

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

February 7, 2023



**TIMKENSTEEL CORPORATION**

(Exact name of registrant as specified in its charter)

**Ohio**

(State or Other Jurisdiction of Incorporation)

**1-36313**

(Commission File Number)

**46-4024951**

(I.R.S. Employer Identification No.)

**1835 Dueber Avenue, SW, Canton, OH 44706**

(Address of Principal Executive Offices) (Zip Code)

**(330) 471-7000**

(Registrant's Telephone Number, Including Area Code)

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, without par value	TMST	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or

revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

At a meeting of the Compensation Committee (the “Committee”) of the TimkenSteel Corporation (the “Company”) Board of Directors held on February 7, 2023, the Committee approved the amendment and restatement of the Company’s annual incentive plan for salaried employees, known as the Annual Performance Award Plan (“APA Plan”), for the primary purpose of reflecting certain changes to the design of metrics and weightings under the APA Plan. The Committee also approved the form of performance-based restricted share unit agreement pursuant to which performance share awards will be granted for the 2023-2025 performance cycle. This description is a summary only and is qualified by the full text of the TimkenSteel Corporation Amended and Restated Annual Performance Award Plan and the form of Performance-Based Restricted Share Unit Agreement, which are incorporated herein by reference and filed as Exhibits 10.1 and 10.2, respectively.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

The following exhibits are filed with this Current Report on Form 8-K:

- 10.1 [TimkenSteel Corporation Amended and Restated Annual Performance Award Plan effective January 1, 2023](#)
  - 10.2 [Form of Performance-Based Restricted Share Unit Agreement](#)
  - 104 Cover Page Interactive Data File (embedded within the inline XBRL document)
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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TIMKENSTEEL CORPORATION

Date: February 9, 2023

By: /s/ Kristine C. Syrvalin

Kristine C. Syrvalin

Executive Vice President, General Counsel and Chief Human Resources Officer

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**TIMKENSTEEL CORPORATION**  
**AMENDED AND RESTATED**  
**ANNUAL PERFORMANCE AWARD PLAN**  
**(Effective as of January 1, 2023)**

**Purpose**

The purpose of the TimkenSteel Corporation Annual Performance Award Plan (the “Plan”) is to promote the profitable growth of TimkenSteel Corporation (the “Company”) by:

- Recognizing corporate, business unit (if applicable) and individual performance achievement.
- Attracting, motivating and retaining superior talent.

**Administration**

It is the responsibility of senior management of the Company to execute the provisions of the Plan (except for such responsibilities as are specifically reserved by the Plan for the Compensation Committee). The Compensation Committee (the “Committee”) approves financial goals, participation, target incentive awards, actual incentive awards, timing of payment and other actions necessary to the administration of the Plan.

**Participation**

The participant group includes Company executive officers and other key employees of the Company and its subsidiaries who are designated as participants by the Committee or its designee.

**Incentive Opportunity**

Each position is assigned a target incentive expressed as a percentage of annual base salary. The targets are based on market data for companies that are similar for compensation purposes, including companies of similar size and similar industries. The targets are reviewed periodically by management, and the Committee will approve all target incentives for executive officers.

The full target incentive opportunity represents an appropriate incentive award if performance standards are met, and the actual payout can range from 0% to 200% of the target incentive opportunity based on performance. The applicable metrics and weightings assigned to such metrics will be reviewed annually and changes will be reviewed and , with respect to any changes applicable to executive officer incentive opportunities approved by, the Committee). The applicable metrics and weightings for each participant can vary dependent on the assigned grades and/or positions for participants.

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## **Performance Measures**

### ***Corporate and Business Unit Metrics***

At the beginning of each year (or, in the case of the year in which this Plan becomes effective, no later than the 60th day after the initial effective date of the Plan), the Committee will specify the financial or non-financial performance measures to be used to evaluate corporate and business unit (if applicable) performance for the coming year. Potential performance measures include, but are not limited to:

- Cash flow (including free cash flow)
- Comparisons with various stock market indices
- Continuous improvement
- Cost of capital
- Customer service
- Debt reduction
- Earnings growth (including earnings per share, earnings before interest and taxes and earnings before interest, taxes, depreciation and amortization)
- Financial performance exceeding that of peer/competitor companies
- Gross profits
- Improvement of shareholder return
- Inventory management
- Net income
- Productivity improvement
- Profit after taxes
- Quality
- Recruitment and development of excellent employees with emphasis on diversity
- Reduction of fixed costs
- Return on assets
- Return on equity
- Return on invested capital (EBIT/BIC)
- Safety
- Sales from new products
- Sales growth
- Successful start-up of new facility
- Successful acquisition/divestiture
- Working capital
- Economic profit

For the corporate and business unit (if applicable) metrics of the Plan, the payout earned on each applicable metric will be determined by the degree to which the target performance objective is achieved for such metric. Payouts for performance that falls between threshold, target and maximum will be interpolated unless established otherwise at the beginning of the plan year.

If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, the manner in which it conducts business or other events or circumstances render the performance objectives to be unsuitable, the Committee may modify

such performance objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate.

### ***Individual Performance Metric***

Individual performance goals will be established for each participant consistent with the Company's performance management process. The participant's supervisor (or with respect to executive officer participants, the Committee) will assess the participant's performance against these goals and, if individual performance is an applicable metric for the participant, the final performance rating category assigned to the participant will then determine the payout earned on the individual performance metric for the participant as follows:

Performance Rating	Payout on Individual Performance Metric
1	0%
2	75%
3	100%
4	150%
5	200%

Payouts for performance that falls between the specified performance ratings will have a payout determined by rounding (based on two decimal points) to the nearest performance rating, rather than having payouts for performance between the specified ratings be interpolated, unless the Committee determines otherwise.

