



AT OUR CORE

STRONG | SUSTAINABLE | STEEL

2021 SUSTAINABILITY REPORT



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At our core is our connection to one another and to the communities in which we operate. We are committed to continuing to produce the most sustainable steel possible."

Michael Williams
TimkenSteel President
and Chief Executive Officer

DEAR STAKEHOLDERS:

I am excited to share with you TimkenSteel's inaugural sustainability report. While this is our first official report, 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 generate our high-quality steel almost entirely from recycled scrap metal. Fundamentally, sustainability and quality are **At Our Core**.

Yet, we do not rest on the past and recognize that the world is swiftly changing. Sustainability is a driving factor in our strategy development, capital allocation, and reporting expectations. As we look to the future, we are guided by our vision of harnessing the enduring power of steel to make the world a better place.

Our vision keeps us moving forward, and our people drive our success. Our team continues to rise to challenges with speed and commitment to one another and to TimkenSteel's sustainable future.

In 2021, even as we continued to face challenges from COVID-19 and global supply chain constraints, TimkenSteel took on a major transformation. Building on our proud legacy and with an eye toward an even more sustainable future, we enhanced our operating model and streamlined our organization.

Change is not simple. Done right, it springs from and is supported by the very foundation of a company. We began by working together to redefine and refine our vision and mission and by identifying the key strategic imperatives necessary to operationalize our aspirations. Commitment to sustainable business performance is one of those strategic imperatives.

Sustainability is being embedded into our daily work, becoming a lens through which we evaluate every aspect of our operations. It is what we believe in and what we do. It is **At Our Core**.

TimkenSteel is committed to making progress toward achieving our long-term goals and building on our stellar reputation as a sustainable supplier of high-quality steel. It's a journey, but our commitment and progress are at the forefront of all that we do. This report represents our second consecutive year of alignment with the Sustainability Accounting Standards Board (SASB) Iron & Steel Producers reporting standard, and discusses progress against our commitments and 2030 environmental goals, which we announced last year. It reflects our intentional efforts to drive sustainability performance and to be transparent about where we are on the journey and where we are going.

Thank you for your interest in TimkenSteel and our sustainability story.

MS Williams

Michael Williams
President and Chief Executive Officer

A large white sign with the TimkenSteel logo and the text 'Corporate Campus' in blue. The sign is set against a background of green trees and yellow flowers.

TIMKENSTEEL



Corporate Campus

ABOUT THIS REPORT

Thank you for your interest in TimkenSteel's 2021 Sustainability Report, which communicates our sustainability commitments and shares our progress.

In TimkenSteel's inaugural sustainability report, we are proud to share our vision, goals, and accomplishments 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 environmental stewardship, strong governance and ethics, and social responsibility to our employees and the communities in which we operate.

Our reputation as a sustainable steel supplier is rooted in our proud history. In 1952, we transitioned all production to electric arc furnaces (EAFs), and today, produce 100% of our steel primarily from recycled scrap metal. We have a long-standing commitment to safety and our greenhouse gas (GHG) emissions are consistently below the industry average.¹

In preparing this report, we referenced leading global standards and frameworks, including the Sustainability Accounting Standards Board (SASB) Iron & Steel Producers industry standard, and the Task Force on Climate-related Financial Disclosures (TCFD). Our 2021 SASB disclosure can be accessed beginning on [page 37](#). As we move forward, we expect to continue to refine and enhance our reporting in alignment with TCFD disclosures. In this report, the reference table on [page 42](#) indicates where you can find TimkenSteel's information that is responsive to TCFD's recommended disclosures.

This report was published in April 2022 and is based on fiscal year 2021 information and activities, except where noted. We welcome your questions and feedback at sustainability@timkensteel.com.

¹ Global industry average GHG emissions data source: <https://www.worldsteel.org/steel-by-topic/sustainability/sustainability-indicators.html>. In addition to Scopes 1 (direct) and 2 (indirect), global industry average GHG emissions may include Scope 3 emissions. TimkenSteel data incorporates Scopes 1 and 2 only as TimkenSteel has not created a Scope 3 inventory. Global industry average includes all types of steel furnaces. Electric arc furnaces (EAFs) are widely acknowledged to be cleaner than blast furnaces and TimkenSteel produces steel only using EAFs.

OUR APPROACH TO SUSTAINABILITY

At TimkenSteel, we strive to operate responsibly and sustainably. TimkenSteel is committed to addressing Environmental, Social and Governance (ESG) areas where we can have the most impact and make progress toward our long-term goals.

Our commitment to operating responsibly and sustainably helps ensure we create and maintain a safe and healthy workplace, protect our natural resources, and deliver technologies that contribute to economic growth and prosperity.

MATERIALITY ASSESSMENT

As part of the continued maturation of our sustainability strategy, we conducted a materiality assessment in 2021 to identify specific sustainability focus areas and ensure alignment with key internal and external stakeholder expectations, including employees, investors, customers, and suppliers. Utilizing the Morgan Stanley Capital International (MSCI) ESG landscape, participants were asked to identify their top environmental, social, and governance concerns and then rank them in order of importance.

After collecting and analyzing the responses, TimkenSteel determined the sustainability matters that are most relevant to our stakeholders and reasonably likely to impact the company's financial condition, operating performance, and strategy. Subsequently, we established the following pillars and focus areas for our sustainability strategy:

OUR SUSTAINABILITY STRATEGY CONSISTS OF 3 PILLARS AND 12 FOCUS AREAS:

Environmental Stewardship

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 compete in the marketplace. We employ proactive environmental practices that focus on maintaining clean air, water, and land, and comply with environmental rules and regulations. Innovation, collaboration, and stakeholder engagement are embedded within our environmental programs.



FOCUS AREAS

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

Social Commitment

Our social commitment begins with protecting the health and safety of our employees, customers, and suppliers, and extends to fostering an inclusive workplace environment in which our differences are celebrated and where everyone has the opportunity to grow and achieve their full potential. We are also inspired to make a positive impact in the communities where we live and work.



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

Governance and Ethics

We promote the long-term interests of investors and other stakeholders and build public trust through good governance practices. This includes oversight of the sustainability strategy by our Board of Directors, which receives regular updates from senior leadership and reviews ESG-related risks and opportunities annually. One of our newest directors, Ellis Jones, is vice president and chief sustainability officer of The Goodyear Tire and Rubber Company.



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

ENGAGING OUR STAKEHOLDERS

We regularly communicate with our stakeholders, understanding that transparency and engagement are core to our sustainable success.

Following is a high-level overview of our stakeholder groups, and a snapshot of the many ways we create consistent engagement with them.



EMPLOYEES

Our employees and their health, safety, and well-being are paramount. We believe that every voice matters and we work diligently to engage employees to collaborate, innovate, and improve upon our processes and products. We communicate regularly through quarterly companywide town halls, a robust intranet, CEO-led listening sessions, standup meetings, ongoing and extensive training, and other engagements.



CUSTOMERS

Commitment to and communication with our customers is one of our Core Values. We communicate with customers frequently and provide regular updates on the quality of our products as well as the ways we are addressing our environmental impact. Additionally, our customers have real-time access to our activities and actions through a dedicated customer-focused electronic portal. We maintain records of customer inquiries related to sustainability topics and respond appropriately.



SUPPLIERS

Our suppliers are integral to our success and the development of our products. We communicate with them through regular meetings and updated policies as well as our TimkenSteel vendor portal, which offers convenient access to important information and data.



COMMUNITIES

We recognize our ability to impact the communities in which we operate and strive to make positive contributions. We maintain and foster open communication to address community feedback.



INVESTORS

We communicate with our investors through quarterly conference calls, meetings, and conferences. We thoughtfully respond to direct inquiries on matters related to our financial performance, strategy, operations, and our commitments to environmental stewardship and other ESG matters of importance to them.

ABOUT TIMKENSTEEL

Founded in 1917 and public in 2014, TimkenSteel is a manufacturer of high-quality specialty steel, manufactured components, and supply chain solutions headquartered in Canton, Ohio. We are the leading manufacturer of special bar quality (SBQ) large bars and seamless mechanical steel tubing in the United States. In 1952, we shifted production to electric arc furnaces (EAFs), and today produce 100% of our steel primarily from recycled scrap metal. The company employs approximately 1,800 people and had net sales of \$1.3 billion in 2021.



Headquartered in
Canton, Ohio

One of Stark County's
largest employers

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

Net sales of **\$1.3B** in 2021

Approximately
1,800 employees

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

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.

Customer-Driven:

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

Best-in-Class Quality:

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

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.

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.

