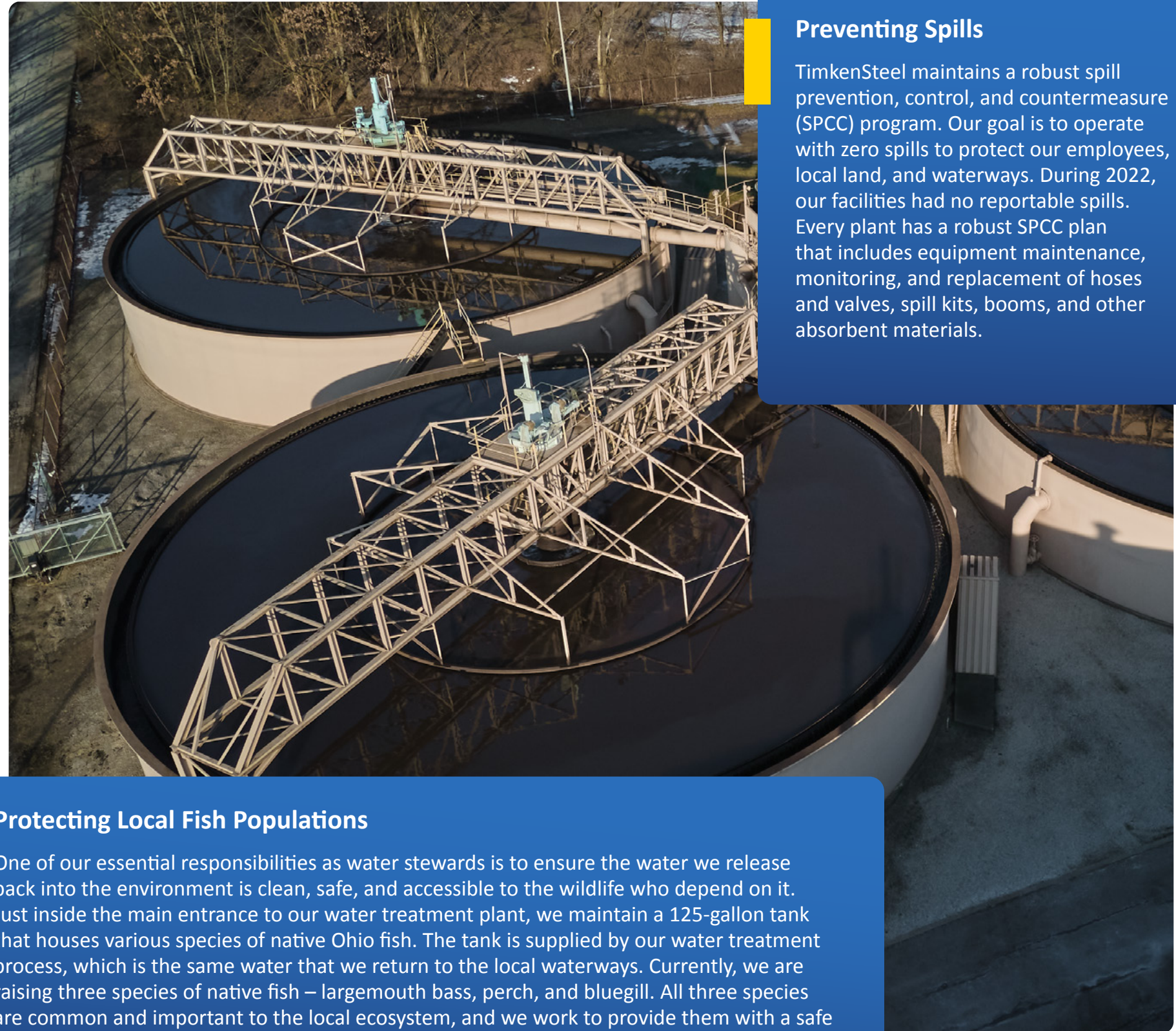
Refractory material (brick) is an integral part of the steelmaking process, temporarily lining the ladles and furnaces of molten steel to ensure the durability of assets over time and maintain temperature control. A lot of our “spent” refractory material is recycled nearby, alongside our slag, by an on-site partner. In cases where a material is not accepted for external recycling, we have utilized it as a form of fill for some former impoundments on our site, with approval from state and local environmental officials. Currently, we have multiple teams working on a steady outlet for the recycling of spent refractory, as it contains many valuable resources.

WATER CONSERVATION

Water used in the process of steelmaking needs to be cleaned and treated so that we can either reuse it in our own operations or release it back into the natural environment as clean and safe to use. We track all water usage in our steelmaking and processing facilities and have achieved substantial annual decreases in water consumption since 2018.

Our water treatment plant, which takes in water used at our Canton, Ohio, campus, is an award-winning facility that allows us to process and reuse more than 7 billion gallons of water (the equivalent of more than 1,500 Olympic-size swimming pools) annually. As of the end of 2022, we have met, and are continuing to monitor, our 2030 goal of a 35% absolute reduction in fresh water withdrawn, compared with our 2018 baseline.

Stormwater and its impacts on local environments are also an important consideration. In 2022, we enhanced our technology to mitigate the effects of stormwater on our operations and on the environment. At the Hurford Run stream, which is located by our Canton facility, we have identified more than 60 stormwater outfalls that discharge into the stream. We have implemented a series of filter bags to test the impact of stormwater runoff on this important water system. We will analyze our findings from these tests to determine how to best move forward and further improve our water conservation methods and practices.



Preventing Spills

TimkenSteel maintains a robust spill prevention, control, and countermeasure (SPCC) program. Our goal is to operate with zero spills to protect our employees, local land, and waterways. During 2022, our facilities had no reportable spills. Every plant has a robust SPCC plan that includes equipment maintenance, monitoring, and replacement of hoses and valves, spill kits, booms, and other absorbent materials.

Protecting Local Fish Populations

One of our essential responsibilities as water stewards is to ensure the water we release back into the environment is clean, safe, and accessible to the wildlife who depend on it. Just inside the main entrance to our water treatment plant, we maintain a 125-gallon tank that houses various species of native Ohio fish. The tank is supplied by our water treatment process, which is the same water that we return to the local waterways. Currently, we are raising three species of native fish – largemouth bass, perch, and bluegill. All three species are common and important to the local ecosystem, and we work to provide them with a safe habitat while protecting the local water supply.

PRODUCT STEWARDSHIP AND INNOVATION

We believe better products start with better steel. TimkenSteel manufactures some of the cleanest alloy steels in the world to advance critical products in the world's most demanding applications and supply chains. We use our technical knowledge, application expertise, and production and engineering capabilities to consistently deliver high-performance products and services. We serve diverse industries, all of which are critical to the daily operation of society. Our products are used in everything from transportation (automobiles, aircraft, boats, trains) to energy generation (wind turbines, drilling equipment) to heavy equipment (agriculture, industrial, construction), to defense applications.

We believe innovation and collaboration drive value for our customers. Based on the belief that innovation can come from anywhere and solutions can originate from anyone, we embed our core values of innovation and collaboration into our day-to-day processes.

TimkenSteel's Air-Melt Technology Takes Clean Steel to a Higher Standard

Our advanced processing can be applied to most grades of steel to dramatically lower oxide inclusions. Oxide inclusions contribute to early failure in engineered components such as gears and bearings. By reducing the size and concentration of oxide inclusions in steel, our Ultrapremium™ certified air-melt technology enables:

- Increased power capacity
- Reduced size and weight
- Improved durability and longevity
- Optimum performance with improved cost efficiencies



TimkenSteel strives to contribute to the reduction of global GHG emissions by producing steel that is lighter, stronger, and more corrosion resistant, resulting in longer lifespans of our customers' end products. We are seeking opportunities to proactively engage with our customers to help them achieve their own climate goals and work collaboratively toward building a green future.

DRIVING INNOVATION IN ALTERNATIVE ENERGY APPLICATIONS

TimkenSteel has been helping to innovate with high-performance, customized steel for more than 100 years. We partner with customers who demand stronger and longer-lasting products that are built more efficiently and with cleaner technology. We continue to invest in new manufacturing techniques, strategies, and technologies to better serve our customers and drive growth.