### **Award Determination**

A participant's incentive award will be the sum of the payout earned for each applicable metric (corporate and business unit metrics and, if applicable, individual performance) multiplied by the weighting assigned to such metric for that participant. The sum of all participant incentive determinations will equal the total fund.

### **Incentive Payments**

At the end of the year, senior management will determine whether corporate performance has exceeded the minimum performance requirement for paying incentives. Senior management will recommend to the Committee the total fund based on its assessment of performance achievement for the applicable corporate and business unit (if applicable) metrics and individual performance metrics. The Committee may make further adjustments to such management recommendations based on its assessment of financial and non-financial performance.

For the avoidance of doubt, the Committee will determine and measure achievement of corporate and, if applicable, individual goals and objectives for executive officers under the Plan.

Awards under the Plan will be paid in cash as soon as practicable after the Committee's determination of the award payments. For U.S. participants, in no event will the awards be paid later than two and one-half months after the close of the last fiscal year of the Company to which the award relates.

For U.S. participants, one hundred percent of awards under the Plan will be included in earnings for the purpose of calculating 401(k) plan benefits. Awards will not be included for purposes of any other employee benefits plans, except long-term disability.

### **Recovery of Incentive Payments**

Except to the extent that the Compensation Recovery Policy is applicable as provided below, if any restatement of any part of the Company's financial statements for any fiscal year or years due to material noncompliance with any financial reporting requirement under the U.S. securities laws applicable to such fiscal year or years occurs (a "Restatement") and the Committee determines that a participant is personally responsible for causing the Restatement as a result of the participant's personal misconduct or any fraudulent activity on the part of the participant, then the Committee has discretion to, based on applicable facts and circumstances and subject to applicable law, cause the Company to recover all or any portion (but no more than 100%) of the incentive payments paid or payable to the participant for some or all of the years covered by the Restatement. The amount of any incentive payments recovered by the Company shall be limited to the amount by which such incentive payments exceeded the amount that would have been paid to or received by the participant had the Company's financial statements for the applicable restated fiscal year or years been initially filed as restated, as reasonably determined by the Committee. Unless otherwise required by applicable law or regulation, the Company may seek recovery of any incentive payments under this Plan only if the restatement occurs within thirty-six (36) months of the publication of the financial statements that are required to be restated.

The Committee shall also determine whether the Company shall effect any recovery by: (a) seeking repayment from the participant; (b) reducing, except with respect to any non-qualified deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended, the amount that would otherwise be payable to the participant under any compensatory plan, program or arrangement maintained by the Company (subject to applicable law and the terms and conditions of such plan, program or arrangement); (c) by withholding, except with respect to any non-qualified deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended, payment of future increases in compensation (including the payment of any discretionary bonus amount) that would otherwise have been made to the participant in accordance with the Company's compensation practices; or (d) by any combination of these alternatives.

Notwithstanding the foregoing, the incentive payments described herein are subject to the terms and conditions of the Company's clawback policy (if any) as may be in effect from time to time, including specifically any such clawback policy adopted or amended to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Common Shares are traded) (the "Compensation Recovery Policy"), and, to the extent that the

Compensation Recovery Policy, by its terms, is applicable to a participant's award under this Plan, the foregoing provisions of this Plan regarding Recovery of Incentive Payments will be deemed superseded in their entirety by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.

**No Right to Bonus or Continued Employment**

Neither the establishment of the Plan, the provision for or payment of any amounts hereunder nor any action of the Company, the Board of Directors of the Company or the Committee with respect to the Plan shall be held or construed to confer upon any person (a) any legal right to receive, or any interest in, an incentive payment or any other benefit under the Plan or (b) any legal right to continue to serve as an officer or employee of the Company or any subsidiary thereof.

**Withholding**

The Company shall have the right to withhold, or require a participant to remit to the Company, an amount sufficient to satisfy any applicable federal, state, local or foreign withholding tax requirements imposed with respect to the payment of any incentive payment.

**Nontransferability**

Except as expressly provided by the Committee, the rights and benefits under the Plan shall not be transferable or assignable other than by will or the laws of descent and distribution.

TIMKENSTEEL CORPORATION

**Performance-Based Restricted Share Unit Agreement**

WHEREAS, \_\_\_\_\_ (“*Grantee*”) is an employee of TimkenSteel Corporation (the “*Company*”) or a Subsidiary thereof; and

WHEREAS, the grant of performance-based Restricted Share Units evidenced hereby was authorized by a resolution of the Compensation Committee (the “*Committee*”) of the Board and the execution of a performance-based Restricted Share Unit agreement in the form hereof (this “*Agreement*”) was authorized by a resolution of the Committee.

NOW, THEREFORE, pursuant to the TimkenSteel Corporation Amended and Restated 2020 Equity and Incentive Compensation Plan (the “*Plan*”) and subject to the terms and conditions thereof and the terms and conditions hereinafter set forth, the Company hereby confirms to Grantee the grant, effective \_\_\_\_\_, 2023 (the “*Date of Grant*”), of \_\_\_\_\_ performance-based Restricted Share Units (the “*PRSUs*”). All terms used in this Agreement with initial capital letters that are defined in the Plan and not otherwise defined herein will have the meanings assigned to them in the Plan. Subject to the attainment of the Management Objectives described in **Section 3** and **Exhibit A** of this Agreement, Grantee may earn from 0% to 200% of the PRSUs.