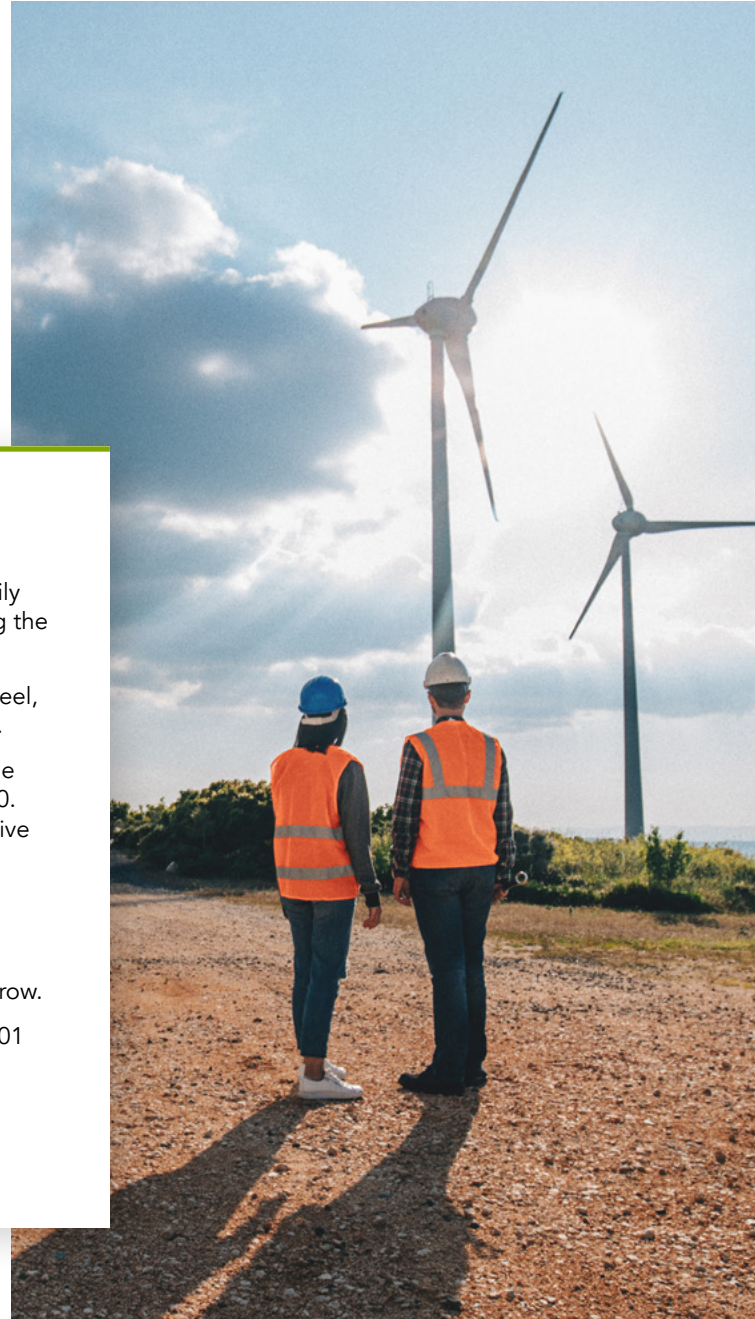


ENVIRONMENTAL STEWARDSHIP

At TimkenSteel, we recognize our impact on the environment, now and in the future. Our reputation as a sustainable steel supplier is rooted in our long-standing commitment to environmental stewardship. One hundred percent of steel produced in our plants is primarily from recycled scrap metal, a practice we have been following since 1952.

OUR LONG-STANDING ENVIRONMENTAL COMMITMENT

Our environmental efforts are focused on maintaining clean air, water, and land, and complying with environmental rules and regulations by integrating material efficiency and conservation of energy and natural resources into our operations. We aim to always operate with the environment in mind. We believe our past and continuing efforts around energy conservation, recycled metal sourcing and handling, waste reduction, and water management illustrate this commitment.



ENVIRONMENTAL LEADERSHIP

- **Operational Efficiency:** We produce 100% of our steel primarily from recycled scrap metal and continuously invest in improving the efficiency of our electric arc furnace (EAF) operations.
- **Recycling:** In 2021, we recycled up to 237,000 tons of scrap steel, which is the equivalent of approximately 387,000 automobiles.
- **Reducing Energy Consumption and Emissions:** Producing one ton of steel today requires just 40% of the energy it did in 1960. Over the same period, steel production has increased almost five times.¹ Our greenhouse gas (GHG) emissions are consistently below the industry average.²
- **Water Conservation:** We track all water usage in our U.S. steelmaking and processing facilities and have achieved year-over-year decreases in water consumption four years in a row.
- **Environmental Management:** TimkenSteel maintains ISO 14001 certifications at all our domestic facilities that produce or process steel.



Our environmental, health, and safety practices are part of our core beliefs. Our people live and breathe it. But we do not rest on our current success. We have a culture of always wanting to do better.”

Thomas Hite

Senior Manager of Environmental Compliance

¹ worldsteel.org/circulareconomy

² Global industry average GHG emissions data source: <https://www.worldsteel.org/steel-by-topic/sustainability/sustainability-indicators.html>. In addition to Scopes 1 (direct) and 2 (indirect), global industry average GHG emissions may include Scope 3 emissions. TimkenSteel data incorporates Scopes 1 and 2 only as TimkenSteel has not created a Scope 3 inventory. Global industry average includes all types of steel furnaces. Electric arc furnaces (EAFs) are widely acknowledged to be cleaner than blast furnaces and TimkenSteel produces steel only using EAFs.

ENVIRONMENTAL GOVERNANCE AND POLICY: OPERATING SAFELY AND RESPONSIBLY IS OUR TOP PRIORITY

EHS GOVERNANCE

Our environmental, health, and safety (EHS) structure is built into our everyday operations and starts at the very top with an EHS policy signed by our President and Chief Executive Officer, Michael Williams, and managed by our corporate Environmental Compliance department. EHS governance is built on a foundation of continuous improvement, where EHS risks are evaluated, engineering and administrative controls are established to defend against EHS incidents, and the controls are periodically audited to identify and correct impairments that could lead to an EHS event. When EHS events do occur, they are logged in our environmental management system where causes are investigated and corrective actions are determined. Systemic, sustainable response and impactful solutions are core to how we operate.

OUR EHS POLICY

Our Global EHS Policy guides our approach to protecting our employees, our 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, take care of our environmental resources, and deliver sustainable products and business practices that contribute to economic growth and prosperity.

Each employee is responsible for understanding and adhering to this policy in support of the following company-wide objectives:

- Comply with all EHS laws, regulations, company policies, and standards and require the same from our suppliers.
- Make EHS performance a priority in our overall planning and decision-making. We are guided by our core values to do what's right.
- Expect employees, suppliers, and contractors to always conduct their activities safely and responsibly, in full compliance with our policies and practices. We help them do this successfully through education, training, evaluation, and enforcement. This policy applies to all TimkenSteel operations and facilities.
- Be diligent in identifying and assessing risks and potential hazards that can affect our EHS performance, and take immediate corrective actions.
- Support environmental sustainability through pollution prevention, waste management, recycling, energy conservation, and energy-saving products.

- Measure and assess our progress and develop improvement plans to ensure compliance with EHS standards and objectives.
- Regularly communicate EHS goals, objectives, and outcomes to employees, our Board of Directors, and external stakeholders.

CLIMATE ACTION

TimkenSteel believes that producing steel with a minimal climate impact is important for our planet's future. We understand the impact our industry has on the environment. To achieve our vision of harnessing the enduring power of steel to make the world a better place, we recognize we must innovate and evolve to ensure we are doing our part to address climate concerns. As technology evolves and new solutions arise, we are committed to continuous improvement. Our commitment to sustainability is demonstrated by the fact that it is one of our five strategic imperatives, and that it is incorporated into our governance structure and our day-to-day operations. Our alignment with internationally recognized frameworks and the establishment of our 2030 environmental goals also indicate the crucial focus we place on climate action and our responsibility to help create a sustainable future for all.



2030 ENVIRONMENTAL GOALS

Building on our proud legacy of environmental stewardship, we are committed to the following 2030 environmental goals, compared with a 2018 baseline:¹

- **40%** absolute reduction in combined Scope 1 and Scope 2 GHG emissions
- **30%** absolute reduction in total energy consumption
- **35%** absolute reduction in fresh water withdrawn
- **10%** reduction in waste-to-landfill intensity

TimkenSteel's 2030 environmental goals are based on key drivers affecting environmental performance, including business metrics (e.g., production, sales, revenues), feasible reduction strategies, and industry growth factors.

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.

**PERFORMANCE AGAINST 2030 ENVIRONMENTAL GOALS
2018 – 2021 PROGRESS**

We use reliable and verifiable calculation methodologies and data validation guidance (e.g., ISO 19011, CDP’s GHG Protocol) to evaluate environmental performance.¹

Goal: 40% absolute reduction in combined Scope 1 and Scope 2 GHG emissions¹ **Status:** *Met & Monitoring*

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

Goal: 35% absolute reduction in fresh water withdrawn **Status:** *Significant Progress*

Year	Fresh Water Withdrawn (million gal)	% Change YoY	% Change from Baseline
2018	1,750	NA	NA
2019	1,570	-10%	-10%
2020	1,460	-7%	-17%
2021	1,208	-17%	-31%

Goal: 30% absolute reduction in total energy consumption **Status:** *Met & Monitoring*

Year	Energy Consumption (GJ)	% Change YoY	% Change from Baseline
2018	10,545,937	NA	NA
2019	7,564,176	-28%	-28%
2020	5,563,317	-26%	-47%
2021	6,985,043	+26%	-34%

Goal: 10% reduction in Waste-to-Landfill (WTL) intensity **Status:** *Met & Monitoring*

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

OVERALL PERFORMANCE DRIVERS

Annual increases and decreases in absolute Scope 1 and 2 GHG emissions and energy consumption are directly related to production output. The large fluctuations in GHG emissions and energy consumption between 2018 and 2020 were largely due to market conditions and discrete operational changes related to those market conditions. For example, 2020 data reflect low production volume due to the COVID-19 pandemic. In 2021, we indefinitely idled our Harrison Steel Plant EAF furnace and Gambrinus Steel Plant Tube Mill #4, resulting in significant and sustainable reductions in GHG emissions and energy consumption despite higher production volumes. Actions of this magnitude are not expected to occur each year.

Although year-over-year GHG emissions and energy consumption rose between 2020 and 2021, our GHG and energy intensity decreased significantly during the same period due to the aforementioned operational changes. These changes not only improved overall operating efficiency but also resulted in significant and sustainable reductions in our rate of GHG emissions and energy consumption despite higher production volumes.¹

A full understanding of our progress toward our 2030 goals will require more time under our new operating model of one melt shop so that we may see the full impact of our reduction efforts. Moving forward, we intend to meet the 2030 environmental goals by focusing on sustainable technology and operational improvements in manufacturing, supply, and corporate operations.

¹ Scope 1 and 2 GHG emissions intensity (measured by tons/year CO₂eq divided by tons of steel produced as reported in our SASB Index) decreased from 0.94 in 2020 to 0.81 in 2021, and energy intensity (measured by GJ energy consumed divided by tons of steel produced as reported in our SASB Index) decreased from 8.58 in 2020 to 7.56 in 2021.