Our commercial and technical teams are focused on helping TimkenSteel continue to expand in fast-growing and emerging markets for clean technology and alternative energy. Notable clean-tech growth opportunities for our steel include electric vehicles, solar, and wind.



ENVIRONMENTAL MANAGEMENT AND GOVERNANCE

Consistent improvement and innovation on environmental issues are possible only if our commitment is ingrained in our organizational structure. To that end, we recognize that robust oversight and management are critical for driving ongoing and meaningful progress. The foundation of our environmental, health, and safety (EHS) structure begins with our Global EHS Policy, which is signed by our CEO and managed by our Environmental Compliance department.

Continuous improvement is embedded in our environmental management system. We evaluate risks and controls on an ongoing basis to continue to lower risks and prevent incidents. If EHS events do occur, we use our environmental management system to investigate causes, identify corrective actions, monitor implementation of changes, and understand how the changes are working and where else they may be applied proactively. Additionally, we have a well-established environmental compliance audit program that measures performance against applicable laws and internal standards that have been established for all facilities. External auditors regularly compliment TimkenSteel's environmental compliance program. We continue to monitor regulations relevant to our company to ensure we remain compliant and seek opportunities to go above and beyond requirements and work cooperatively with regulators.

Compliance with environmental regulations and use of environmental sustainability best practices are integral to fulfilling our responsibilities as a good corporate citizen and to our overall success as a company.

Additional Resources Related to This Section:

[Global Environmental, Health, and Safety \(EHS\) Policy](#)

[Quality and ISO Certifications](#)

Our EHS Policy

Our [Global EHS Policy](#) guides our approach to protecting our employees, customers, and the communities where we live and work. Our commitment to operating responsibly and sustainably ensures we create and maintain safe and healthy workplaces. Every employee is responsible for understanding and adhering to our policy in support of company-wide objectives, which include:

- **Complying with all EHS laws**, regulations, company policies, and standards
- **Prioritizing EHS performance** in planning and decision-making
- **Conducting activities safely** and responsibly
- **Identifying and assessing risks** and potential hazards and taking immediate corrective action
- **Supporting environmentally responsible initiatives** related to pollution prevention, waste management, recycling, and energy conservation
- **Measuring and assessing progress** and developing improvement plans when necessary
- **Regularly communicating EHS goals**, objectives, and outcomes



PRINCIPLES

GOVERNANCE AND ETHICS

We promote the long-term interests of investors and other stakeholders and build public trust through our organization’s governing principles, which include Board-level oversight of our sustainability strategy. TimkenSteel is committed to operating in accordance with the highest standards of ethics and integrity and we design our policies and procedures to ensure effective and responsive governance.

IN THIS SECTION:

- 39. Corporate Governance Overview
- 41. Board Diversity and Key Capabilities
- 44. Our Commitment to Ethics and Compliance
- 46. Managing and Monitoring Our Supply Chain
- 47. Protecting Our Data and IT Assets

CORPORATE GOVERNANCE OVERVIEW

At TimkenSteel, we understand the importance of earning and maintaining trust among all our stakeholders through sound corporate governance. Our corporate governance practices are designed to support the long-term sustainability of our business while aligning with stakeholder interests.

Our leadership structure consists of our Board of Directors and Senior Leadership Team, which together are responsible for ensuring progress against the company’s strategic priorities.

Our Board of Directors, and its three standing committees, promote TimkenSteel’s best interests through overseeing the management of the corporation’s business and affairs. Our [Corporate Governance Guidelines](#) outline the responsibilities of the Board of Directors, director selection criteria and procedures, Board composition criteria, and various policies and procedures designed to ensure effective and responsive governance. Each year, we review and, if necessary, update the charters for our Board committees and our Corporate Governance Guidelines. For more information on our Board and the charters for each of its committees, please see the [Investor Relations section of our website](#).



Commitment to Good Governance Practices

Our governance framework includes the following highlights:

✓ Non-executive Chairman of the Board	✓ Independent Audit, Compensation, and Nominating and Corporate Governance committees
✓ All directors, other than Mr. Williams, are independent	✓ Regular executive sessions of independent directors at Board and committee meetings
✓ Annual Board and committee evaluations	✓ Majority voting policy in uncontested elections of directors
✓ Limits on director “overboarding”	✓ Mandatory retirement age of 75 for directors
✓ Risk oversight by the full Board of Directors and its committees, under Audit Committee guidance	✓ Annual review by Board of Directors of succession plans for CEO and key executives
✓ Related-party transactions approval policy	✓ Anti-hedging and anti-pledging policies
✓ Robust share ownership and holding requirements for executive officers and directors	✓ Commitment to corporate responsibility with Board of Directors’ oversight of sustainability strategy
✓ Comprehensive director and employee Code of Conduct, and ethics and compliance program	✓ Supplier Code of Conduct establishes expectations for ethical business practices in our global supply chain



Visit the Corporate Governance section of our website for more information on our:

[Code of Conduct](#)

[Audit Committee Charter](#)

[Compensation Committee Charter](#)

[Corporate Governance Guidelines](#)

[Nominating and Corporate Governance Charter](#)

TimkenSteel's Nominating and Corporate Governance Committee facilitates our Board's annual self-evaluation process to assess the effectiveness and performance of TimkenSteel's Board of Directors. A summary of the findings is presented to the Board on an anonymous basis, identifying themes, trends, and action items that emerged throughout the process.

Our Senior Leadership Team is responsible for executing against TimkenSteel's short- and long-term business objectives while supporting an inclusive culture across the organization.



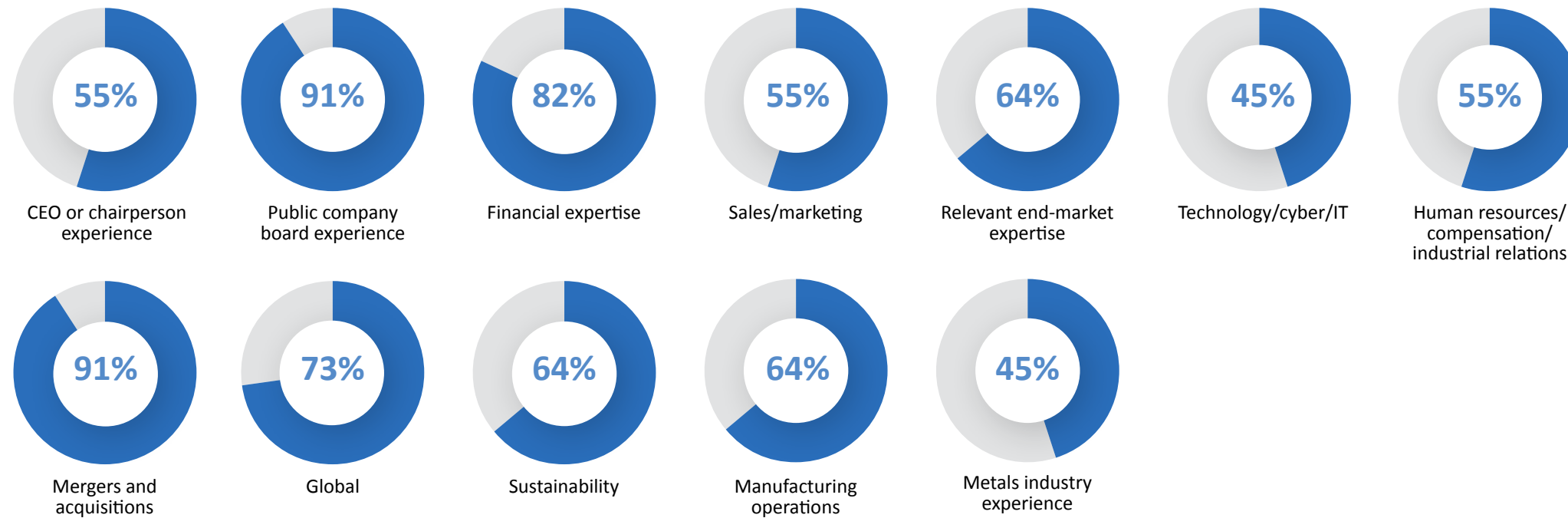
TimkenSteel's Senior Leadership Team, pictured from left to right: **Kevin Raketich**, Executive Vice President and Chief Commercial Officer; **Michael Williams**, President and Chief Executive Officer; **Kristine Syrvalin**, Executive Vice President, General Counsel and Chief Human Resources Officer; and **Kristopher Westbrooks**, Executive Vice President and Chief Financial Officer.