1. **Payment of PRSUs.** The PRSUs will become payable in accordance with the provisions of **Section 6** of this Agreement if the Restriction Period lapses and Grantee’s right to receive payment for the PRSUs becomes nonforfeitable (“*Vest*,” “*Vesting*” or “*Vested*”) in accordance with **Section 3** and **Section 4** of this Agreement.
  2. **PRSUs Not Transferable.** None of the PRSUs nor any interest therein or in any Common Shares underlying such PRSUs is transferable prior to payment other than by will or the laws of descent and distribution upon the death of the Grantee.
  3. **Vesting of PRSUs.**
    - (a) Subject to the terms and conditions of **Section 4** and **Section 5** of this Agreement, the PRSUs will be earned and Vest on the basis of the relative achievement of the Management Objectives approved by the Committee on or before the Date of Grant (the “*Performance Metrics*”) for the period from January 1, 2023 through December 31, 2025, inclusive (the “*Performance Period*”), as set forth on **Exhibit A** of this Agreement. The Vesting of the PRSUs pursuant to this **Section 3** or pursuant to **Section 4** is contingent upon a determination of the Committee that the Performance Metrics have been satisfied and the PRSUs have been earned, as described in this **Section 3** and set forth in **Exhibit A**.
    - (b) If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, the manner in which it conducts business or other events or circumstances render the
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Performance Metrics specified in this **Section 3** to be unsuitable, the Committee may modify such Performance Metrics or the goals or actual levels of achievement regarding the Performance Metrics, in whole or in part, as the Committee deems appropriate.

- (c) Subject to **Section 3(a)** and **Section 3(b)**, the PRSUs earned with respect to the Performance Period will Vest if Grantee is in the continuous employ of the Company or a Subsidiary from the Date of Grant through the last day of the Performance Period. For purposes of this Agreement, the continuous employment of Grantee with the Company or a Subsidiary will not be deemed to have been interrupted, and Grantee will not be deemed to have ceased to be an employee of the Company or a Subsidiary, by reason of the transfer of Grantee's employment among the Company and its Subsidiaries or if Grantee is absent on leave approved by a duly constituted officer of the Company or its Subsidiaries.

4. **Alternative Vesting of PRSUs.** Notwithstanding the provisions of **Section 3** of this Agreement, and subject to the payment provisions of **Section 6** hereof, some or all of the PRSUs will Vest under the following circumstances:

- (a) **Death or Disability:** If Grantee dies or become permanently disabled while in the employ of the Company or a Subsidiary, then Grantee will Vest in a number of PRSUs equal to the product of (i) the number of PRSUs in which Grantee would have Vested in accordance with the terms and conditions of **Section 3** if Grantee had remained in the continuous employ of the Company or a Subsidiary from the Date of Grant until the end of the Performance Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (ii) a fraction (in no case greater than 1) the numerator of which is the number of whole months from the first day of the Performance Period through the date of such death or permanent disability and the denominator of which is 36. PRSUs that Vest in accordance with this **Section 4(a)** will be paid as provided for in **Section 6** of this Agreement. As used herein, "**permanently disabled**" means that Grantee has qualified for long-term disability benefits under a disability plan or program of the Company or a Subsidiary or, in the absence of a disability plan or program of the Company or a Subsidiary, under a government-sponsored disability program, and is "**disabled**" within the meaning of Section 409A(a)(2)(C) of the Code. As used in this Agreement, "**Code**" means the Internal Revenue Code of 1986, as amended, including any regulations or any other formal guidance promulgated by the U.S. Department of the Treasury or the Internal Revenue Service with respect to the Sections of the Code referenced in this Agreement.
- (b) **Retirement:** If Grantee retires with the Company's consent, then Grantee will Vest in a number of PRSUs equal to the product of (i) the number of PRSUs in which Grantee would have Vested in accordance with the terms

and conditions of **Section 3** if Grantee had remained in the continuous employ of the Company or a Subsidiary from the Date of Grant until the end of the Performance Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (ii) a fraction (in no case greater than 1) the numerator of which is the number of whole months from the first day of the Performance Period through the date of such retirement and the denominator of which is 36. PRSUs that Vest in accordance with this **Section 4(b)** will be paid as provided for in **Section 6** of this Agreement. As used herein, “*retire with the Company’s consent*” means: (i) the retirement of Grantee prior to age 62 and when eligible to retire under a retirement plan of the Company or a Subsidiary, if the Board or the Committee determines that his or her retirement is for the convenience of the Company or a Subsidiary; or (ii) the retirement of Grantee at or after age 62 and when eligible to retire under a retirement plan of the Company or a Subsidiary.