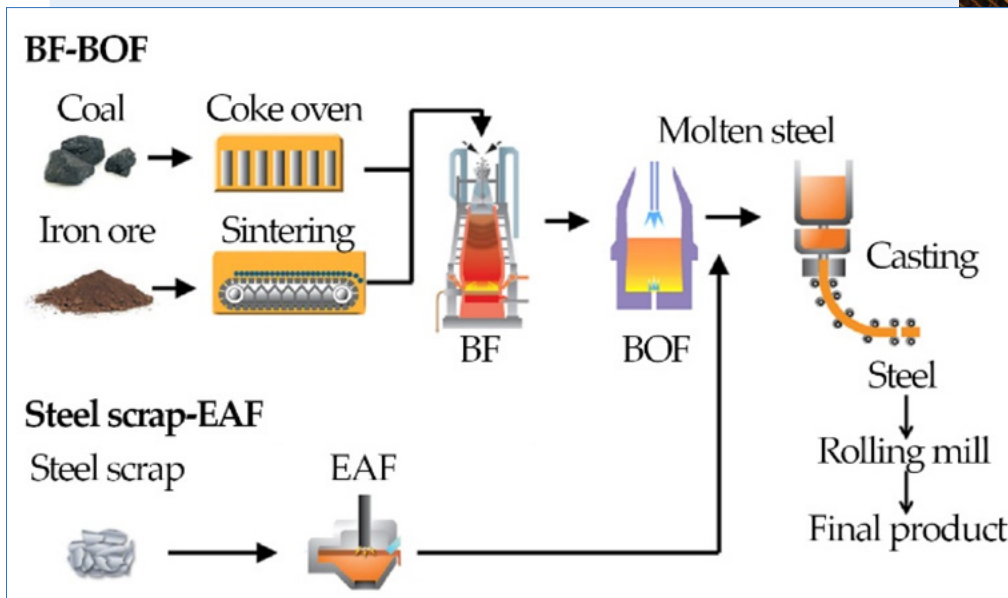
EVALUATING CLIMATE-RELATED RISK

Although we have not formally conducted a comprehensive scenario analysis, TimkenSteel’s 2030 GHG emissions goal is below the Paris Climate Agreement’s “Below 2°C Scenario.” In our pursuit of continuous improvement, we will continue to align our business, operations, and financial planning to support our environmental goals, including reduced Scope 1 and Scope 2 GHG emissions.

Evaluating and seeking to mitigate climate-related risk has become core to our business and capital planning processes. All capital projects under consideration in our pipeline include an environmental impact evaluation, further demonstrating our commitment to incorporating sustainability into our everyday business practices. Additionally, we are currently targeting approximately \$3 million per year for spending on projects in support of our sustainability goals. Energy audits and operational studies to identify GHG emission reduction opportunities and operating efficiencies were the focus in 2021 (and continuing in 2022), laying the foundation for our informed pursuit of capital investments in an effort to achieve our long-term environmental goals. Beyond our 2030 environmental goals, TimkenSteel aspires to achieve carbon neutrality.

Electric Arc Furnaces Help Reduce Emissions

All of our steel is produced in an electric arc furnace (EAF) using primarily recycled scrap metal. According to the World Steel Association, scrap plays a key role in reducing industry emissions and resource consumption; every metric ton of scrap used for steel production avoids the emission of 1.5 metric tons of carbon dioxide. Unlike the blast furnace production method, an EAF does not rely on mining for material and significantly reduces material processing and transportation requirements.



TimkenSteel's Faircrest steel plant

ENERGY MANAGEMENT

We recognize the importance of energy management as a component of environmental stewardship. Key to responsible energy management is a laser focus on operational efficiency while maintaining an overarching commitment to sustainability best practices.

We are continually looking for ways to improve our operations. 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.

WASTE AND RECYCLING

Waste management and recycling is built into our entire production cycle and has 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. Since our baseline year of 2018, we have reduced the absolute amount of waste-to-landfill from 6,517 tons to 3,027 tons in 2021. The percentage of recycled materials grew from 78% in 2018 to 83% in 2021.

SCRAP

In 2021, more than 1.1 million tons of 100% recycled scrap metal was melted in our EAFs, up from 802,000 tons in 2020. Some of that material is purchased from our suppliers, but we also work to recycle our own scrap. In 2021, we recycled 237,000 tons of scrap steel from our own operations, which is the equivalent of approximately 387,000 automobiles per year.

SLAG

In addition, since 2015, we have reclaimed and recycled approximately 1.3 million tons of slag. This is a byproduct of steelmaking that has value to end markets such as construction and agriculture. Slag can be used in the production of building materials including cement, brick, and concrete aggregates.

Driving to Zero Spills

At TimkenSteel, we are committed to industry-leading EHS performance and are diligent in identifying and assessing risks and potential hazards that can affect our environmental performance. We support environmental sustainability through pollution prevention, including a robust Spill Prevention, Control and Countermeasure (SPCC) program. As we aim for zero spills, in 2021, our Faircrest steel plant passed a four-year anniversary with no reportable spills. In February 2022, we were able to declare no reportable spills for any facility over the course of a two-year timeframe.

Spill prevention is a vital part of our daily operations. Each plant has a robust SPCC plan that includes equipment maintenance, monitoring, and replacement of hoses and valves, spill kits, and booms as well as absorbent materials located at all plants and training sites. Representatives from our contractors are on call 24/7 at all our sites.





TimkenSteel's water treatment plant

WATER

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.

In 2020, we received an Encouraging Environmental Excellence Award from the Ohio Environmental Protection Agency (EPA) for metals reclamation at our water treatment plant, where we installed equipment capable of capturing and recycling 2 million pounds of iron annually. Prior to that, in 2015, we won two additional awards centered on waste reduction from the Ohio EPA.

Each year, we process and reuse over 7 billion gallons of water (the equivalent of more than 1,500 Olympic-size swimming pools), working toward our 2030 goal of a 35% absolute reduction in fresh water withdrawn.

Every Detail Matters

As part of our water treatment process, we gather significant amounts of filter cake (or solids) from our steelmaking and processing facilities. One component of filter cake is called mill scale, which contains micro particles of steel that come from the cooling stage of steelmaking. In 2021, we launched a mill scale reclamation project to recycle this formerly cast-off material. Now, with our new reuse efforts, we are able to reduce the amount of this waste stream that would normally go to landfill by 30-40%.

WASTE HEAT RECOVERY

Waste heat is thermal energy created by a process that goes unused and released into the environment. TimkenSteel has programs in place to manage waste heat to conserve fuel use. 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.

OTHER WASTE

All outbound waste and recyclable materials are managed through a third-party service that brings in more than 20 partners to oversee the program.

In 2021, TimkenSteel recycled various materials related to our steelmaking and processing facilities, as shown below.



Materials Recycled in 2021

Empty Drums 4.26 tons	Used Paint Waste 1.76 tons
Transformer Oil 4.06 tons	Cardboard 19.28 tons
Light Bulbs and Batteries 1.81 tons	Wood Waste 206.89 tons

PRODUCT STEWARDSHIP AND INNOVATION

Creating and delivering high-quality steel is a core tenet of our business. In fact, creating products that are best-in-class is one of our core values. Consistent focus on quality means building reliability into our production stream. Reliability is good for business, good for our customers, and is the right thing to do for the environment. Product excellence is also driven by a responsible and sustainable supply chain, an innovation mindset, and a culture of continuous process improvement.

A RELIABLE AND RESPONSIBLE SUPPLY CHAIN

Key to ensuring reliability is having a responsible and sustainable supply chain. Our expectations of suppliers are laid out in our Supplier Code of Conduct, which stipulates that all suppliers are expected to operate in full compliance with applicable laws, rules, and regulations related to EHS.

We also codify our expectations of suppliers within our long-term agreements. For example, we require that all suppliers of scrap (by far our largest sourced material) provide us with recycled scrap.

Whenever possible, we recycle our own scrap so that we can buy less from external suppliers. This saves money and emissions due to lower transportation requirements while increasing the reliability of this crucial material.

When we do source scrap externally, we buy recycled materials from suppliers only within our trusted network. We require our suppliers to follow all pertinent environmental standards and we monitor them to make sure they are adhering to the appropriate protocols. When onboarding new suppliers, we make sure they understand and can comply with our standards.

Future-Focused: TimkenSteel and the EV Market

As the electric vehicle (EV) market continues to grow, TimkenSteel is well-positioned to support our automotive customers as they develop and innovate new models.

Our competitive highlights include:

- Over 20 awarded applications
- EV base sales well in excess of \$50 million
- Gear and bearing steel development and manufacturing
- Manufactured components for ring gears and pinion shafts provided to major Original Equipment Manufacturers (OEMs)
- Sales and product development actively focused on expansion

PURSUIING PRODUCT INNOVATION

Innovation is a core value for TimkenSteel. For over 100 years, we've created high-performance, customized steel that helps customers push the bounds of what's possible. Today, we continue to invest in new manufacturing techniques, strategies, and technologies to better serve our customers. We understand that a consistent focus on innovation throughout the organization is crucial for the long-term sustainability of our business. Consistently improving our processes and our products is key to our success and to our ability to achieve our sustainability goals. Our commercial and technical teams are dedicated to supporting sustainable product technologies in our current end markets, such as electric vehicles, and are strategically pursuing opportunities to support innovations and advancements in other sustainability-related applications, including renewable solar and wind energy generation.



GENERATING IDEAS FOR RELIABILITY AND CONTINUOUS PROCESS IMPROVEMENT

We believe innovation and collaboration drive value for our customers, now and in the future. Based on the principle that all voices matter and solutions can originate from anyone, we embed an innovation mindset into our day-to-day processes. Our managers and leaders regularly “walk the floor” in our plants and hold open-door office hours to encourage dialogue and creative ideas.

During one recent open-door session, an hourly employee suggested that we could save energy, time, and money by resurfacing the tracks that our Kress haulers use to transport material within our production facilities. We evaluated the opportunity and followed through on implementation. Within three months, we recouped our initial investment of \$150,000 in maintenance and fuel consumption savings.

In October 2021, to further formalize the flow of ideas from employees, we created the Idea Generation Pipeline. The program empowers our employees to become change agents to help us improve our business performance, eliminate waste, and further simplify our manufacturing processes.

Functional leaders receive approved ideas to review and then prioritize and assess resource availability for implementation. Remaining ideas are noted for future consideration. In the first six months of the program, 35 ideas were submitted to the Idea Pipeline. Several ideas have been launched and entered into Microsoft Dynamics® 365, our project management tracking tool, with additional ideas launching soon.

In addition, in 2021, we began using Overall Equipment Effectiveness (OEE) methodologies to measure the reliability and productivity of our manufacturing equipment. Our OEE program is modeled after World Steel Association’s Technical Committee and Maintenance and Reliability Committee standards.¹



¹ World Steel Association represents more than 160 steel producers, national, and regional steel industry associations and steel research institutes. Members represent approximately 85% of global steel production.