New Appointments Enhance Board Diversity and Governance

Members of TimkenSteel's Board of Directors possess a broad and diverse mix of experiences and areas of expertise that enables them to provide effective oversight of the company, represent the interests of TimkenSteel's stakeholders, and drive strategic decisions for our long-term success. The Nominating and Corporate Governance Committee regularly assesses the skills, competencies, and attributes of our Board as a whole and of each individual director to identify opportunities to enhance and strengthen our Board. This guided the search for new directors during 2022, and TimkenSteel proudly welcomed Mary Ellen Baker and Nicholas J. Chirekos to our Board in 2022. Ms. Baker, who serves on the Audit Committee, brings to the Board technology and cybersecurity expertise. Mr. Chirekos, who also serves on the Audit Committee, brings to the Board expertise in finance, capital markets, and mergers and acquisitions.

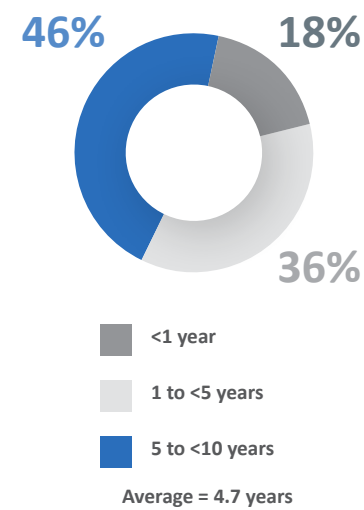
BOARD DIVERSITY AND KEY CAPABILITIES

DIRECTOR QUALIFICATIONS

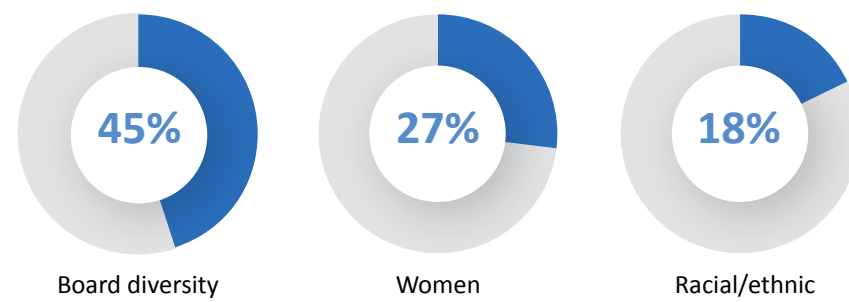


Of our 11 directors, 5 are racially or gender diverse.

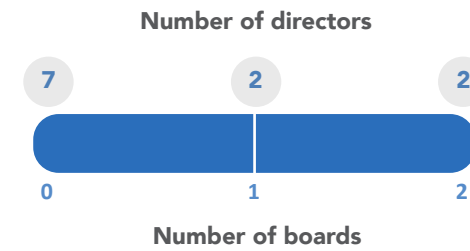
DIRECTOR TENURE



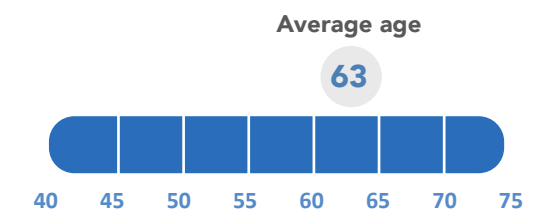
DIVERSITY OF BACKGROUND



CURRENT NUMBER OF PUBLIC COMPANY BOARDS (OTHER THAN TIMKENSTEEL)



DIRECTOR AVERAGE AGE



The information above reflects our Board membership as of December 31, 2022, including Leila L. Vespoli, who is not standing for re-election at the 2023 Annual Meeting of Shareholders.

ENTERPRISE RISK MANAGEMENT

TimkenSteel’s Board of Directors, in close coordination with its standing committees, oversees the company’s management of risk, including operational, financial, legal, regulatory, human capital, information technology and cybersecurity, environmental, and strategic risks, as well as the company’s processes for identifying, reporting, and mitigating risks. In recent years, management and the Board have also discussed risks relating to supply chain disruption and inflation as a result of the global economic environment.

Each year, management, under the leadership of the Senior Director—Internal Audit, conducts an enterprise risk management assessment and presents its findings to the Board of Directors, including an identification of the top risks to the organization. Throughout the year, management reviews these risks and discusses new events or emerging trends (engaging with outside advisors where appropriate) that may change the top risks or impact the likelihood and magnitude of such risks. In addition to the enterprise risk management assessment, at least quarterly, management reviews with the Board the anticipated risks and opportunities, both internal and external, for the company’s annual business plan, including an assessment of the likelihood and magnitude of each such risk and opportunity.

SUSTAINABILITY OVERSIGHT AND RISK MANAGEMENT

TimkenSteel’s Board of Directors oversees the company’s corporate responsibility and sustainability strategy. The Board conducts an annual review of the company’s sustainability strategy, risks, and opportunities. The Board and its committees review information relative to the company’s environmental and safety performance, as well as human resources and governance matters on a regular basis. The Board-level Risk Management Oversight chart highlights some of these matters, including the Board and/or committee responsible and the frequency with which these matters are reviewed.

Board-Level Risk Management Oversight

	Board of Directors	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee	Frequency of Review
Review of sustainability strategy and ESG-related risks and opportunities	o				Annually
ENVIRONMENTAL					
GHG emissions	o				At least quarterly
Water usage	o				At least quarterly
Waste-to-landfill	o				At least quarterly
Reportable events	o				At least quarterly
SOCIAL					
<i>Safety</i>					
OSHA recordable case rates	o				At least quarterly
Lost-time case rates	o				At least quarterly
<i>Human Resources</i>					
Headcount			o		At least quarterly
Voluntary attrition			o		At least quarterly
Payroll costs			o		At least quarterly
Grievances filed by union			o		At least quarterly
Employee diversity			o		Annually
Succession planning			o		Annually
GOVERNANCE					
Ethics and compliance reports		o			Quarterly
Related party transactions				o	At least annually
Cybersecurity risks	o				At least annually
Disclosure controls and procedures		o			Quarterly
Executive compensation			o		At least annually
Director independence				o	At least annually
Board diversity, skills, and qualifications				o	At least annually
Board and committee evaluations	o	o	o	o	Annually
Enterprise risk management	o	o			Annually

Our ESG Steering Committee, in coordination with our Law Department, regularly evaluates potential, emerging, and current climate-related risks, including:

- **Increased regulation:** Several governments and regulatory bodies have introduced or are considering regulatory changes in response to climate change, including regulations aimed at reducing greenhouse gas (GHG) emissions through emission standards, renewable energy targets, carbon emission pricing, and similar initiatives while requiring heightened environmental monitoring and disclosures. These initiatives aimed at reducing GHG emissions may impact our operations directly or through our suppliers or customers, and may require increased environmental reporting, more emissions controls, the purchase of capital equipment, and other costs to comply.
- **Physical risks:** Climate change impacts, such as extreme weather and natural resource shortages, could disrupt our operations or adversely impact our supply chains, end markets, and product shipments.

In 2023, we intend to conduct a scenario-based climate risk assessment in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework to ensure our corporate strategy supports climate-related risk mitigation measures.

Additional Information Related to This Section:

For more information on how we are addressing climate change and other key environmental priorities, please see the [Environmental Stewardship section starting on page 25](#) of this report.



OUR COMMITMENT TO ETHICS AND COMPLIANCE

We are proud of our longstanding and unwavering commitment to integrity, ethics, and respect for the law. Our commitment to ethics and compliance is embodied in our Core Values and ingrained in all we do. We hold ourselves to the highest ethical standards, and we recognize that we all contribute to our culture of integrity. Furthermore, we recognize that we are responsible for the impact our practices have on society as a whole.