(c) **Change in Control:**

- (i) Upon a Change in Control occurring during the Restriction Period while Grantee is an employee of the Company or a Subsidiary or during the period that Grantee is deemed to be in the continuous employ of the Company or a Subsidiary pursuant to **Section 4(a)**, **4(b)**, **4(d)** or **4(e)**, to the extent the PRSUs have not been forfeited, then, notwithstanding any provision of this Agreement (including **Exhibit A**) to the contrary, (A) the Committee as constituted immediately before such Change in Control will determine and certify the number of earned PRSUs in accordance with **Exhibit A** to this Agreement which will be equal to the greater of (I) the actual achievement of the Performance Metrics as of the date of the Change in Control or (II) the target performance level of the PRSUs (the greater of clause (I) or (II), the “*Change in Control Payout Level*”), and (B) a number of the PRSUs will Vest (except to the extent that a Replacement Award is provided to Grantee for the PRSUs to continue, replace or assume the PRSUs covered by this Agreement) equal to the number of PRSUs earned at the Change in Control Payout Level, but in no event may negative discretion be exercised with respect to the number of PRSUs Vested. Any PRSUs that are not earned and do not Vest in accordance with this **Section 4(c)(i)** will terminate and be forfeited (except to the extent that a Replacement Award is provided). PRSUs that Vest in accordance with this **Section 4(c)(i)** will be paid as provided for in **Section 6** of this Agreement.
- (ii) As used in this Agreement, a “*Replacement Award*” means an award (A) of service-based restricted share units with no performance-based vesting requirements, (B) that has a value at

least equal to the value of the PRSUs earned at the Change in Control Payout Level, (C) that relates to publicly traded equity securities of the Company or its successor in the Change in Control (or another entity that is affiliated with the Company or its successor following the Change in Control), (D) the tax consequences of which, under the Code, if Grantee is subject to U.S. federal income tax under the Code, are not less favorable to Grantee than the tax consequences relative to the PRSUs, (E) that Vests in full (i.e., in a number that is no less than the Change in Control Payout Level) upon a termination of Grantee's employment with the Company or a Subsidiary or their successors in the Change in Control (or another entity that is affiliated with the Company or a Subsidiary or their successors following the Change in Control) (as applicable, the "**Successor**") for Good Reason by Grantee or without Cause by such employer or upon the death of Grantee or Grantee becoming permanently disabled (as defined in **Section 4(a)**), in each case prior to the end of the Performance Period and within a period of two years after the Change in Control, and (F) the other terms and conditions of which are not less favorable to Grantee than the terms and conditions of the PRSUs (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it conforms to the requirements of Treasury Regulation 1.409A-3(i)(5)(iv)(B) or otherwise does not result in the PRSUs or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the PRSUs if the requirements of the preceding sentence are satisfied. The determination of whether the conditions of this **Section 4(c)(ii)** are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

- (iii) For purposes of **Section 4(c)(ii)**, "**Cause**" will be defined not less favorably with respect to Grantee than: any intentional act of fraud, embezzlement or theft in connection with the Grantee's duties with the Successor, any intentional wrongful disclosure of secret processes or confidential information of the Successor, or any intentional wrongful engagement in any competitive activity that would constitute a material breach of Grantee's duty of loyalty to the Successor, and no act, or failure to act, on the part of Grantee will be deemed "**intentional**" unless done or omitted to be done by Grantee not in good faith and without reasonable belief that Grantee's action or omission was in or not opposed to the best interest of the Successor; provided, that for any Grantee who is party to an individual severance or employment agreement defining Cause, "**Cause**" will have the meaning set forth in such

agreement. Also for purposes of **Section 4(c)(ii)**, “*Good Reason*” means: a material reduction in the nature or scope of the responsibilities, authorities or duties of Grantee attached to Grantee’s position held immediately prior to the Change in Control, or a change of more than 60 miles in the location of Grantee’s principal office immediately prior to the Change in Control, or a material reduction in Grantee’s remuneration upon or after the Change in Control; provided, that, no later than 90 days following an event constituting Good Reason, Grantee gives notice to the Successor of the occurrence of such event and the Successor fails to cure the event within 30 days following the receipt of such notice.

- (iv) If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding PRSUs which at the time of the Change in Control are not subject to a “substantial risk of forfeiture” (within the meaning of Section 409A of the Code) will be deemed to be Vested at the time of such Change in Control and will be paid as provided for in **Section 6** of this Agreement.
- (d) Divestiture: If Grantee’s employment with the Company or a Subsidiary terminates as the result of a divestiture, then Grantee will Vest in a number of PRSUs equal to the product of (i) the number of PRSUs in which Grantee would have Vested in accordance with the terms and conditions of **Section 3** if Grantee had remained in the continuous employ of the Company or a Subsidiary from the Date of Grant until the end of the Performance Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (ii) a fraction (in no case greater than 1) the numerator of which is the number of whole months from the first day of the Performance Period through the date of such termination and the denominator of which is 36. PRSUs that Vest in accordance with this **Section 4(d)** will be paid as provided for in **Section 6** of this Agreement. As used herein, the term “*divestiture*” means a permanent disposition to a Person other than the Company or any Subsidiary of a plant or other facility or property at which Grantee performs a majority of Grantee’s services, whether such disposition is effected by means of a sale of assets, a sale of Subsidiary stock or otherwise.
- (e) Layoff: If (i) Grantee’s employment with the Company or a Subsidiary terminates as the result of a layoff and (ii) Grantee is entitled to receive severance pay pursuant to the terms of any severance pay plan of the Company in effect at the time of Grantee’s termination of employment that provides for severance pay calculated by multiplying Grantee’s base compensation by a specified severance period, then Grantee will Vest in a number of PRSUs equal to the product of (x) the number of PRSUs in which Grantee would have Vested in accordance with the terms and conditions of **Section 3** if Grantee had remained in the continuous employ of the

Company or a Subsidiary from the Date of Grant until the end of the Performance Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (y) a fraction (in no case greater than 1) the numerator of which is the number of whole months from the first day of the Performance Period through the end of the specified severance period and the denominator of which is 36. PRSUs that Vest in accordance with this **Section 4(e)** will be paid as provided for in **Section 6** of this Agreement. As used herein, “*layoff*” means the involuntary termination by the Company or any Subsidiary of Grantee’s employment with the Company or any Subsidiary due to (A) a reduction in force leading to a permanent downsizing of the salaried workforce, (B) a permanent shutdown of the plant, department or subdivision in which Grantee works, (C) an elimination of position; or (D) any or no reason, except for Cause, at the Company’s discretion; provided that a termination under clause (D) will constitute a “*layoff*” for purposes of this Agreement only (i) upon the prior approval of the Compensation Committee in the case of an executive officer, or (ii) upon the prior approval of the President and Chief Executive Officer or Executive Vice President, General Counsel and Chief Human Resources Officer in the case of any other terminated Grantee.