SOCIAL COMMITMENT

Our social commitment begins with protecting the health and safety of our employees, customers, and suppliers, and extends to fostering an inclusive workplace environment in which our differences are celebrated and where everyone has the opportunity to grow and achieve their full potential. We are committed to making a positive impact in the communities where we live and work.



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 our ability 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. Building and maintaining a culture of safety empowers each of us as individuals, and collectively as a company, to successfully grow.

Safety is a shared responsibility. All TimkenSteel employees and contractors are responsible for understanding and complying with our EHS policy.



Safety is a core focus of our sustainability strategy. Our global Global EHS Policy helps to guide our approach. We are committed to continuously improving our environmental, health, and safety (EHS) performance by fostering cooperation among employees and a culture of safety. We halt operations regularly to evaluate equipment reliability and to perform annual maintenance. During shutdowns, our focus on safety is critical, given that a significant number of contractors are working in our facilities, sometimes in tight spaces and at elevated heights.

Our teams work together to solve customer challenges, and that same spirit of collaboration fosters our safety-focused culture. In 2021, we introduced ThinkReliability's Cause Mapping™ methodology, an industry-recognized best practice in risk identification and improvement. The collaborative, cross-functional approach provides our employees with a common platform for problem-solving.

Since implementing this methodology, we have trained more than 50 hourly and salaried employees and conducted an introductory course for another 150 employees to familiarize them with the tool and prepare them to participate in an investigation. We have conducted more than 100 Cause Maps™ across departments and disciplines, and plan on training more employees to conduct this problem-solving methodology in 2022. Cause Mapping™ is an integral part of our risk management strategy, allowing us to drive systematic improvements across facilities through a shared risk management protocol.

TimkenSteel is committed to being a safe place to work and seeks to achieve and maintain industry-leading safety performance as measured by our Occupational Safety and Health Administration (OSHA) recordable and lost-time injury rates. In 2021, over 2,000 safety-related actions were tracked in our maintenance management system, driving our organization to prevent incident recurrence.

We are committed to improving our safety record year over year and aspire to achieve zero workplace injuries.

EMPLOYEE ENGAGEMENT DRIVES OUR SAFETY-FOCUSED CULTURE

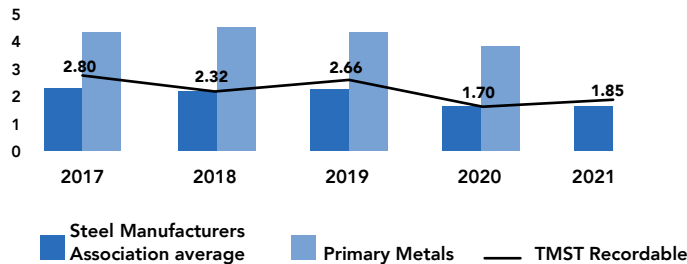
Our commitment to safety is rooted in the recognition that our personal actions affect the safety and performance of others. This sense of responsibility drives engagement through increased awareness of the vital role each team member plays in promoting a safe work environment while maintaining our commitment to best-in-class quality in our processes and products.

Our emergency preparedness program in 2021 has trained over 100 volunteers in medical response, fall rescue, and confined space rescue.





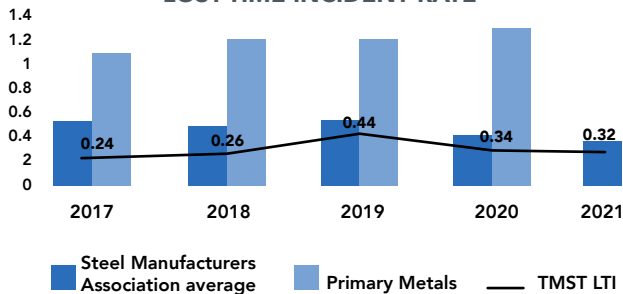
OSHA RECORDABLE INCIDENT RATE¹



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 Injury 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.



If people are thinking about safety, they are also thinking about quality and how they can be an asset to the company. Safety is awareness and awareness drives high performance."

On-Site Medical Clinic Supports Company's Holistic Approach to Occupational Health and Safety

The TimkenSteel Medical Clinic, located on the company's corporate campus in Canton, Ohio, plays a critical role in upholding our steadfast commitment to occupational health and safety. 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.

While we strive to ensure employees remain healthy and injury-free, we recognize the occupational hazards that exist within our industry. When a workplace injury does occur, our clinicians partner with the impacted employee throughout their personal rehabilitation journey.

TimkenSteel's Medical Clinic provides prompt treatment from a dedicated team of clinicians familiar with the functional requirements of specific TimkenSteel roles. Our clinicians collaborate directly with plant management and any outside providers to help our employees experience a safe and successful return to work.

In addition, the clinic continues to play a pivotal role in the company's ongoing response to COVID-19 and prioritizing the health and wellness of all employees and contractors. Since March 2020, the clinic has responded to more than 2,500 COVID-19-related inquiries, ranging from discussing symptomology to providing guidance aligned with the U.S. Centers for Disease Control and Prevention (CDC) recommendations.

Carolee Vanicek

Vice President of Manufacturing

SAFETY: A ROLE FOR EVERYONE

Our safety motto is: “If you see something, say something.” Feedback is tracked within the company’s asset management system to ensure proper investigation and resolution. Resolution is not approached in a silo. If there is a safety consideration that is relevant across plants, we formulate a system-wide approach and communicate accordingly. Additionally, a portion of each salaried employee’s compensation is tied to safety performance.

OUR SAFETY MOTTO:
If you see something, say something.

Company, Union United in Prioritization of Safety

Ensuring a safe work environment within each of our facilities requires a partnership between TimkenSteel and United Steelworkers (USW) Local 1123, which represents approximately 1,180 bargaining employees. A joint health and safety committee consisting of plant management, Union Safety Representatives (USRs), and plant safety coordinators meets quarterly to discuss feedback, suggestions for training, and other health and safety recommendations offered by the union.

USRs play an integral role in modeling conduct and fostering communication to promote safety within each of our facilities and to serve as a trusted link between the company and the union.

With the full engagement of our employees and the USW, several new initiatives, including special attention to hazard awareness, third-party audits, housekeeping initiatives, and continued safety protocols related to COVID-19, are being implemented in 2022 as we continue to prioritize safety performance through sustainable processes and culture improvements.



ENGAGING OUR EMPLOYEES

Everyone present at a TimkenSteel worksite is encouraged and empowered to share ideas and input through multiple communication channels. Our open-door policy is an affirmation of our belief that employees are entitled to receive answers to their concerns from their immediate manager or supervisor, and they have the right to take questions further if they believe they have not received proper consideration.

We believe that safe, in-person collaboration is critical to promoting quality and productivity. Some of our activities to foster open and honest discussions about our business performance include:

- **CEO listening sessions:** In 2021, our CEO began hosting small-group discussions with employees from each functional area of the business. The candid conversations are designed to supplement the company's quarterly town halls and elevate the voice of the individual employee. These continued discussions provide leadership with valuable insights that they can turn into meaningful actions.
- **Plant visits:** Our manufacturing leaders spend a significant amount of time visiting each of our facilities and interacting with employees to hear directly about successes and opportunities for improvement. This hands-on approach empowers leaders to transform employee feedback more efficiently into action. For example, during a plant visit, one employee noted that regular shift checks could be more detailed. We promptly reviewed the concern, determined that shift checks could, in fact, be improved and developed a more detailed process along with improved training for employees with shift check responsibilities.
- **Manager office hours:** Each plant manager hosts scheduled office hours and encourages open dialogue. In addition, our on-site supervisors host regular team meetings to share business updates, reinforce safety protocols, and more.

The COVID-19 pandemic significantly impacted our ability to conduct all-staff meetings and large-scale training sessions. However, we adapted by implementing more frequent one-to-one interactions and small-group gatherings while always adhering to the CDC health and safety recommendations. When in-person meetings were not possible, we conducted virtual meetings.

In early 2022, we began reintroducing more in-person interactions, including daily "toolbox talks" at each facility with hourly employees. These daily meetings focus on specific elements of our health and safety initiatives.

Our response to the COVID-19 Pandemic

Since March 2020, we have closely monitored the ever-changing COVID-19 landscape. Deemed an essential business by the governor of Ohio, TimkenSteel has remained fully operational throughout the pandemic, serving our customers while strictly following all public health directives to ensure the safety of our employees, their families, and our communities.

Like most companies, we have taken many necessary actions to keep our workforce safe. Everyone working at a TimkenSteel facility is expected to follow safe workplace practices based on guidelines established by the CDC, the OSHA and the Ohio Department of Health. Leveraging best practices, we have added enhanced cleaning and sanitation procedures, including the addition of air filtration and ionization in our plants and offices. Since the pandemic's onset, we have performed over 3,000 COVID-related compliance audits to ensure we remain diligent in these efforts.



EMBRACING CHANGE: ADOPTING A HYBRID WORK MODEL

At the onset of the COVID-19 pandemic, office-based employees transitioned to remote work to limit exposure and transmission of the virus. Because our office-based employees demonstrated that they could perform their job responsibilities successfully in a remote environment, we allowed impacted employees, based on business need and with supervisor approval, to adopt a hybrid work schedule when we began the safe reopening of our corporate campus in August 2021.

Our workplace policies have been updated to reflect our hybrid work schedule, and we are excited to continue to offer this flexibility to eligible employees.

89%
of salaried, non-operations employees have a professional development plan.