The [TimkenSteel Code of Conduct](#) sets forth policies that cover a broad range of topics, including compliance with applicable laws and regulations; antitrust and competition; corruption and bribery; conflicts of interest; inside information; accurate financial records; harassment; sustainability; environmental, health, and safety (EHS); and intellectual property, among other matters, and requires strict adherence to laws and regulations applicable to our business. We review the Code of Conduct periodically to ensure it aligns with applicable legal requirements, stakeholder expectations, and the particular compliance risks most relevant to our business.

Every employee, senior leader, and director is required to act according to the principles set forth in the Code of Conduct. Additionally, all employees and directors receive training on the Code of Conduct, which includes real-world scenarios and guidance for submitting questions or concerns. Additional compliance training requirements for salaried employees are identified and prioritized as a result of the company's annual enterprise risk assessment process.

In accordance with our [Child and Forced Labor Policy](#), the company does not tolerate child labor or forced labor of any employee and TimkenSteel does not engage in the specific actions described in Section 3(c)(1)(5) of the California Transparency in Supply Chains Act of 2010.

As part of our third-party risk management program, we have robust due diligence processes in place to ensure our international customers and partners are in compliance with various laws and global standards, and do not engage in corrupt business activities, including bribery.

Treating All With Dignity and Respect

At TimkenSteel, we support and defend the human rights of all individuals. Given that 100% of our operations are in North America and we embrace a team-oriented culture of accountability, we consider our potential risk for violating human rights to be low. To reinforce our commitment, in 2022, we published three new policies: [Human Rights](#), [Child and Forced Labor](#), and [Combatting Human Trafficking](#). All were developed based on the United Nations Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. Suppliers and supply chain partners are required to comply with these policies, as well as our [Supplier Code of Conduct](#).

In addition, we are committed to responsible sourcing of raw materials and know that tin, tantalum, tungsten, and gold ("conflict minerals") originating in the Democratic Republic of Congo and its adjoining countries have been associated with human rights abuse. Our [Conflict Minerals Policy](#) outlines our position toward conflict minerals to ensure alignment between our purchasing team and suppliers and compliance with regulatory requirements regarding conflict minerals reporting. Importantly, recycled scrap metal constitutes 92% of our raw material inputs by weight and is considered "conflict free" under current United States federal law.

In light of our current footprint, we believe that human rights violations and operations in areas of conflict are not significant risks for our business.

ENCOURAGING EVERY VOICE

At TimkenSteel, we recognize that every voice is important, and we are committed to maintaining a workplace environment where open and honest communication is the expectation, not the exception – especially when it comes to workplace and employee safety.

Anyone with concerns about a potential policy violation or ethical matter is encouraged to report those concerns to a supervisor, manager, or a member of the Human Resources or Law departments. In addition, the TimkenSteel HelpLine allows for the confidential submission of suspected violations of our standards and policies and provides guidance related to compliance or ethics matters.

Available anytime, anywhere via phone or online from any internet-enabled device, the TimkenSteel HelpLine is administered by a third party to protect confidentiality. Following every submission, a report is prepared and then forwarded to the appropriate company representative for review. All reports are investigated promptly, thoroughly, and fairly, and appropriate action is taken whenever necessary. Everyone who contacts the TimkenSteel HelpLine receives a reference number to check the status of their report. All reports are kept confidential to the extent possible and consistent with local law.

The Audit Committee of the Board of Directors oversees the company's ethics and compliance program and receives regular updates on reporting activity and findings of any investigations.

Additional Resources Related to This Section:

[Child and Forced Labor Policy](#)

[Code of Conduct](#)

[Combatting Human Trafficking Policy](#)

[Conflict Minerals Policy](#)

[Environmental, Health, and Safety Policy](#)

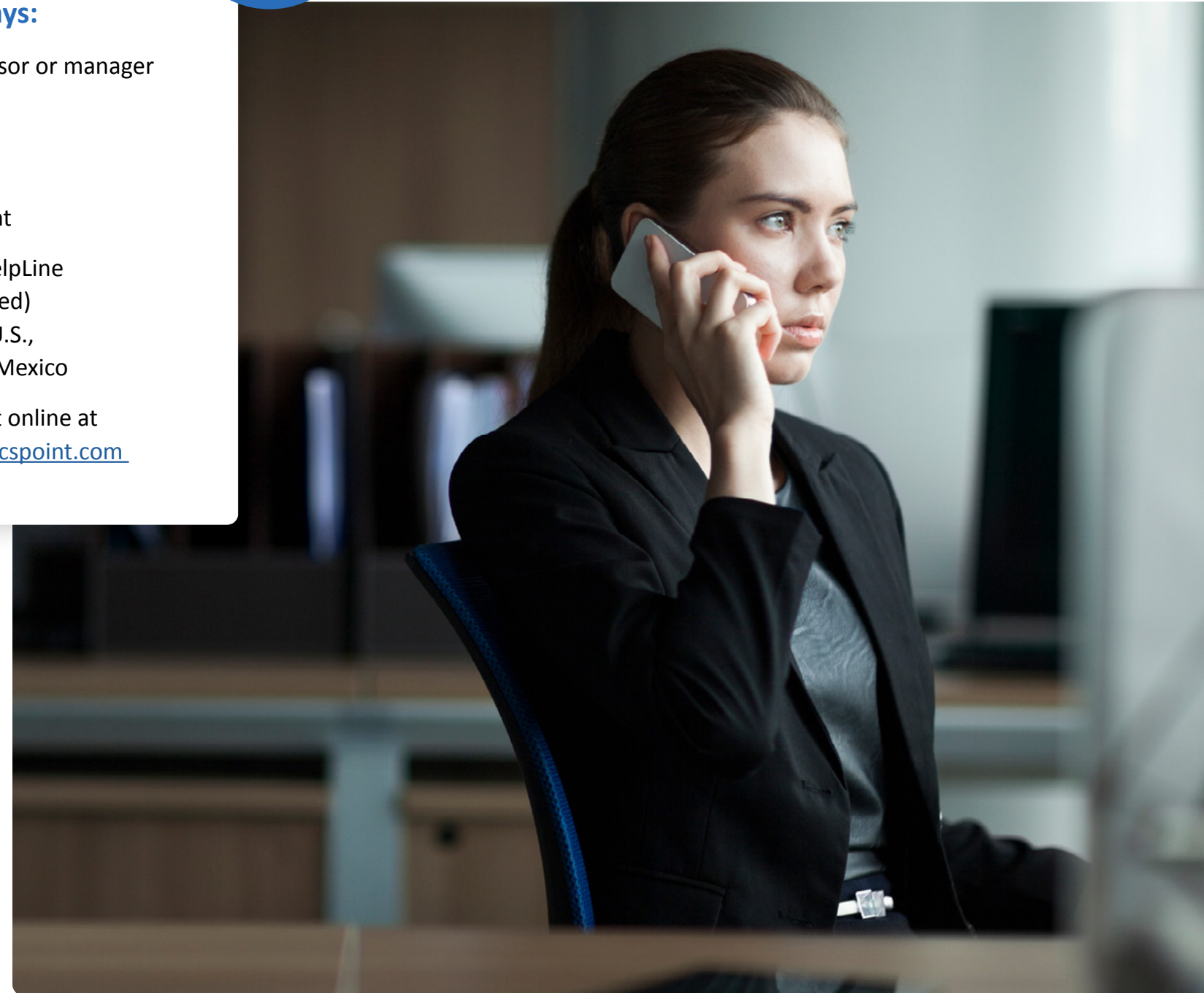
[Human Rights Policy](#)

[Supplier Code of Conduct](#)

[Quality and ISO Certifications](#)

Employees are encouraged to report ethics and other concerns in the following ways:

- To their direct supervisor or manager
- To any manager
- To Human Resources
- To the Law department
- To the TimkenSteel HelpLine (anonymously, if desired)
855-754-2921 in the U.S.,
001-844-806-5460 in Mexico
- By submitting a report online at www.timkensteel.ethicspoint.com



MANAGING AND MONITORING OUR SUPPLY CHAIN

At TimkenSteel, we view our supplier network as a critical extension of our business. We recognize the importance of engaging with partners who are committed to operating responsibly, and we continue to take thoughtful and intentional steps to promote sustainable practices along the supply chain. We hold our partners accountable and expect them to adhere to the highest ethical standards, as outlined in our Supplier Code of Conduct.