5. **Forfeiture of PRSUs.** Any PRSUs that have not Vested pursuant to **Section 3** or **Section 4** at the end of the Performance Period will be forfeited automatically and without further notice after the end of the Performance Period (or earlier if, and on such date that, Grantee ceases to be an employee of the Company or a Subsidiary prior to the end of the Performance Period for any reason other than as described in **Section 4**).
6. **Form and Time of Payment of PRSUs.**
  - (a) **General.** Subject to **Section 5**, **Section 6(b)**, and **Section 6(c)**, payment for Vested PRSUs will be made in cash or Common Shares (as determined by the Committee) in the year following the last day of the Performance Period but in no event later than March 15 of that year.
  - (b) **Change in Control.** Notwithstanding **Section 6(a)**, to the extent PRSUs are Vested on the date of a Change in Control, Grantee will receive payment for Vested PRSUs in cash or Common Shares (as determined by the Committee) on the date of the Change in Control; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and where Section 409A of the Code applies to such distribution, Grantee will receive the corresponding payment on the date that would have otherwise applied pursuant to this **Section 6**.
  - (c) **Payment Following a Change in Control.** Notwithstanding **Section 6(a)**, if, during the two-year period following a Change in Control, Grantee

experiences a “separation from service” (within the meaning of Treasury Regulation section 1.409A-1(h)), the PRSUs that are Vested as of the date of such separation from service will be paid in cash or Common Shares (as determined by the Committee) within 10 days of the separation from service to the extent they have not been previously paid to Grantee; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and where Section 409A of the Code applies to such distribution, Grantee will receive the corresponding payment on the date that would have otherwise applied pursuant to this **Section 6**.

7. **Dividend Equivalents.** Grantee will be credited with cash per PRSU equal to the amount of each cash dividend paid by the Company (if any) to holders of Common Shares generally with a record date occurring on or after the Date of Grant and prior to the time when the PRSUs are paid in accordance with **Section 6** hereof. Any amounts credited pursuant to the immediately preceding sentence will be subject to the same applicable terms and conditions (including earning, Vesting, payment, and forfeitability) as apply to the PRSUs based on which the dividend equivalents were credited, and such amounts will be paid in either cash or Common Shares, as determined by the Committee in its sole discretion, at the same time as the PRSUs to which they relate. If such amounts are paid in Common Shares, the number of shares so paid will be rounded down to the nearest whole number and will be determined by dividing such credited amounts by the Market Value per Share on the payment date.
8. **Detrimental Activity and Recapture.**
  - (a) Notwithstanding anything in this Agreement to the contrary, in the event that, as determined by the Committee, Grantee engages in Detrimental Activity during employment with the Company or a Subsidiary, the PRSUs will be forfeited automatically and without further notice at the time of that determination. As used herein, “***Detrimental Activity***” means:
    - (i) engaging in any activity, as an employee, principal, agent, or consultant, for another entity that competes with the Company in any actual, researched, or prospective product, service, system, or business activity for which Grantee has had any direct responsibility during the last two years of his or her employment with the Company or a Subsidiary, in any territory in which the Company or a Subsidiary manufactures, sells, markets, services, or installs such product, service, or system, or engages in such business activity;
    - (ii) soliciting any employee of the Company or a Subsidiary to terminate his or her employment with the Company or a Subsidiary;
    - (iii) the disclosure to anyone outside the Company or a Subsidiary, or the use in other than the Company’s or one of its Subsidiary’s

business, without prior written authorization from the Company, of any confidential, proprietary or trade secret information or material relating to the business of the Company and its Subsidiaries, acquired by Grantee during his or her employment with the Company or its Subsidiaries or while acting as a director of or consultant for the Company or its Subsidiaries thereafter;

- (iv) the failure or refusal to disclose promptly and to assign to the Company upon request all right, title and interest in any invention or idea, patentable or not, made or conceived by Grantee during employment by the Company and any Subsidiary, relating in any manner to the actual or anticipated business, research or development work of the Company or any Subsidiary or the failure or refusal to do anything reasonably necessary to enable the Company or any Subsidiary to secure a patent where appropriate in the United States and in other countries;
- (v) activity that results in Termination for Cause. For purposes of this **Section 8(a)(v)**, “**Termination for Cause**” means a termination: (A) due to Grantee’s willful and continuous gross neglect of his or her duties for which he or she is employed; or (B) due to an act of dishonesty on the part of Grantee constituting a felony resulting or intended to result, directly or indirectly, in his or her gain for personal enrichment at the expense of the Company or a Subsidiary; or
- (vi) any other conduct or act determined to be injurious, detrimental or prejudicial to any significant interest of the Company or any Subsidiary unless Grantee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company.

Nothing in this Agreement prevents Grantee from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and for purpose of clarity, Grantee is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Exchange Act.