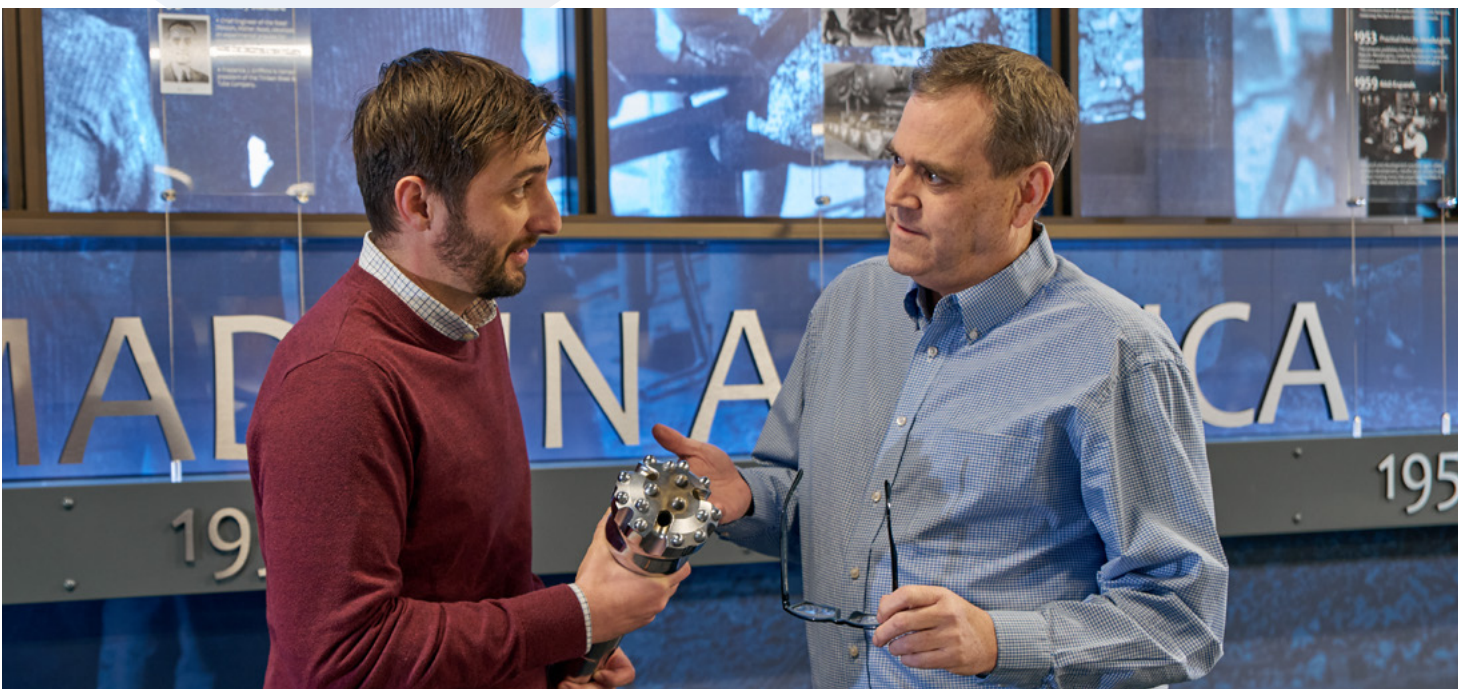
SUPPORTING OUR EMPLOYEES' CAREER ASPIRATIONS

The professional development of our employees is essential to the long-term, sustainable success of our business. We invest in the growth of our employees through on-the-job training, customized development plans, and a formal mentorship program. We also help prepare the workforce of tomorrow through apprenticeship opportunities.

Ongoing training is a cornerstone of how we uphold our unwavering commitment to quality. We offer curated training programs for employees at all levels through our learning management system.

TimkenSteel encourages all employees to continuously learn and grow. We have aligned our performance management system to support this focus. Our proactive approach is supported by a coaching mindset that strives to strengthen employees' problem-solving skills and inspire the discovery of best practices and innovative solutions that can be scaled across our operations.

Our employees are our most valuable resource, and we invest in their personal development. Twenty to 30 employees participate in the TimkenSteel Mentoring Program each year. A unique learning experience for both mentors and mentees, the year-long commitment provides the opportunity for employees to establish a formal mentoring relationship with senior team members focused on providing support, direction, and feedback around professional and personal development.





OUR HOLISTIC APPROACH TO WELL-BEING

At TimkenSteel, we dedicate ourselves to retaining the best people by providing them with opportunities to grow, build skills, and feel appreciated for their contributions as we all work to deliver best-in-class quality and service to our customers.

We provide competitive compensation and benefit programs that are designed to meet the needs of our employees while supporting profitable growth for our business by:

- Attracting, rewarding, and retaining the talent necessary to succeed
- Supporting the health and overall well-being of our employees
- Reinforcing a performance-based culture

ALIGNING EXECUTIVE COMPENSATION WITH PERFORMANCE

Our executive compensation program is designed to align our executives' interests with those of our investors, to reward leaders for strong business results, and to attract, retain, and motivate the best talent in the industry.

Our pay-for-performance philosophy embodies the following principles:

- Recognizes people are our strongest asset
- Rewards results linked to short- and long-term performance
- Positions pay competitively in the marketplace
- Drives a focus on increasing shareholder value



Strength in Numbers

We are proud to be one of the leading employers in Stark County, Ohio. Many of our employees are second-, third- and fourth-generation team members.

Average total wage and benefit compensation for hourly steelmaking employees has increased **12%** since 2017.

Average hourly wage for straight-time production employees is more than **60%** higher than the Canton-Massillon average.

(according to U.S. Bureau of Labor Statistics data)



LABOR RELATIONS

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

United by our shared goal to protect the health and safety of all during the COVID-19 outbreak while limiting disruption to our operations, both parties signed a pandemic-related memorandum of understanding. The commitment to transparency, open communication, and collaboration outlined in the agreement has allowed us to continue our 24/7 operations and deliver for our customers.

In October 2021, TimkenSteel's union employees voted in favor of a new, four-year contract that will run through September 27, 2025. The contract offers bargaining employees increases in base wages every year, competitive healthcare and retirement benefits for all members, and a continued focus on employee well-being and safe, sustainable operations.





DIVERSITY, EQUITY, AND INCLUSION

At TimkenSteel, we are committed to fostering diverse perspectives and creating an equitable, inclusive, and engaging culture. We believe this approach to building our culture is key to our continued success.

We are committed to promoting diversity, equity, and inclusion (DE&I) at all levels of our organization. TimkenSteel is a long-standing member of the Ohio Diversity Council and recently formed a DE&I Advisory Council to foster greater awareness and training within the organization. Currently, 44% of our Board members are diverse in terms of gender, race or ethnicity.¹ Additionally, 45% of our leaders, defined as senior managers and above, are diverse.²

At TimkenSteel, we believe our people are our strongest assets. We foster a culture that lends a variety of perspectives and expertise to our operations and reflects the communities in which we operate.

Approximately 15% of our workforce has served in the U.S. military. We have been recognized by the Ohio Department of Veterans Services for our veteran-friendly hiring and retention practices, and are a past recipient of The American Legion Large Employer of Veterans Award.

Our Employee Resource Groups (ERGs) provide networking, personal growth, and professional development opportunities for all employees.



Veterans' Group Organizes Flag Retirement Ceremony

To commemorate Flag Day on June 14, our VETS ERG held a flag collection drive of unserviceable flags. On Flag Day, participants observed a moment of silence as 174 folded flags, collected by employees, were respectfully retired at our Faircrest plant.



Young Professionals Network Hosts Holiday Art Supply Drive

In December 2021, our young professionals' ERG hosted a holiday art supply drive to benefit EN-RICH-MENT, a local nonprofit that serves as a safe haven for diverse youth providing a variety of free after-school and summer activities.

Through the generous contributions of our employees, the ERG was able to donate various craft supplies to the nonprofit through the United Way of Greater Stark County.

EN-RICH-MENT touches the lives of over 200 youth annually through classes and special events focused on healthy lifestyles, anti-bullying, and more.

¹ With respect to the members of our Board of Directors identified as diverse, two identify themselves as women, one as Hispanic/ Latino and one as Black. Data is current as of April 1, 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 is current as of April 1, 2022.



POSITIVELY IMPACTING OUR COMMUNITIES

Making a difference in our communities is part of our culture. We fulfill this commitment by providing employment opportunities and supporting economic growth while fostering dynamic places to live and work. We support education to help students in our communities realize their potential.

We remain a leader in corporate giving and employee volunteerism. In March 2022, TimkenSteel was honored with a Leading the Way Award from United Way of Greater Stark County, which celebrates the agency’s top corporate partners and their generosity.

COMMUNITY DONATIONS

TimkenSteel provides support to a variety of nonprofit organizations in Northeast Ohio. Our donations include office supplies, office furnishings, gently used computer equipment, holiday goods, and more to organizations such as:

- AlterCare Animal Clinic
- Arts in Stark (County)
- CommQuest Services
- Friends of Stark (County) Pound
- Goodwill Industries
- Habitat for Humanity East Central Ohio
- The Junior League of Stark County, Ohio
- Malone College
- William McKinley Presidential Library & Museum
- One of a Kind Pet Rescue
- Perry Helping Perry
- United Way of Greater Stark County
- YWCA Canton

CommQuest
MENTAL HEALTH | ADDICTION RECOVERY | SOCIAL SUPPORT

Habitat for Humanity
 East Central Ohio

WILLIAM MCKINLEY
1897 - 1901

MCKINLEY PRESIDENTIAL
 Library & Museum

United Way

United Way of Greater Stark County





GOVERNANCE AND ETHICS

TimkenSteel is committed to promoting the long-term interests of investors and other stakeholders and building public trust through good governance practices. We are committed to operating in accordance with the highest standards of ethics and integrity and maintaining robust programs focused on compliance.

CORPORATE GOVERNANCE

We regularly review and update, when necessary, the charters for our Board committees, director selection processes, and various policies and procedures designed to ensure effective and responsive governance. The company's corporate governance guidelines and the charters for each of our committees can be accessed from the investor relations section of our website.

Our corporate governance framework includes the following highlights:

- | | |
|--|---|
| ✓ Non-executive Chairman of the Board | ✓ Independent Audit, Compensation and Nominating and Corporate Governance Board committees |
| ✓ All directors, other than our CEO, are independent | ✓ Regular executive sessions of independent directors at Board and committee meetings |
| ✓ Annual independent Board and committee evaluations | ✓ Majority voting policy in uncontested elections of directors |
| ✓ Limits on director overboarding | ✓ Mandatory retirement age of 75 for directors |
| ✓ Risk management oversight by the full Board 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 |



TimkenSteel's Senior Leadership Team (from left to right): **Kevin Raketich**, Executive Vice President – Sales, Marketing and Business Development; **Michael Williams**, President and Chief Executive Officer; **Kristine Syrvalin**, Executive Vice President – General Counsel and Secretary; **Kristopher Westbrooks**, Executive Vice President and Chief Financial Officer



OVERSIGHT OF OUR SUSTAINABILITY STRATEGY

TimkenSteel’s Board of Directors oversees the company’s sustainability program, including an annual review of our strategy, and environmental, social, and governance (ESG) risks and opportunities.