The Supplier Code of Conduct applies to all suppliers, vendors, and subcontractors, and we require acknowledgement of the code as part of each Master Service Agreement. When violations of the Supplier Code of Conduct occur, we work with the appropriate parties to identify the underlying cause and determine the best course of action for remediation. During 2022, we implemented additional tools and processes to closely monitor supplier adherence to the Code, and to assess and further mitigate risk across our supply chain. We are committed to continuously enhancing our capabilities in this area and partnering with our suppliers to grow and learn from each other.

ADVANCING ESG PRIORITIES ACROSS THE VALUE CHAIN

We regularly evaluate our supplier relationships to ensure our ability to provide high-quality products and solutions to our customers while advancing our collective ESG priorities. We work diligently to understand the needs of our customers and neighbors, and we continue to prioritize projects and partnerships that align with stakeholder expectations, our business objectives, and the advancement of our ESG goals. For example, in 2022, employees at our St. Clair plant partnered with a major industrial supplier to implement a carbide recycling program, providing shared value through operational efficiencies. In another project,



a supplier partnered with us to recycle more than 35,000 pounds of spent rubber belts by connecting us with an agriculture company that reused the belts for barn flooring.

Additionally, we continued to hold safety summits with our contractors and suppliers to underscore the importance of working together to improve safety measures. To support sustainability and strengthen relationships, we have implemented an information management tool to help us better assess and address third-party risk, including safety and compliance, and to monitor ESG performance indicators along the supply chain.

Looking ahead, we remain focused on continuous improvement to meet evolving standards and industry expectations. Additionally, we seek to promote diversity in our supply chain by engaging with minority- and locally-owned organizations in our communities. In 2022, 45% of our spend was with businesses local to the communities in which we operate. We will continue to train our procurement teams, benchmark our performance and programs against industry best practices, and evaluate additional tools to help advance our progress with supply chain partners.

TimkenSteel's Supplier Code of Conduct stipulates that all suppliers are expected to operate in full compliance with applicable laws, rules, and regulations related to EHS matters, child labor, forced labor, wages and benefits, nondiscrimination, gifts and gratuities, and conflict minerals.

PROTECTING OUR DATA AND IT ASSETS

Modern information technology (IT) applications, systems, and practices are critical to enabling essential business activity to proceed efficiently and effectively in an increasingly digital world. At TimkenSteel, we recognize the importance of protecting the company's IT assets, as well as the data they store and transmit.

Cybersecurity and data privacy are enterprise priorities at TimkenSteel. Our strategies align with industry standards and best practices, and support our business goals and objectives. Throughout 2022, we strengthened our operational security practices and capabilities, with an emphasis on managed detection response. Additionally, we've made progress in transforming our IT applications infrastructure which, among other objectives, will enable us to continue serving our stakeholders in a safe and secure manner.

Our Board of Directors, with input from management, assesses the measures implemented to mitigate and prevent cyberattacks. The Board engages with management regarding ongoing cybersecurity initiatives. The company's Senior Director of Information Technology consults with and provides regular updates to the Board on technology and cybersecurity matters, including, at least annually, an assessment of our cybersecurity program and risks. As part of our strategic focus in this area, a new independent director, Mary Ellen Baker, was appointed to our Board in November 2022, bringing enhanced cybersecurity capabilities to our Board.

Additional Information Related to This Section:

See the [Corporate Governance Overview on page 39](#) in this report.

Prevention is central to our philosophy of shared responsibility. Our employees are our first line of defense in protecting our assets, and thus, the company's threat mitigation efforts focus on quarterly training modules and other cybersecurity initiatives such as tabletop exercises and seasonally relevant phishing campaigns designed to mimic real threats to the company and our employees. Similarly, third-party risk management is critical to the company's ability to protect our organization and our business partners.

We partner with third parties to evaluate, test, and adjust our preparedness plans. This continuous improvement approach helps ensure our comprehensive action plans proactively address the ever-evolving cybersecurity landscape, empowering TimkenSteel to promptly and effectively respond to scenarios associated with a potential cybersecurity incident.

During Cybersecurity Awareness Month in October, we hosted a lunch-and-learn seminar open to all salaried employees that featured an external expert. Educational resources are shared via the company's communications channels throughout the year.

Information security is a foundational obligation in our role as a trusted business, employer, and partner.



APPENDIX

IN THIS SECTION:

49. 2022 GRI and SASB Index

59. TCFD Reference Table

60. Forward-looking Statements

CONTENT INDEX

This index is intended to help our valued stakeholders compare the information from our sustainability report and related disclosures with leading ESG and sustainability reporting frameworks. We are reporting with reference to the Global Reporting Initiative (GRI) Standards and in alignment with the Sustainability Accounting Standards Board (SASB) Standard for the Iron & Steel Producers sector.

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
General Disclosures GRI 2021				
Organization and Reporting Practices				
Organizational details	Global	2022 Sustainability Report, "At a Glance," p. 10	2-1	
Entities included in the organization's sustainability reporting	Global	2022 Sustainability Report, "At a Glance," p. 10	2-2	
Reporting period, frequency, and contact point	Global	Calendar year 2022; annually; sustainability@timkensteel.com	2-3	
Restatements of information	Global	N/A	2-4	
Activities and Workers				
Activities, value chain, and other business relationships	Global	2022 Sustainability Report, "At a Glance," p. 10	2-6	
Employees	Global	FTE: 1,671; Part-time: 9 172 new hires; 377 employee turnovers, including all voluntary and involuntary terminations and retirements	2-7 401-1	
Workers who are not employees	Global	Contingent: 16; Contractor: 342	2-8	
Governance				
Governance structure and composition	Global	2022 Sustainability Report, "Corporate Governance Overview," p. 39	2-9	
Nomination and selection of the highest governance body	Global	2022 Sustainability Report, "Corporate Governance Overview," p. 39	2-10	
Chair of the highest governance body	Global	TimkenSteel Chairman of the Board	2-11	
Role of the highest governance body in overseeing the management of impacts	Global	2022 Sustainability Report, "Corporate Governance Overview," p. 39	2-12	
Delegation of responsibility for managing impacts	Global	2022 Sustainability Report, "Corporate Governance Overview," p. 39	2-13	
Role of the highest governance body in sustainability reporting	Global	2022 Sustainability Report, "Oversight of Sustainability Strategy," p. 7	2-14	
Conflicts of interest	Global	2022 Sustainability Report, "Our Commitment to Ethics and Compliance," p. 44	2-15	
Communication of critical concerns	Global	2022 Sustainability Report, "Board-Level Risk Management Oversight" table, p. 42	2-16	
Collective knowledge of the highest governance body	Global	2022 Sustainability Report, "Director Qualifications," p. 41	2-17	

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
Evaluation of the performance of the highest governance body	Global	2022 Sustainability Report, "Corporate Governance Overview," p. 40	2-18	
Annual total compensation ratio	Global	See our 2023 Proxy Statement	2-21	
Strategy, Policies, and Practices				
Statement on sustainable development strategy	Global	2022 Sustainability Report, "Oversight of Sustainability Strategy," p. 7	2-22	
Policy commitments	Global	See the TimkenSteel Code of Conduct	2-23	
Embedding policy commitments	Global	See the TimkenSteel Code of Conduct	2-24	
Processes to remediate negative impacts	Global	2022 Sustainability Report, "Encouraging Every Voice," p. 45	2-25	
Mechanisms for seeking advice and raising concerns	Global	2022 Sustainability Report, "Encouraging Every Voice," p. 45	2-26	
Membership associations	Global	2022 Sustainability Report, "Organization Membership," p. 9	2-28	
Stakeholder Engagement				
Approach to stakeholder engagement	Global	2022 Sustainability Report, "Stakeholder Priorities," p. 8	2-29	
Collective bargaining agreements	Global	N/A: 621, USA-USWA: 1,059 % Affiliated: 63.04%	2-30	
Materiality				
Process to determine material topics	Global	2022 Sustainability Report, "Our Approach to Sustainability," p. 6	3-1	
List of material topics	Global	2022 Sustainability Report, "Our Approach to Sustainability," p. 7	3-2	
Management of material topics	Global	2022 Sustainability Report, "Our Approach to Sustainability," p. 8	3-3	
Operations				
Steel Production				
Raw steel production: basic oxygen furnace processes	Canton Campus	0 mt and 0% of total production		EM-IS-000.A
Raw steel production: electric arc furnace processes	Canton Campus	706,600 mt and 100% of total production		EM-IS-000.A
Total iron ore production	Canton Campus	0 mt		EM-IS-000.B
Total coking coal production	Canton Campus	0 mt		EM-IS-000.C