- (b) Except to the extent that the Compensation Recovery Policy is applicable as provided in Section 8(c) below, if a Restatement occurs and the Committee determines that Grantee is personally responsible in whole or in part for causing the Restatement as a result of Grantee’s personal misconduct or any fraudulent activity on the part of Grantee, then the Committee has discretion to, based on applicable facts and circumstances and subject to applicable law, cause the Company to recover all or any portion (but no more than 100%) of the PRSUs (plus dividend equivalent

payments) earned or payable to Grantee for some or all of the years covered by the Restatement. The amount of any earned or payable PRSUs (and dividend equivalent payments) recovered by the Company will be limited to the amount by which such earned or payable PRSUs (and dividend equivalent payments) exceeded the amount that would have been earned by or paid to Grantee had the Company's financial statements for the applicable restated fiscal year or years been initially filed as restated, as reasonably determined by the Committee. The Committee also will determine whether the Company will effect any recovery under this **Section 8(b)** by: (i) seeking repayment from Grantee; (ii) reducing, except with respect to any non-qualified deferred compensation under Section 409A of the Code, the amount that would otherwise be payable to Grantee under any compensatory plan, program or arrangement maintained by the Company (subject to applicable law and the terms and conditions of such plan, program or arrangement); (iii) by withholding, except with respect to any non-qualified deferred compensation under Section 409A of the Code, payment of future increases in compensation (including the payment of any discretionary bonus amount) that would otherwise have been made to Grantee in accordance with the Company's compensation practices; or (iv) by any combination of these alternatives. As used herein, "**Restatement**" means a restatement (made within 24 months of the publication of the financial statements that are required to be restated) of any part of the Company's financial statements for any fiscal year or years beginning with the year in which the Date of Grant occurs due to material noncompliance with any financial reporting requirement under the U.S. securities laws applicable to such fiscal year or years.

(c) Notwithstanding anything in this Agreement to the contrary, Grantee acknowledges and agrees that this Agreement and the award described herein (and any settlement thereof) are subject to the terms and conditions of the Company's clawback policy (if any) as may be in effect from time to time, including specifically any such clawback policy adopted or amended to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Common Shares are traded) (the "**Compensation Recovery Policy**"), and that, to the extent that the Compensation Recovery Policy, by its terms, is applicable to the Grantee's award, **Section 8(b)** of this Agreement will be deemed superseded in its entirety by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.

9. Compliance with Law. The Company will not be obligated to issue any of the Common Shares covered by this Agreement if the issuance thereof would result in violation of any law or regulation to which the Company is subject.
10. Adjustments. Subject to **Section 11** of the Plan, the Committee will make or provide for such adjustments in the number of and kind of Common Shares

covered by the PRSUs, or in other award terms, as the Committee, in its sole discretion, exercised in good faith, determines is equitably required to prevent dilution or enlargement of Grantee's rights under this Agreement that otherwise would result from any (a) extraordinary cash dividend, stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, (b) merger, consolidation, spin-off, split-off, spin-out, split-up, reorganization, partial or complete liquidation or other distribution of assets, issuance of rights or warrants to purchase securities involving the Company or (c) any other transaction or event having an effect similar to any of those referred to in **Section 10(a)** or **10(b)** hereof.

11. Withholding Taxes. If the Company is required to withhold federal, state, local or foreign taxes or other amounts in connection with Grantee's right to receive Common Shares or cash under this Agreement, and the amounts available to the Company for such withholding are insufficient, it will be a condition to the receipt of any such Common Shares or cash (or the realization of any other benefit provided for under this Agreement) that Grantee make arrangements satisfactory to the Company for payment of the balance of such taxes or other amounts. Grantee may satisfy such tax obligation by paying the Company cash via personal check. Alternatively, unless otherwise determined by the Committee, Grantee may elect that all or any part of such tax obligation be satisfied by the Company's retention of a portion of the Common Shares provided for under this Agreement or by Grantee's surrender of a portion of the Common Shares that he or she has owned. In no event, however, shall the Company accept Common Shares for payment of taxes in excess of required tax withholding rates (unless such higher withholding amounts would not result in adverse accounting implications for the Company and the additional withholding amount is authorized by the Committee). If Grantee's benefit is to be received in the form of Common Shares, and Grantee fails to make arrangements for the payment of required taxes or other amounts, then, unless otherwise determined by the Committee, the Company will withhold Common Shares having a value equal to the amount required to be withheld. Further, notwithstanding anything in this Section 11 to the contrary, if at any time (a) Grantee is subject to reporting as a Director or an "officer" for purposes of Section 16 of the Exchange Act, (b) withholding is required with respect to the award evidenced by this Agreement, and (c) Grantee is subject to trading restrictions pursuant to a periodic or special closed trading window for the Company under its insider trading policies, then the Company shall withhold Common Shares otherwise payable to Grantee under this award in order to satisfy such withholding, with the number of Common Shares withheld having a value equal to the amount required to be withheld. The Common Shares used for tax withholding will be valued at an amount equal to the fair market value of such Common Shares on the date the applicable benefit is to be included in Grantee's income.
12. Rights as a Shareholder. Grantee will not have any rights as a Shareholder with respect to any Common Shares granted to him or her under this Agreement prior to

the date as of which he or she is actually recorded as the holder of such Common Shares upon the share records of the Company.