Our governance structure facilitates the establishment of sustainability priorities by the company’s senior management team (in alignment with the strategy set by the Board), with functional area experts throughout the company responsible for leading projects to implement those priorities.

At the management level, a cross-functional steering committee comprised of senior-level leaders representing the company’s legal, finance, environmental, human resources, communications, manufacturing, engineering, supply chain, and commercial organizations is responsible for driving our strategy and progress in key focus areas, including:

- Establishing goals and key performance indicators (KPIs)
- Prioritizing workstreams
- Identifying ESG-related risks and opportunities
- Embedding a sustainability mindset into our company culture

“Sustainability is the umbrella under which all decisions are examined. It is fundamental to how we do business. Investors and the business community are moving away from short-term gains and returns and looking at a more long-term approach. There is a true shift in what it means to be a high-performing company.”

Danielle Higgins
Senior Counsel

SUSTAINABILITY GOVERNANCE AT TIMKENSTEEL

BOARD OF DIRECTORS

Role: Provides oversight of sustainability strategy, ESG-related risks and opportunities, goals, targets, and key disclosures.

EXECUTIVE TEAM

Role: Provides guidance and direction on sustainability strategy, ESG-related risks and opportunities, goals, targets, action plans, and disclosures.

ESG STEERING COMMITTEE

Role: Accountable for driving sustainability strategy and progress in key focus areas, including establishing goals and KPIs, prioritizing workstreams, identifying ESG-related risks and opportunities, and operationalizing sustainability mindset into company culture.

HUMAN RESOURCES	ENVIRONMENT	OPERATIONS	HEALTH & SAFETY	ENGINEERING
LEGAL & COMPLIANCE	INFORMATION TECHNOLOGY	SUPPLY CHAIN	COMMUNICATIONS & INVESTOR RELATIONS	FINANCE

Roles: Cross-functional teams that execute our sustainability strategy and lead specific business function projects.



ENTERPRISE RISK MANAGEMENT STRATEGY

TimkenSteel's Board of Directors and its standing committees oversee 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.

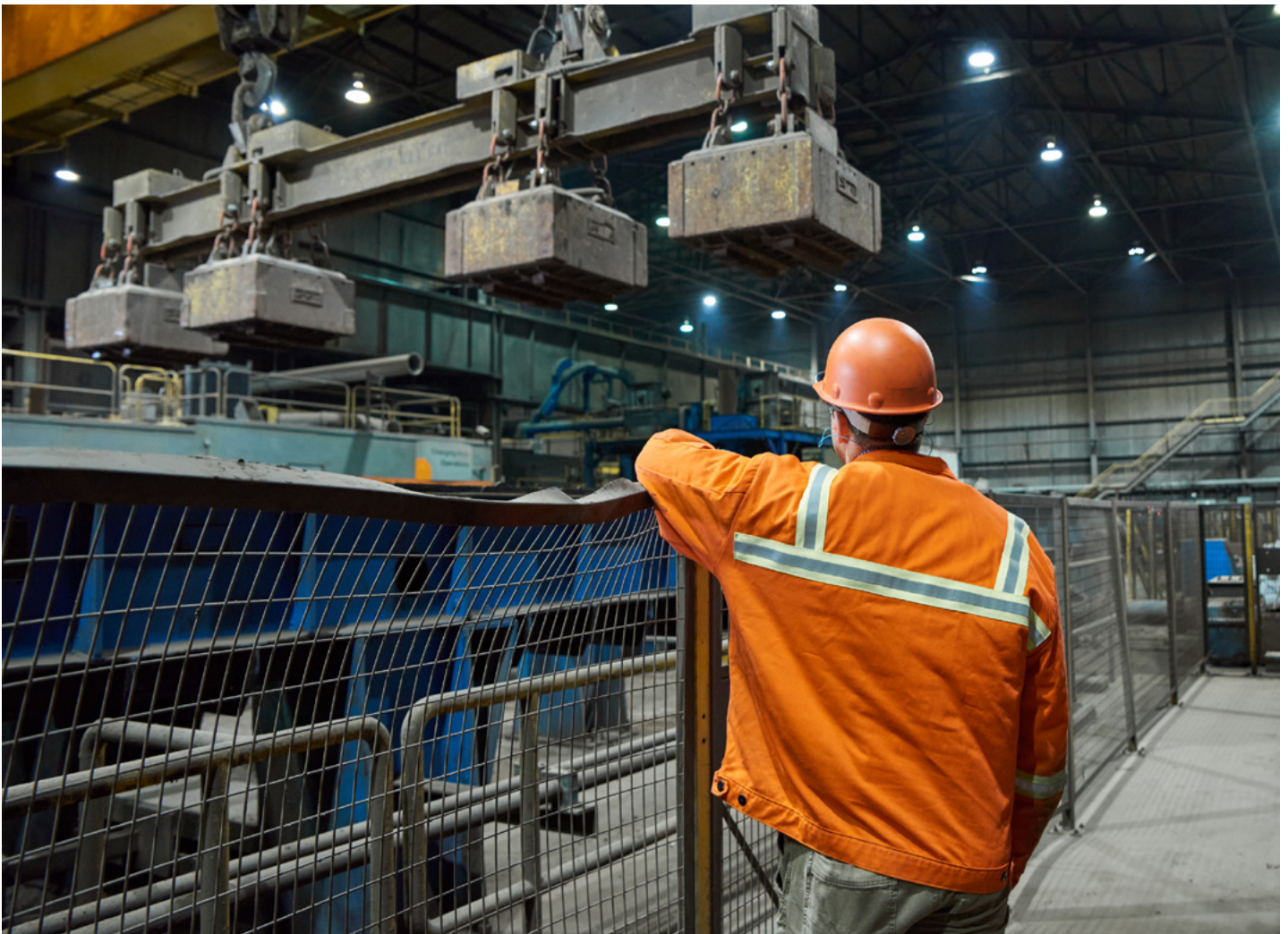
Our ESG Steering Committee, in coordination with our Law Department, regularly evaluates potential, emerging, and current climate-related risks, including:

- **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 gases through emissions standards, renewable energy targets, carbon emission pricing, and similar initiatives, and are requiring heightened environmental monitoring

and disclosures. These initiatives aimed at reducing greenhouse gas (GHG) emissions may impact our operations directly or through our suppliers or customers requiring 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.

You can read more about our strategy to mitigate climate-related risks and support the clean economy through our process and product improvements in the [Environmental Stewardship](#) section of this report.



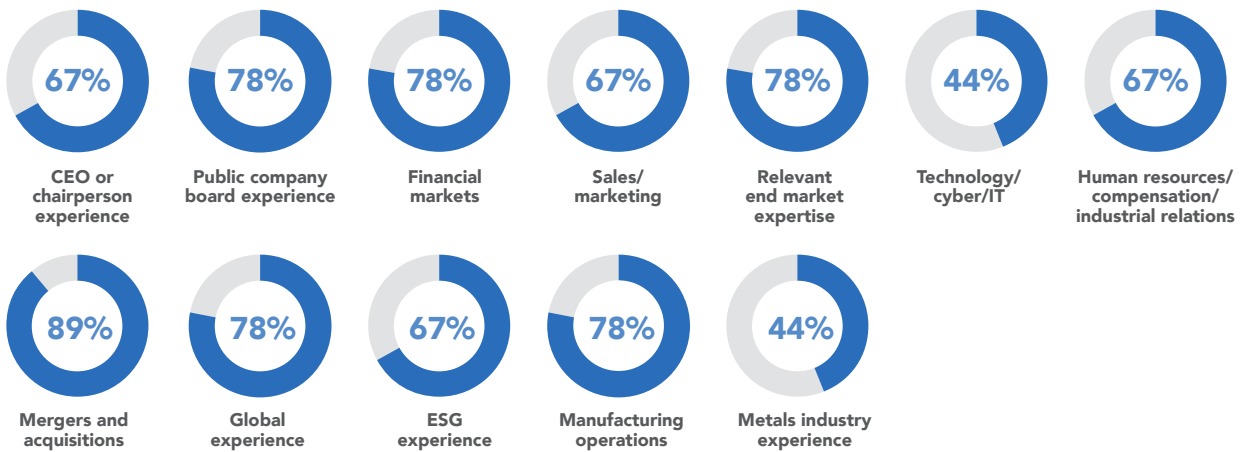
The Board and its committees review information related to the company’s environmental and safety performance, as well as human resources and governance matters, on a regular basis. The following chart highlights some of these matters, including the Board and/or committee responsible and the frequency with which these matters are reviewed.

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

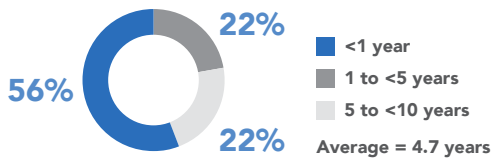
BOARD COMPOSITION AND DIVERSE SKILL SETS

Members of TimkenSteel’s Board of Directors possess a broad and diverse mix of experiences and skill sets that enable them to provide effective oversight and create long-term sustainable shareholder value.

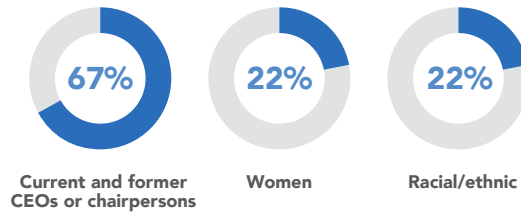
DIRECTOR QUALIFICATIONS



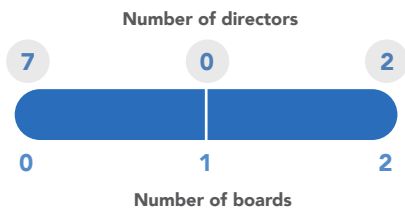
DIRECTOR TENURE



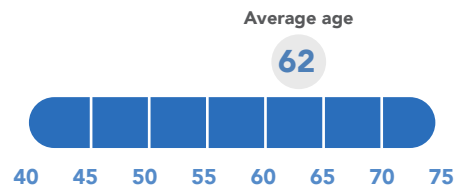
DIVERSITY OF BACKGROUND



CURRENT NUMBER OF PUBLIC COMPANY BOARDS (OTHER THAN TIMKENSTEEL)



DIRECTOR AGE



OUR COMMITMENT TO ETHICS AND COMPLIANCE

We are proud of our long-standing reputation for 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 recognize that we are all responsible for our company culture and for the impact our practices have on society as a whole.