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
GRI 301: Materials 2016				
Materials used by weight or volume	Canton Campus	Non-renewable raw materials - Ferrous scrap: 764,000 mt - Carbonaceous materials (e.g., coal, coke): 24,000 mt - Flux materials (e.g., limestone, dolomite): 41,000 mt Renewable raw materials: None	301-1	
Recycled input materials used	Canton Campus	Percentage of recycled input materials used to manufacture primary products: 92%	301-2	

Environment

GRI 305: GHG Emissions 2016

Scope 1 emissions	Canton Campus	Scope 1 GHG emissions: 283,309 mt/CO ₂ e Biogenic GHG emissions: 0 Our U.S. Canton, Ohio, steel manufacturing facilities constitute the reporting boundary for which climate-related impacts are evaluated. The three facilities consist of one electric arc furnace (EAF) steel melting facility and two facilities focused on steel tube and bar processing. Other TimkenSteel facilities are excluded from this disclosure since they do not have any regulated sources that can be accounted for by this methodology and, in our estimate, any values generated by these sites would be insignificant compared to our Canton sites. For more information, see 2022 Sustainability Report, "Interpreting Our 2022 Performance Data," "Climate Action," and accompanying table, pp. 28-29 .	305-1	EM-IS-110a.1
Scope 2 emissions	Canton Campus	Location-based Scope 2 GHG emissions: 351,792 mt/CO ₂ e For more information, see 2022 Sustainability Report, "Interpreting Our 2022 Performance Data," "Climate Action," and accompanying tables and charts, pp. 28-29 .	305-2	
Scope 1+2 emissions	Canton Campus	635,101 mt/CO ₂ e For more information, see 2022 Sustainability Report, "Interpreting Our 2022 Performance Data," "Climate Action," and accompanying tables and charts, pp. 28-29 .	Self-reported	
Scope 1+2 emissions intensity	Canton Campus	Scopes 1 and 2 GHG emissions intensity: 0.9 mt CO ₂ eq/ton steel produced	305-4	
Scope 3 emissions	Global	1,253,713 mt/CO ₂ e For more information, see 2022 Sustainability Report, "TimkenSteel GHG Global Emissions," p. 29 .	305-3	
% Scope 1, 2, and 3	Global	Scope 1: 15% Scope 2: 18.6 % Scope 3: 66.4 %	Self-reported	

Metric	Scope	2022 Reported Value/Report Location		External Framework	
				GRI	SASB
Emissions strategy (long & short term)	Global	<p>TimkenSteel has been actively engaged in managing Scope 1 greenhouse (GHG) emissions, which we have been tracking since October 2009 consistent with the U.S. Environmental Protection Agency (EPA) mandatory GHG reporting rule. With our increased focus on sustainability/ESG, climate-related issues will be monitored at all management levels up to and including Board-level oversight.</p> <p>Each of our facilities has been certified to ISO 14001 since 2003, which provides an opportunity to identify, assess, and respond to climate-related risks and opportunities.</p> <p>TimkenSteel is focusing its short-term strategy for managing Scope 1 GHG emissions on "end-use" energy conservation projects (e.g., more efficient combustion in steel manufacturing) and long-term strategies on energy supply projects (e.g., renewable fuels). We are not currently evaluating any projects relating to carbon capture or sequestration.</p> <p>TimkenSteel established quantitative emissions reduction targets in 2021. By 2030, TimkenSteel intends to reduce combined Scopes 1 and 2 emissions of CO₂e by 40% compared to a base year of 2018 and is on track to meet or exceed the goal.</p> <p>Beyond our 2030 goals, we aspire to achieve carbon neutrality.</p>		305-6	EM-IS-110a.2
GRI 305: GHG Emissions 2016					
Emissions of ozone-depleting substances	Global	TimkenSteel has eliminated the use of all ozone-depleting chemicals from our manufacturing operations. Therefore, all steel products that are manufactured by TimkenSteel do not contain any of the listed Class I or Class II ozone-depleting substances.		305-6	
CO, NO _x , SO _x , PM, MnO, Pb, VOCs, PAHs	Canton Campus	Metric tons (t)	2022	305-7	EM-IS-120a.1
		CO	803		
		NO _x (excluding N ₂ O)	312		
		SO _x	184		
		Particulate matter (PM ₁₀)	42		
		Volatile organic compounds (VOCs)	53		
GRI 302: Energy 2016					
Total energy consumed	Canton Campus	6,320,335 GJ Per SASB Industry Standard (October 2018) for Iron & Steel Producers, "The scope of energy consumption includes energy from all sources, including energy purchased from sources external to the entity and energy produced by the entity itself (self-generated). For example, direct fuel usage, purchased electricity, and heating, cooling, and steam energy are all included within the scope of energy consumption.		302-1	EM-IS-130a.1
% Grid electricity	Canton Campus	36.40%			EM-IS-130a.1
% Renewable electricity	Canton Campus	5%			EM-IS-130a.1
Total fuel consumed	Canton Campus	4,022,000 GJ			EM-IS-130a.2
% Coal	Canton Campus	0%			EM-IS-130a.2
% Natural Gas	Canton Campus	99.95%			EM-IS-130a.2
% Renewable (fuel)	Canton Campus	0%			EM-IS-130a.2
Total natural gas consumed	Canton Campus	4,020,207 GJ		Self-reported	
Total oxygen consumed	Canton Campus	1,960 GJ		Self-reported	
Total electricity consumed	Canton Campus	2,298,168 GJ		Self-reported	
Energy intensity	Canton Campus	Energy intensity: 9 GJ/mt steel produced		302-3	

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
Reduction in energy consumption	Global	We recognize the importance of energy management as a component of environmental stewardship. In 2021, recognizing that we were operating with excess capacity, we made the decision to indefinitely idle melt and cast operations at our Harrison steel plant. We shifted those operations to our Faircrest steel plant, which features a jumbo bloom vertical caster that is one of the largest in the world. The benefits of this decision were not limited to production. Through consolidation, we have also reduced transportation-related GHG emissions. For more information, see 2022 Sustainability Report, "Energy Efficiency," p. 30 .	302-4	
Reduction in energy requirements of products and services	Global	The key to responsible energy management is our laser focus on operational efficiency while maintaining an overarching commitment to sustainability best practices. We are continually looking for ways to improve our operations.	302-5	
GRI 306: Waste Management 2020				
Waste generation and significant waste-related impacts	Global	2022 Sustainability Report, "Waste and Recycling," pp. 32-33	306-1	EM-IS-150a.1
Management of significant waste-related impacts	Global	Waste management and recycling are built into our entire production cycle and have been since before the full deployment of our first EAF at the Harrison steel plant in the early 1950s. We recognize that steelmaking is a material- and energy-intensive process, and we continue to look for ways to increase our recycling and reclamation processes throughout our production cycle. We are in the process of developing quantifiable metrics and targets for our existing internal recycling programs. Approximately 90% of outbound recycled material is dust collected from our electric arc furnace (EAF). For more information, see 2022 Sustainability Report, "Waste and Recycling," pp. 32-33 .	306-2	EM-IS-150a.1
Waste generated	USA	Total waste generated: 13,154 mt All outbound waste and recyclable materials are managed through a third-party service that involves more than 20 partners to oversee the program.	306-3	EM-IS-150a.1
Waste diverted from disposal	USA	Non-hazardous waste • Preparation for reuse: 0 • Recycling: 1,270 mt • Other recovery: 0 Hazardous waste • Preparation for reuse: 0 • Recycling: 8,733 mt • Other recovery: 0	306-4	
Waste directed to disposal	USA	Non-hazardous waste • Incineration (with energy recovery): 0 • Incineration (without energy recovery): 0 • Landfill: 2,220 mt • Other disposal: 0 Hazardous waste • Incineration (with energy recovery): 0 • Incineration (without energy recovery): 0 • Landfill: 214 mt • Other disposal: 0	306-5	
% of waste hazardous	USA	73.5%		EM-IS-150a.1
% of waste recycled	USA	81.5%		EM-IS-150a.1