13. Right to Terminate Employment. Nothing in this Agreement limits in any way whatsoever any right the Company or a Subsidiary may otherwise have to terminate the employment of Grantee at any time.
14. Relation to Other Benefits. Any economic or other benefit to Grantee under this Agreement or the Plan will not be taken into account in determining any benefits to which Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or a Subsidiary and will not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or a Subsidiary.
15. Amendments. Any amendment to the Plan will be deemed to be an amendment to this Agreement to the extent the amendment is applicable to this Agreement; provided, however, that (a) no amendment will adversely affect in a material manner the rights of Grantee with respect to the Common Shares or other securities covered by this Agreement without Grantee's consent and (b) Grantee's consent will not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 10D of the Exchange Act. Notwithstanding the foregoing, the limitation requiring the consent of Grantee to certain amendments will not apply to any amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code.
16. Severability. In the event one or more of the provisions of this Agreement is unenforceable or is invalidated for any reason by a court of competent jurisdiction, such provision will be deemed to be separable from the other provisions of this Agreement, construed or deemed amended or limited in scope to conform to the applicable laws or, in the discretion of the Committee, such provision will be stricken and the remaining provisions of this Agreement will continue to be valid and fully enforceable.
17. Governing Law. This Agreement is made under, and will be construed in accordance with, the internal substantive laws of the State of Ohio.
18. Compliance with Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to Grantee. This Agreement and the Plan will be administered in a manner consistent with this intent. Notwithstanding any provision of the Agreement to the contrary, if, at the time of Grantee's separation from service (within the meaning of Section 409A of the Code), (a) Grantee is a specified employee (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (b) the Company makes a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of Section

409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company will not pay such amount on the otherwise scheduled payment date but will instead pay it, without interest, on the first business day of the seventh month after Grantee's separation from service.

**[SIGNATURES ON FOLLOWING PAGE]**

The undersigned Grantee hereby acknowledges receipt of an executed original of this Agreement and accepts the award of PRSUs covered hereby, subject to the terms and conditions of the Plan and the terms and conditions herein above set forth.

\_\_\_\_\_  
Grantee

Date: \_\_\_\_\_

This Agreement is executed by the Company on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

TimkenSteel Corporation

By \_\_\_\_\_  
Kristine C. Syrvalin  
Executive Vice President, General Counsel &  
Chief Human Resources Officer

## **Exhibit A**

### Statement of Management Objectives

This Statement of Management Objectives applies to the PRSUs granted to the Grantee on the Date of Grant memorialized the Agreement. Capitalized terms used in the Agreement that are not specifically defined in this Statement of Management Objectives have the meanings assigned to them in the Agreement or in the Plan, as applicable.

Section 1. **Definitions**. For purposes hereof:

- (a) ***“Peer Group”*** means, of a benchmark group of 16 entities, the names of which are attached hereto as Annex A, those entities that remain in the Peer Group as of the end of the Performance Period (or the date of the Change in Control if **Section 1(e)(ii)** of this **Exhibit A** is applicable) after application of the Peer Group Adjustment Protocol.
- (b) ***“Peer Group Adjustment Protocol”*** means: (i) if an entity listed in Annex A files for bankruptcy and/or liquidation, is operating under bankruptcy protection, or is delisted from its primary stock exchange because it fails to meet the exchange listing requirement, then such entity will remain in the Peer Group, but RTSR for the Performance Period will be calculated as if such entity achieved Total Shareholder Return placing it at the bottom (chronologically, if more than one such entity) of the Peer Group; (ii) if, by the last day of the Performance Period (or the date of the Change in Control if **Section 1(e)(ii)** of this **Exhibit A** is applicable), an entity listed in Annex A has been acquired, or has announced that it has entered into a definitive agreement the consummation of which will result in such entity’s acquisition, and/or the entity is no longer existing as a public company that is traded on its primary stock exchange (other than for the reasons as described in subsection (i) above), then such entity will not remain in the Peer Group and RTSR for the Performance Period will be calculated as if such entity had never been a member of the Peer Group; and (iii) except as otherwise described in subsection (i) and (ii) above, for purposes of this Statement of Management Objectives, for each of the entities listed in Annex A, such entity will be deemed to include any successor to all or substantially all of the primary business of such entity at end of the Performance Period.
- (c) ***“Relative Total Shareholder Return”*** or ***“RTSR”*** means the percentile rank of the Company’s Total Shareholder Return among the Total Shareholder Returns of all members of the Peer Group (including the Company), ranked in descending order, at the end of each of the first year, first two years and full three years, respectively, of the Performance Period, as applicable (the “1-year Nested Period”, “2-year Nested Period” and “3-year Nested Period”, respectively, and each, a “Nested Period”) (or the date of the Change in Control if **Section 1(e)(ii)** of this **Exhibit A** is applicable).
- (e) ***“Total Shareholder Return”*** means, for each Nested Period, with respect to each of the Common Shares and the common stock of each of the members of the Peer Group, a rate of return reflecting stock price appreciation, plus the reinvestment of

dividends in additional shares of stock, from the beginning of the Performance Period through the end of such Nested Period. Total Shareholder Return will be calculated as follows:

(i) Except as provided in clause (ii), for each Nested Period, Total Shareholder Return will be calculated for the Company and each member of the Peer Group by measuring the ending stock price for the applicable calendar year against the beginning price at the start of the Performance Period. For purposes of calculating Total Shareholder Return for each of the Company and the members of the Peer Group, the beginning stock price will be based on the average closing stock price for the 20 trading days immediately preceding the first day of the Performance Period on the principal stock exchange on which the stock then traded and the ending stock price for the applicable calendar year during the Nested Period will be based on the average closing stock price for the 20 trading days ending on December 31 of such applicable calendar year in the Nested Period on the principal stock exchange on which the stock then trades.