The TimkenSteel Code of Conduct sets forth policies covering a broad range of subjects, including 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.

Our Code of Conduct prohibits child and forced labor and TimkenSteel does not currently engage in the specific actions described in Section 3(c)(1)(5) of the California Transparency in Supply Chains Act of 2010.

All employees and directors receive training on the Code, 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.

EMPOWERING EVERYONE TO SPEAK UP

Every voice is important and we are committed to maintaining a workplace environment where open and honest communication is the expectation, not the exception.

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. Additionally, 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. A report is prepared following every submission that is forwarded to the appropriate company representative. 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 through the HelpLine and other reporting channels.

HelpLine Suggestion Leads to More Inclusive Environment

Prompted by an anonymous suggestion received through the TimkenSteel Helpline, plant management was asked to evaluate the locker room facilities at each of our steel plants to determine ways to increase privacy in light of gender identification considerations.

The TimkenSteel Helpline tip and subsequent review led to the addition of privacy options within the locker rooms at each steel plant. The decision and corresponding action plan were shared through TimkenSteel HelpLine's follow-up report. The updates began in late 2021 and were completed in early 2022.

TimkenSteel continues to follow the Occupational Safety and Health Administration's (OSHA) best-practices guidance stating that employees should be allowed to use locker room facilities that correspond to their gender identity, and used the feedback submitted through the TimkenSteel HelpLine to create a more supportive and welcoming environment for all.



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

In accordance with our Supplier Code of Conduct, TimkenSteel seeks to work with suppliers that share our Core Values. The Code 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, non-discrimination, gift and gratuity policy, and conflict minerals. It explains our approach to compliance monitoring, application to subcontractors, and actions to address violations.

We hold our partners accountable and expect them to adhere to the highest standards of ethical business practices outlined in the Code. When issues or violations occur, we work with the impacted parties to identify the root cause and determine proper remediation. When appropriate, we share lessons learned broadly with our contractors and suppliers to promote awareness and proper behaviors. In addition, we collaborate with them to share best practices from our respective sustainability journeys.

Consistent with our culture, the health and safety of everyone on-site is our top priority. Our contractors are an integral part of our operations, and our training reflects that. We regularly hold safety summits with our contractors and suppliers to verify that they understand our processes and have been properly trained and vetted.

PROTECTING OUR DATA AND IT ASSETS

Securing the company's information technology (IT) system and the data it stores and transmits is a critical aspect of our responsibility as a trusted employer and partner to our customers and suppliers. The company's cybersecurity and data privacy strategies align with industry standards and support our business goals and objectives.

Everyone has a role to play. Our employees are our first line of defense in protecting our assets, and thus, our threat mitigation efforts focus on quarterly training modules and other cybersecurity initiatives. For example, we conduct tabletop exercises and deploy seasonally relevant phishing campaigns monthly to test user awareness and understanding.

In light of the pervasive and increasing threat from cyberattacks, our Board of Directors, with input from management, assesses the measures implemented to mitigate and prevent cyberattacks. The Board consults with management regarding ongoing cybersecurity initiatives, and requests that management report periodically on their assessment of our cybersecurity programs and risks.

As part of our commitment to continuous improvement, we partner with third parties to evaluate, test, and adjust our preparedness plans. Our approach is designed to ensure our comprehensive action plans continue to proactively address the ever-evolving cybersecurity landscape, empowering the company to promptly and effectively respond to a variety of scenarios associated with a potential cybersecurity incident.





2021 was a phenomenal year and we are not done yet. With a focus on sustainability and operational excellence, our future is full of possibility.”

At Our Core:

We are strong and sustainable.

At Our Core:

We are committed, and believe in the power that steel has to make the world a better place.

At Our Core:

We care, and we understand our impact and the need to innovate to provide benefit to society and to the communities in which we operate.

Michael Williams

TimkenSteel President and Chief Executive Officer



APPENDIX

TimkenSteel’s 2021 Sustainability Accounting Standards Board (SASB) disclosure is comprised of SASB’s Iron & Steel Producers industry standard, which discloses performance on topics and metrics specific to our industry and of interest to our investors and other stakeholders. Our 2021 Sustainability Report provides additional context with respect to our approach to priority issues outlined in this disclosure.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE TIMKENSTEEL CORPORATION

TOPIC	ACCOUNTING METRIC	TIMKENSTEEL DISCLOSURE				CODE	
		2018	2019	2020	2021		
Greenhouse Gas (GHG) Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	<i>Gross global Scope 1 emission³ (Metric tons (t) CO₂-e)</i>	433,774	307,085	203,448	251,408	EM-IS-110a.1
		<i>Percentage covered under emissions-limiting regulations</i>	0%	0%	0%	0%	
		<p>The U.S. Environmental Protection Agency (US EPA) does not currently regulate GHG emissions under a national emissions standard for iron and steel production. However, our U.S. Canton, Ohio, steel manufacturing facilities are regulated under Title V of the Clean Air Act and constitute the reporting boundary for which climate-related impacts are evaluated. The three (3) facilities consist of one (1) electric arc furnace (EAF) steel melting facility and two (2) facilities focused on steel tube and bar processing.</p> <p>Our manufactured components facilities, office buildings, and other sources of emissions not regulated under the Clean Air Act are excluded from this disclosure as they do not have any regulated sources which can be accounted for by this methodology and, in our estimate, any values generated by these two plants would be insignificant compared with our regulated sources.</p>					
Greenhouse Gas (GHG) Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<p>TimkenSteel has been actively engaged in managing Scope 1 GHG emissions, which we have been tracking since October 2009 consistent with the U.S. Environmental Protection Agency (EPA) mandatory GHG reporting rule. Our strategy to mitigate carbon emissions is an integral part of our overall sustainability strategy. Our Board of Directors oversees the company’s sustainability and ESG strategy, risks, and opportunities. At the management level, we have established a cross-functional steering committee, comprised of senior-level leaders with responsibility for sponsoring, informing, and advising on high priority sustainability projects. Core working groups are then established to lead individual high priority topics and projects.</p> <p>Each of our domestic 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., hydrogen and renewable fuels). We are also beginning to explore technologies relating to carbon capture or sequestration, heat recapture, and the like.</p> <p>TimkenSteel established quantitative GHG emissions reductions targets in 2021. By 2030, TimkenSteel intends to reduce combined Scopes 1 and 2 emissions of CO₂e by 40% compared to a baseline year of 2018. The company has met and will continue to monitor this goal.</p>				EM-IS-110a.2	

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE TIMKENSTEEL CORPORATION

TOPIC	ACCOUNTING METRIC	TIMKENSTEEL DISCLOSURE				CODE																																													
Air Emissions	Air emissions of the following pollutants: (1) CO, (2) NO _x (excluding N ₂ O), (3) SO _x , (4) particulate matter (PM ₁₀), (5) manganese (MnO), (6) lead (Pb), (7) volatile organic compounds (VOCs), and (8) polycyclic aromatic hydrocarbons (PAHs)	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="text-align: left;"><i>Metric tons (t)</i></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td><i>CO</i></td> <td>1317</td> <td>888</td> <td>664</td> <td>881</td> </tr> <tr> <td><i>NO_x (excluding N₂O)</i></td> <td>406</td> <td>286</td> <td>234</td> <td>398</td> </tr> <tr> <td><i>SO_x</i></td> <td>269</td> <td>165</td> <td>115</td> <td>107</td> </tr> <tr> <td><i>Particulate matter (PM₁₀)</i></td> <td>69</td> <td>32</td> <td>32</td> <td>34</td> </tr> <tr> <td><i>Manganese (MnO)</i></td> <td>.0008</td> <td>.0012</td> <td>.0005</td> <td>.0008</td> </tr> <tr> <td><i>Lead (Pb)</i></td> <td>.0350</td> <td>.0240</td> <td>.018</td> <td>.017</td> </tr> <tr> <td><i>Volatile organic compounds (VOCs)</i></td> <td>71</td> <td>44</td> <td>33</td> <td>39</td> </tr> <tr> <td><i>Polycyclic aromatic hydrocarbons (PAHs)</i></td> <td>.0003</td> <td>.0002</td> <td>.0002</td> <td>.0002</td> </tr> </tbody> </table> <p>Emissions obtained from Ohio EPA fee emission reports for all pollutants except MnO and PAH. MnO and PAH emissions are obtained from supporting documents used to prepare the fee emission reports. The air emissions estimates in this disclosure attempt to quantify emissions from all regulated activities and sources of emissions at our steel mills. The estimates do not include emissions from our steel manufactured components facilities, office buildings, and sources of emissions not subject to regulation under the Clean Air Act.</p>				<i>Metric tons (t)</i>	2018	2019	2020	2021	<i>CO</i>	1317	888	664	881	<i>NO_x (excluding N₂O)</i>	406	286	234	398	<i>SO_x</i>	269	165	115	107	<i>Particulate matter (PM₁₀)</i>	69	32	32	34	<i>Manganese (MnO)</i>	.0008	.0012	.0005	.0008	<i>Lead (Pb)</i>	.0350	.0240	.018	.017	<i>Volatile organic compounds (VOCs)</i>	71	44	33	39	<i>Polycyclic aromatic hydrocarbons (PAHs)</i>	.0003	.0002	.0002	.0002	EM-IS-120a.1
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Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td><i>Total energy consumed (GJ)*</i></td> <td>10,545,937</td> <td>7,564,176</td> <td>5,563,317</td> <td>6,985,043</td> </tr> <tr> <td><i>Percentage grid electricity</i></td> <td>39.6%</td> <td>40.9%</td> <td>40.3%</td> <td>39.3%</td> </tr> <tr> <td><i>Percentage renewable</i></td> <td>4.5%</td> <td>5%</td> <td>5%</td> <td>5%</td> </tr> </tbody> </table> <p>*Electricity + natural gas + oxygen</p> <p>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.”</p> <p>TimkenSteel established quantitative energy management targets in 2021. By 2030, TimkenSteel intends to reduce total energy consumption by 30% compared to a baseline year of 2018. The company has met and will continue to monitor this goal.</p>					2018	2019	2020	2021	<i>Total energy consumed (GJ)*</i>	10,545,937	7,564,176	5,563,317	6,985,043	<i>Percentage grid electricity</i>	39.6%	40.9%	40.3%	39.3%	<i>Percentage renewable</i>	4.5%	5%	5%	5%	EM-IS-130a.1																									
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SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE TIMKENSTEEL CORPORATION