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
GRI 303: Water Management 2018				
Interactions with water as a shared resource	USA	Water used in the process of steelmaking needs to be cleaned and treated so that we can either reuse it in our own operations or release it. We track all water usage in our steelmaking and processing facilities and have achieved substantial annual decreases in water consumption since 2018. Our water treatment plant processes and recycles approximately five times more water than the amount of fresh water withdrawn from groundwater and city water. For more information, see 2022 Sustainability Report, "Water Conservation," p. 34 .	303-1	
Management of water discharge-related impacts	USA	Effluent discharges at our facilities are regulated by the Clean Water Act through National Pollutant Discharge Elimination System (NPDES) permits.	303-2	
Fresh water withdrawal	USA	Surface water: 0 Ground water: 2,320 ML Sea water: 0 Produced water: 0 Third-party water: 1,223 ML	303-3	EM-IS-140a.1
Fresh water discharge	USA	Surface water: 2,113 ML Ground water: 0 Sea water: 0 Produced water: 0 Third-party water: 0	303-4	
Fresh water total consumption	USA	1,430 ML	303-5	
% fresh water recycled	USA	558%, which reflects the fact that our Water Treatment Plant (WTP) processes and recycles approximately 5 times more water than the amount withdrawn. More than 99% of the water withdrawn by TimkenSteel serves our Canton, Ohio, facilities.		EM-IS-140a.1
% water use in regions with High or Extremely High Baseline Water Stress	USA	0%; all TimkenSteel facilities and water activity are in regions of Low Baseline Water Stress.		EM-IS-140a.1
GRI 304: Diversity 2016				
Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Global	TimkenSteel's Columbus, North Carolina, facility is within the Appalachian and Mixed Mesophytic Forests ecoregion (Ecoregion #69, Biome 4) according to the World Wildlife Fund Global 200 list. The World Wildlife Fund Global 200 project analyzed patterns of biodiversity to identify ecoregions that harbor exceptional biodiversity to be considered for conservation. Each ecoregion is a relatively large unit of land or water containing a characteristic set of natural communities that share a large majority of species dynamics and environmental conditions. This ecoregion is considered critically endangered with 95% of the habitat degraded or converted to commercial forest. Major rivers in the ecoregion, such as the Tennessee River, have been dammed. This has resulted in the threatened or endangered status of many species of native fish, amphibians, and shellfish. TimkenSteel will continue to assess areas within and surrounding our operational sites to identify future designed protected areas, areas of high biodiversity value, and species at risk, as applicable. For more information, see 2022 Sustainability Report, "Protecting Biodiversity Where We Operate," p. 31 .	304-1	
Significant impacts of activities, products, and services on biodiversity	Global	We have concluded as part of this initial assessment that TimkenSteel's current operational activities, products, and services, including impacts in the supply chain, do not have a significant impact on biodiversity, as defined by GRI standards. TimkenSteel's vision for biodiversity management is to secure a net positive impact on biodiversity in areas affected by our activities. Through changes in our approach to biodiversity and resource management, we have seen a net positive impact in a perennial waterway, Hurford Run, which flows through our Canton, Ohio operational area.	304-2	

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
Habitats protected or restored	Global	<p>Areas restored are those “used during or affected by operational activities, and where remediation measures have either restored the environment to its original state, or to a state where it has a healthy and functioning ecosystem.</p> <p>TimkenSteel does not own or manage protected or restored areas, as defined by GRI standards.</p> <p>Over the past three years TimkenSteel has evaluated over 150 acres of company-owned land in Canton, Ohio, in order to identify sensitive resources, including wetlands and waterways. The information obtained during the evaluations was used to avoid and minimize impacts to sensitive resources during operational activities. Where total wetland avoidance was not feasible, TimkenSteel secured compensatory wetland mitigation credits in the watershed at a 2:1 and/or 2.5:1 ratio. The compensatory mitigation purchased by TimkenSteel was done in accordance with federal and state regulations, and resulted in a net gain of wetland acreage in the watershed.</p>	304-3	
IUCN Red List species and national conservation list species with habitats in areas affected by operations	Global	<p>There are thousands of species on the IUCN Least Concern list with geographic ranges that lie within TimkenSteel-owned land. Least Concern species are those not considered close to qualifying for a threatened category in the near future. Due to the number of species and the species status, the Least Concern species were not evaluated in detail.</p> <p>Two of the IUCN-designated Near Threatened species with geographic ranges overlapping TimkenSteel facilities are also listed as federally endangered in the United States: the Indiana bat and the northern long-eared bat.</p> <p>TimkenSteel facilities contains wooded habitat, including wooded riparian habitat along the perennial stream Hurford Run in Ohio, which may serve as summer habitat for the listed bats. In order to minimize adverse effects to listed bat species, TimkenSteel avoids and minimizes tree cutting during operations when feasible. Where tree cutting is required, trees are cut during the winter when bats are most likely to be hibernating and less likely to be utilizing trees, in accordance with the United States Fish and Wildlife Service general recommendations.</p>	304-4	

GRI 403: Occupational Health and Safety 2018				
Safety Strategy				
Occupational health and safety management system	Global	2022 Sustainability Report, "Occupational Health and Safety," p. 14	403-1	
Hazard identification, risk assessment, and incident investigation	Global	2022 Sustainability Report, "Safety Auditing," p. 15	403-2	
Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Global	2022 Sustainability Report, "Advancing the Safety Culture," p. 15	403-7	
Workers covered by an occupational health and safety management system	Global	100% of our workers are covered by an occupational health and safety management system.	403-8	
Employee Resources				
Occupational health services	Global	2022 Sustainability Report, "Advancing the Safety Culture," p. 15	403-3	
Worker participation, consultation, and communication on occupational health and safety	Global	2022 Sustainability Report, "Safety Training," p. 15	403-4	
Worker training on occupational health and safety	Global	2022 Sustainability Report, "Safety Training," p. 15	403-5	
Promotion of worker health	Global	2022 Sustainability Report, "Advancing the Safety Culture," p. 15	403-6	
Safety Metrics				
Work-related injuries	Global	39 work-related injuries	403-9	
Work-related ill health	Global	0 work-related illnesses	403-10	

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
Lost time incident rate	Global	0.76 For more information, see 2022 Sustainability Report, "Occupational Health and Safety," p. 14 .		
Total recordable incident rate (TRIR)	Global	2.28 For more information, see 2022 Sustainability Report, "Occupational Health and Safety," p. 14 .		EM-IS-320a.1
Fatality rate	Global	0.06		EM-IS-320a.1
Near miss frequency rate (NMFR) FTEs	Global	17.48 For more information, see 2022 Sustainability Report, "The Importance of Leading Indicators: Near Miss Reporting," p. 15 .		EM-IS-320a.1
Near miss frequency rate (NMFR) contractors	Global	N/A		EM-IS-320a.1

People

GRI 405: Diversity and Equal Opportunity 2016

Diversity of governance bodies and employees	Global	45% of our Board members are diverse, based on self-reported data for gender, race, or ethnicity; 47% of our leaders (defined as senior manager or above) are diverse; N/A for all employees.	405-1	
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GRI 404: Training and Education 2016

Programs for upgrading employee skills and transition assistance programs	Global	2022 Sustainability Report, "Focusing on Training and Development," p. 18	404-2	
Percentage of employees receiving regular performance and career development reviews	Global	100% of employees receive regular performance and career development reviews.	404-3	