(ii) If a Change in Control occurs during the Restriction Period, and **Section 4(c)** of the Agreement applies to the PRSUs, (A) for purposes of determining Total Shareholder Return, the last day of the Performance Period will be the date of the Change in Control, and (B) Total Shareholder Return for the last Nested Period during the Performance Period will be calculated for the Company and each member of the Peer Group using a beginning stock price based on the average closing stock price for the 20 trading days immediately preceding the first day of the Performance Period on the principal stock exchange on which the stock then traded, and the ending stock price for the Company will be the “Sale Price” (as defined below) and for each member of the Peer Group will be based on the average closing stock price for the 20 trading days ending on the date of the Change in Control on the principal stock exchange on which the stock then traded. The “**Sale Price**” will be the amount of consideration per Common Share that shareholders of the Company receive upon consummation of the Change in Control (including the fair market value, as determined by the Committee, of any non-cash consideration); provided that if the Change in Control is not the result of a transaction in which shareholders receive consideration, the “**Sale Price**” will be the closing price of a Common Share on the last trading day immediately preceding the date of the Change in Control.

## Section 2. Performance Matrices.

For each Nested Period during the Performance Period, from 0% to 200% of the PRSUs will be deemed to be the payout percentage (“Payout Percentage”) for such Nested Period based on achievement of the Management Objectives measured by RTSR performance during the Nested Period, in each case as follows (with the percentage of PRSUs (rounded to the nearest whole PRSU) earned for the entire Performance Period (including in the event of a Change in Control occurring during the Restriction Period) determined by taking the sum (rounded to two decimal places) of (i) the Payout Percentage calculated for the 1-year Nested Period multiplied by 25%, (ii) the Payout Percentage calculated for the 2-year Nested Period multiplied by 25% and (iii) the Payout Percentage calculated for the 3-year Nested Period multiplied by 50%; provided, however, notwithstanding the percentage determined in accordance with the foregoing

calculation, if RTSR performance for the 3-year Nested Period is negative, the percentage of PRSUs earned for the entire Performance Period will be limited to and may not exceed 150% ):

<b>Performance Level</b>	<b>Relative Total Shareholder Return</b>	<b>Payout Percentage</b>
Below Threshold	Ranked below 25th percentile	0%
Threshold	Ranked at 25th percentile	50%
Target	Ranked at 50th percentile	100%
Above Target	Ranked at or above 75th percentile	150%
Maximum	Ranked at or above 90th percentile	200%

Section 3. Number of PRSUs Earned. The Committee will determine whether and to what extent the goals relating to the Management Objectives described herein have been satisfied for the Performance Period and will determine the number of PRSUs that will become earned hereunder and under the Agreement on the basis of the following:

- (a) Below Threshold. If, upon the conclusion of a Nested Period, RTSR for the Nested Period falls below the threshold level, as set forth in the Performance Matrices, the Payout Percentage will be zero for such Nested Period.
- (b) Threshold. If, upon the conclusion of a Nested Period, RTSR for the Nested Period equals the threshold level, as set forth in the Performance Matrices, 50% will be the Payout Percentage for such Nested Period.
- (c) Between Threshold and Target. If, upon the conclusion of a Nested Period, RTSR for the Nested Period exceeds the threshold level, but is less than the target level, as set forth in the Performance Matrices, a percentage between 50% and 100% (determined on the basis of straight-line mathematical interpolation) will be the Percentage Payout for such Nested Period.
- (d) Target. If, upon the conclusion of a Nested Period, RTSR for the Nested Period equals the target level, as set forth in the Performance Matrices, 100% will be the Payout Percentage for such Nested Period.
- (e) Between Target and Above Target. If, upon the conclusion of a Nested Period, RTSR for the Nested Period exceeds the target level, but is less than the above target level, as set forth in the Performance Matrices, a percentage between 100% and 150% (determined on the basis of straight-line mathematical interpolation) will be the Payout Percentage for such Nested Period.
- (f) Above Target. If, upon the conclusion of a Nested Period, RTSR for the Nested Period equals the above target level, as set forth in the Performance Matrices, 150% will be the Payout Percentage for such Nested Period.
- (g) Between Above Target and Maximum. If, upon the conclusion of a Nested Period, RTSR for the Nested Period exceeds the above target level, but is less than the maximum level, as set forth in the Performance Matrices, a percentage

between 150% and 200% (determined on the basis of straight-line mathematical interpolation) will be the Payout Percentage for such Nested Period.

- (f) Equals or Exceeds Maximum. If, upon the conclusion of a Nested Period, RTSR for the Nested Period equals or exceeds the maximum level, as set forth in the Performance Matrices, 200% will be the Payout Percentage for such Nested Period.

## 2023 Peer Group

Company Name	Ticker Symbol
ATI Inc.	ATI
Ampco-Pittsburgh Corporation	AP
Ascent Industries Co.	ACNT
Carpenter Technology Corporation	CRS
Commercial Metals Company	CMC
Friedman Industries, Incorporated	FRD
Haynes International, Inc.	HAYN
Nucor Corporation	NUE
Olympic Steel, Inc.	ZEUS
Reliance Steel & Aluminum Company	RS
Ryerson Holding Corporation	RYI
Schnitzer Steel Industries	SCHN
Steel Dynamics, Inc.	STLD
United States Steel Corporation	X
Universal Stainless & Alloy Products, Inc.	USAP
Worthington Industries, Inc.	WOR