TOPIC	ACCOUNTING METRIC	TIMKENSTEEL DISCLOSURE				CODE																									
Energy Management	(1) Total fuel consumed, (2) percentage coal, (3) percentage natural gas, (4) percentage renewable	<table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td><i>Total fuel consumed (GJ)*</i></td> <td>6,385,122</td> <td>4,489,985</td> <td>3,333,531</td> <td>4,243,362</td> </tr> <tr> <td><i>Percentage coal</i></td> <td>0%</td> <td>0%</td> <td>0%</td> <td>0%</td> </tr> <tr> <td><i>Percentage natural gas</i></td> <td>99.95%</td> <td>99.95%</td> <td>99.95%</td> <td>99.95%</td> </tr> <tr> <td><i>Percentage renewable**</i></td> <td>0%</td> <td>0%</td> <td>0%</td> <td>0%</td> </tr> </tbody> </table>					2018	2019	2020	2021	<i>Total fuel consumed (GJ)*</i>	6,385,122	4,489,985	3,333,531	4,243,362	<i>Percentage coal</i>	0%	0%	0%	0%	<i>Percentage natural gas</i>	99.95%	99.95%	99.95%	99.95%	<i>Percentage renewable**</i>	0%	0%	0%	0%	EM-IS-130a.2
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<i>Percentage renewable**</i>	0%	0%	0%	0%																											
*Natural gas + oxygen																															
**TimkenSteel does not currently purchase renewable energy beyond that which is already part of the grid mix in the locations where we operate.																															
Water Management	(1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	<table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td><i>Total fresh water withdrawn (1000m³)</i></td> <td>6,622</td> <td>5,944</td> <td>5,530</td> <td>4,573</td> </tr> <tr> <td><i>Percentage recycled*</i></td> <td>553%</td> <td>477%</td> <td>446%</td> <td>514%</td> </tr> <tr> <td><i>Percentage in regions with High or Extremely High Baseline Water Stress</i></td> <td>0%</td> <td>0%</td> <td>0%</td> <td>0%</td> </tr> </tbody> </table>					2018	2019	2020	2021	<i>Total fresh water withdrawn (1000m³)</i>	6,622	5,944	5,530	4,573	<i>Percentage recycled*</i>	553%	477%	446%	514%	<i>Percentage in regions with High or Extremely High Baseline Water Stress</i>	0%	0%	0%	0%	EM-IS-140a.1					
			2018	2019	2020	2021																									
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Greater than 99% of water withdrawn serves our Canton, Ohio facilities. This includes water from wells and public utilities at all plants. All TimkenSteel facilities and water activity are in regions of Low Baseline Water Stress.																															
*Through our Water Treatment Plant, TimkenSteel processes and recycles approximately five or more times the amount of water withdrawn.																															
TimkenSteel established quantitative water management targets in 2021. By 2030, TimkenSteel intends to reduce fresh water consumption by 35% compared to a baseline year of 2018 and is on track to meet or exceed this goal.																															
Waste Management	Amount of waste generated, percentage hazardous, percentage recycled	<table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td><i>Amount of waste generated (metric tons)</i></td> <td>26,617</td> <td>18,746</td> <td>12,704</td> <td>16,496</td> </tr> <tr> <td><i>Percentage hazardous</i></td> <td>70.8%</td> <td>71.8%</td> <td>76.0%</td> <td>79.4%</td> </tr> <tr> <td><i>Percentage recycled*</i></td> <td>77.8%</td> <td>79.6%</td> <td>81.7%</td> <td>83.3%</td> </tr> </tbody> </table>					2018	2019	2020	2021	<i>Amount of waste generated (metric tons)</i>	26,617	18,746	12,704	16,496	<i>Percentage hazardous</i>	70.8%	71.8%	76.0%	79.4%	<i>Percentage recycled*</i>	77.8%	79.6%	81.7%	83.3%	EM-IS-150a.1					
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<i>Percentage recycled*</i>	77.8%	79.6%	81.7%	83.3%																											
TimkenSteel established quantitative waste management targets in 2021. By 2030, TimkenSteel intends to reduce waste-to-landfill intensity 10% compared to a baseline year of 2018. The company has met and will continue to monitor this goal.																															
*95% of outbound recycled material is dust collected from our electric arc furnace (EAF). TimkenSteel has an existing internal recycling program and is in the process of developing additional internal recycling activity metrics.																															

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE TIMKENSTEEL CORPORATION

TOPIC	ACCOUNTING METRIC	TIMKENSTEEL DISCLOSURE				CODE																									
<p>Workforce Health & Safety</p>	<p>(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees</p>	<table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td><i>Total recordable incident rate (TRIR)</i></td> <td>2.32</td> <td>2.66</td> <td>1.70</td> <td>1.85</td> </tr> <tr> <td><i>Fatality rate</i></td> <td>0</td> <td>0</td> <td>0</td> <td>.19</td> </tr> <tr> <td><i>Near miss frequency rate (NMFR) for full-time employees</i></td> <td>n/a</td> <td>n/a</td> <td>4.80</td> <td>7.31</td> </tr> <tr> <td><i>Near miss frequency rate (NMFR) for contractors</i></td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> </tbody> </table>					2018	2019	2020	2021	<i>Total recordable incident rate (TRIR)</i>	2.32	2.66	1.70	1.85	<i>Fatality rate</i>	0	0	0	.19	<i>Near miss frequency rate (NMFR) for full-time employees</i>	n/a	n/a	4.80	7.31	<i>Near miss frequency rate (NMFR) for contractors</i>	n/a	n/a	n/a	n/a	<p>EM-IS-320a.1</p>
			2018	2019	2020	2021																									
		<i>Total recordable incident rate (TRIR)</i>	2.32	2.66	1.70	1.85																									
		<i>Fatality rate</i>	0	0	0	.19																									
		<i>Near miss frequency rate (NMFR) for full-time employees</i>	n/a	n/a	4.80	7.31																									
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<p><i>Near miss frequency rate (NMFR) for contractors</i></p>	n/a	n/a	n/a	n/a																											
<p>Safety data includes all U.S. TimkenSteel facilities. Rates are based on 200,000 hours worked and include injuries and hours of contract employees directly supervised by TimkenSteel, consistent with U.S. Occupational Health and Safety Administration (OSHA) regulations. TimkenSteel maintains a safety-oriented culture, targeting zero incidents.</p> <p>TimkenSteel does not currently have a system in place to capture hours worked by all contractors, therefore we are unable to calculate a Near Miss Frequency Rate (NMFR) for contractors.</p>																															
<p>Supply Chain Management</p>	<p>Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues</p>	<p>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. We produce 100% of our steel primarily from recycled scrap metals, along with virgin alloys, as required for meeting customer product specifications.</p>				<p>EM-IS-430a.1</p>																									

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE TIMKENSTEEL CORPORATION

ACTIVITY METRIC	TIMKENSTEEL DISCLOSURE				CODE	
	2018	2019	2020	2021		
Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes	<i>Raw steel production: basic oxygen furnace processes (metric tons)</i>	0	0	0	0	EM-IS-000.A
	<i>Raw steel production: electric arc furnace processes (metric tons)</i>	1,415,411	964,353	648,173	923,707	
	<i>Raw steel production: basic oxygen furnace processes (%)</i>	0%	0%	0%	0%	
	<i>Raw steel production: electric arc furnace processes (%)</i>	100%	100%	100%	100%	
TimkenSteel does not own any Basic Oxygen Furnaces (BOFs) or produce iron ore or coking coal.						
Total iron ore production		2018	2019	2020	2021	EM-IS-000.B
	<i>Total iron ore production (metric tons)</i>	0	0	0	0	
Total coking coal production		2018	2019	2020	2021	EM-IS-000.C
	<i>Total coking coal production (metric tons)</i>	0	0	0	0	

Notes:

The SASB Foundation was founded in 2011 to “establish and maintain industry-specific standards that assist companies in disclosing financially material, decision-useful sustainability information to investors” (SASB Guidance for Iron and Steel Producers. October 2018). Use of SASB standards is voluntary.

SASB recognizes that there may be uncertainty when measuring or reporting certain sustainability information. This uncertainty may be related to variables such as a reliance on data from third-party reporting systems or emerging technologies for the collection and management of environmental and other data. Where uncertainty around data reporting exists, the entity should discuss its nature and likelihood (SASB Standards Application Guidance. Version 2018-10).

Minor adjustments have been made to some of the metrics contained in this report as compared with our 2020 SASB report to better align our reporting with guidance from SASB, Greenhouse Gas Protocol and ISO 90011 standards.

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 2021 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
b) Management role in assessing and managing climate-related risks and opportunities	Oversight of Our Sustainability Strategy
Strategy	
Climate-related risks and opportunities the organization has identified over the short, medium and long term	Enterprise Risk Management Strategy
Impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	Enterprise Risk Management Strategy
Potential impact of different scenarios, including a 2°C scenario, on the organization's businesses, strategy and financial planning	Evaluating Climate-Related Risk
Risk Management	
Organization's processes for identifying and assessing climate-related risks	Enterprise Risk Management Strategy
Organization's process for managing climate risks	Enterprise Risk Management Strategy
How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Enterprise Risk Management Strategy
Metrics and Targets	
Metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process	2030 Environmental Goals
Greenhouse (GHG) emissions	Performance to Goals Table

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, 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 which may relate to our purpose, ambitions, aims, commitments, targets, plans, and 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, COVID-19-related 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 the COVID-19 pandemic 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.

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, 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 its 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.

TIMKENSTEEL 

AT OUR CORE

STRONG | SUSTAINABLE | STEEL

2021 SUSTAINABILITY REPORT

sustainability@timkensteel.com