GRI 201: Economic Performance; GRI 401: Employment 2016

Defined benefit plan obligations and other retirement plans	USA	See Annual Report on Form 10-K	201-3	
Benefits provided to full-time employees that are not provided to temporary or part-time employees	USA	2022 Sustainability Report, "Our Holistic Approach to Employee Well-being," p. 19	401-2	

GRI 411: Rights of Indigenous Peoples 2016

Incidents of violations involving rights of indigenous peoples	Global	0 incidents	411-1	
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Supply Chain

GRI 204: Procurement Practices 2016

Proportion of spending on local suppliers	Global	45%	204-1	
Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues	Global	TimkenSteel is a 100% electric arc furnace (EAF) manufacturer of specialty bar quality (SBQ) steel products. As such, we are not dependent on upstream sources of iron ore or coking coal. Our steelmaking process utilizes 100% recycled scrap metals, along with virgin alloys, as required for meeting customer product specifications.		EM-IS-430a.1

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
GRI 408: Child Labor 2016				
Operations and suppliers at significant risk for incidents of child labor	Global	0 operations and suppliers at significant risk for such incidents	408-1	
GRI 409: Forced or Compulsory Labor 2016				
Operations and suppliers at significant risk for incidents of forced or compulsory labor	Global	0 operations and suppliers at significant risk for such incidents	409-1	
Product				
GRI 416: Products				
Incidents of non-compliance concerning the health and safety impacts of products and services	Global	No incidents of non-compliance with such requirements	416-2	
GRI 417: Marketing and Labeling 2016				
Incidents of non-compliance concerning product and service information and labeling	Global	No incidents of non-compliance with such requirements	417-2	
Incidents of non-compliance concerning marketing communications	Global	No incidents of non-compliance with such requirements	417-3	
Finance				
GRI 207: Tax 2019				
Approach to tax	Global	See our 2023 Proxy Statement	207-1	
Tax governance, control, and risk management	Global	See our 2023 Proxy Statement	207-2	
Stakeholder engagement and management of concerns related to tax	Global	See our 2023 Proxy Statement	207-3	
Country-by-country reporting	Global	See our 2023 Proxy Statement	207-4	
GRI 201: Economic Performance 2016				
Direct economic value generated and distributed	Global	See our 2023 Proxy Statement	201-1	
Financial implications and other risks and opportunities due to climate change	Global	See our 2023 Proxy Statement	201-2	
Financial assistance received from government	Global	See our 2023 Proxy Statement	201-4	

Metric	Scope	2022 Reported Value/Report Location	External Framework	
			GRI	SASB
Miscellaneous				
GRI 205: Anti-corruption 2016				
Operations assessed for risks related to corruption	Global	2022 Sustainability Report, "Our Commitment to Ethics and Compliance," p. 44	205-1	
Communication and training about anti-corruption policies and procedures	Global	2022 Sustainability Report, "Our Commitment to Ethics and Compliance," p. 44	205-2	
Confirmed incidents of corruption and actions taken	Global	No incidents	205-3	
GRI 206: Anti-competitive Behavior 2016				
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Global	No legal actions	206-1	
GRI 415: Public Policy 2016				
Political contributions	Global	2022 Sustainability Report, "Advocacy and Lobbying," p. 9	415-1	
GRI 418: Customer Privacy 2016				
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Global	No substantiated complaints	418-1	

TCFD REFERENCE TABLE

While the company has not published an official Task Force on Climate-related Financial Disclosures (TCFD) report, we are addressing the key components of TCFD. This table provides both the recommended disclosures and where pertinent information can be found within our 2022 Sustainability Report.

TCFD Reference Table	
Recommended Disclosure	Reference in This Report
Governance	
a) Board oversight of climate-related risks and opportunities	Oversight of Our Sustainability Strategy, p. 7 Enterprise Risk Management, pp. 42-43
b) Management role in assessing and managing climate-related risks and opportunities	Oversight of Our Sustainability Strategy, p. 7 Enterprise Risk Management, pp. 42-43
Strategy	
Climate-related risks and opportunities the organization has identified over the short, medium and long term	Enterprise Risk Management, pp. 42-43
Impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	Enterprise Risk Management, pp. 42-43
Potential impact of different scenarios, including a 2°C scenario, on the organization’s businesses, strategy, and financial planning	Climate Risk, p. 29
Risk Management	
Organization’s processes for identifying and assessing climate-related risks	Enterprise Risk Management, pp. 42-43
Organization’s process for managing climate risks	Enterprise Risk Management, pp. 42-43
How processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	Enterprise Risk Management, pp. 42-43
Metrics and Targets	
Metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process	Environmental Goals Progress Update, pp. 27-28
Greenhouse gas (GHG) emissions	Performance to Goals Table, p. 28

FORWARD-LOOKING STATEMENTS

This report contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, that address activities, events or developments that we or our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. We use words such as aim, anticipate, aspire, believe, commit, confident, could, drive, estimate, ensure, expect, forecast, goal, intend, may, mission, outlook, plan, possible, potential, predict, project, seek, should, strategy, strategic direction, strive, target, will and would or similar expressions to identify forward-looking statements. In particular, such statements may include but are not limited to: (1) statements that relate to our purpose, ambitions, aims, commitments, targets, plans, objectives, and sustainability goal progress; (2) environmental, health, and safety (EHS) data as it relates to the environment, including our greenhouse gas emissions, energy consumption, water usage and waste-to-landfill intensity, safety performance, management systems, implementation and regulatory compliance, including data collection systems that track and collect EHS data through the corporate-wide EHS reporting systems; (3) social data as it relates to employee metrics, social practices and community engagement programs derived from our various databases; (4) responsible sourcing of materials and the related responsible sourcing systems and data; and (5) statements about actions of suppliers and partners or our work with them. Such statements are based upon certain assumptions and assessments made by our management in light of their experience and their perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate. The forward-looking statements included in this report are also subject to a number of material risks and uncertainties that may cause actual results to differ materially. Such risks and uncertainties include, but are not limited to, economic, competitive, governmental, technological, public health, and geopolitical factors affecting our operations, markets, products, supply chain, services and prices; assumptions not being realized; scientific or technological developments; evolving sustainability strategies; changes in carbon markets; evolving government regulations; our adoption of new technologies and expansion into new markets; or other changes in circumstances, as well as those factors set forth in the “Risk Factors” section of our most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the U.S. Securities and Exchange Commission. Such forward-looking statements are not guarantees of future performance and actual results, and other developments, including the potential impact of economic and geopolitical conditions, and business decisions may differ from those envisaged by such forward-looking statements. The information and opinions contained in this report are provided as of the date of this report and are subject to change without notice. We undertake no obligation to update any forward-looking statements contained in this report as a result of new information or future events or developments except as may be required by applicable laws.

This report represents our current policy, plans and intent and is not intended to create legal rights or obligations. The standards of measurement and performance contained in this report are developing and based on assumptions, and no assurance can be given that any target, plan, strategy, initiative, projection, goal, commitment, expectation or prospect set forth in this report can or will be achieved. Our 2030 environmental targets are based on an absolute or total reduction in the amount of greenhouse gas emissions, energy consumption and fresh water withdrawn. In contrast, our waste-to-landfill target is based on an intensity or percentage reduction of waste-to-landfill per ton of steel shipped. All 2030 targets are based on our operating assets as of 2018 and do not account for any future inorganic growth or other expansion of our facilities or operating assets, for which an adjustment to the absolute reduction may be required.

This report may contain or incorporate by reference public information not separately reviewed, approved or endorsed by us, and we make no representation, warranty or undertaking as to the accuracy, reasonableness or completeness of such information. Inclusion of information in this report is not an indication that the subject or information is material to our business or operating results. “Material” or “materiality” for the purposes of this report should not be read as equating to any use of the word in our other reporting or filings with the U.S.

Securities and Exchange Commission. No part of this report or our website constitutes, or shall be taken to constitute, an invitation or inducement to invest in us or any other entity and shall not be relied upon in any way in connection with any investment decisions.



PEOPLE PASSION PRINCIPLES

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2022 SUSTAINABILITY REPORT