Our global team of engineers and problem solvers is united by a shared commitment to making real-world impact. Sustainability has been core to our products for more than 120 years, and we’re extending that same leadership to the way we view our responsibility as a global corporate citizen. Corporate Social Responsibility (CSR) is a priority for all of us at The Timken Company – from our Board of Directors, to our executive leadership team, to our associates around the globe.

Sustainability provides the tools and perspective necessary to help build a world that is more efficient and resilient. The programs we commit to have the potential to address a tangible problem with an innovative solution, while creating shared value for the stakeholders involved. Our goal is to create impact in three clearly defined areas: the pursuit and expansion of knowledge, sustainability and leadership. These areas are aligned with our core competencies and focus our efforts towards achieving greater equity and efficiency for a world in motion.

We’ve made good strides, and I am proud others are taking note of our efforts. In 2020, Newsweek named us one of America’s Most Responsible Companies. We appreciate that designation but know we’re just beginning this mission, both as a company and as an industry.

On behalf of company leadership and the Board of Directors, I thank our associates for their ongoing commitment to this critical work and our stakeholders for their continued confidence in our company as we continue to engineer solutions for the next generation.

Sincerely,

Richard G. Kyle
President and Chief Executive Officer
In keeping with our engineering culture, we view Corporate Social Responsibility as a system of efforts that combine to improve the lives of individuals and communities, benefit the planet and strengthen our business. We focus on what we know best and align all our initiatives with our engineering expertise in pursuit of a world that is both more efficient and more resilient.
Delivering the innovative solutions and real-world impact we’re known for requires engineering know-how and cross-team collaboration. It also calls for a culture that encourages knowledge sharing and rewarding new ideas.

The challenges we face as a global community are great and multifaceted. That’s why we focus on what we know best: engineering and systems thinking. But today’s knowledge isn’t enough. We must challenge and learn from each other in an environment that is both diverse and inclusive.

From our Associate Resource Group members to our Engineering Co-Op students, we’re proud of our team’s resilience in the face of a global pandemic and their willingness to find new ways to collaborate and explore differing experiences with mutual respect.

We recognize the role we play as a global company in ensuring we meet our associates’ evolving needs by engaging with them and expanding the development programs we offer.

We’re honored by the recent Forbes recognition as one of America’s Best Employers overall and for women and new graduates in particular. We are committed to further diversifying our workforce and creating additional opportunities for all stakeholders.

Together, we grow.
In the early 2000s, our leadership team anticipated an impending gap in the workforce. To help solve the problem, we created an accelerated training program to increase the internal pool of people prepared to take on our company’s leadership positions. Since then, dozens of our associates have graduated from the Operations Development Program (ODP) and quickly moved on to positions of greater responsibility within Timken.

ODP graduates are so successful because the program emphasizes skill diversity, as well as leadership. It includes two years of intensive training broken into four, six-month assignments — one in each of four areas: manufacturing quality advancement, lean manufacturing, supply chain and manufacturing operations supervision. During the program, ODP associates go through extensive training and then step into roles with significant responsibility for their assigned areas. At the same time, they’re given access to a strong network of colleagues and mentors.

Since it began in 2006, ODP has graduated 44 associates and placed eight in leadership positions.

We invited three associates to discuss the skills and insights they’ve gained in the ODP.

Lance Kelly
• Became the third person hired into the ODP in 2008
• "You have an opportunity as a new ODP associate to get in front of the top leadership of the company and explain the projects you’re working on and the impact you’re making," says Kelly. "That sets the stage for accelerated career opportunities.

Kelly set his sights on a plant manager role early on, and he achieved that goal a mere five years after graduating from ODP. Today, he’s the general manager of Timken’s Ploiesti, Romania facility.

In the United States, ODP associates split their rotations between two different facilities. We also run programs in Romania and China.

The typical ODP candidate is highly motivated, inquisitive, driven to lifelong learning, and has a strong academic track record. Most candidates find the ODP application process quite rigorous, including extensive interviews and a full day of presenting ideas.

The rigor of the experience makes it clear to successful candidates that they are truly among the cream of the crop. When they make it past the ODP interview process, they know they already have a team of top-tier Timken leaders solidly behind them.

Stefan Iordache
• Is in his second year of ODP in the Ploiesti, Romania facility
• Met the entire Timken Ploiesti plant leadership team in his first week
• Creates the plant manager and others with mentoring him closely during his ODP rotations

Iordache’s first rotation in LEAN manufacturing and continuous improvement impressed on him the need continually reduce waste, but it was his second assignment that he enjoyed the most. "Supply chain gave me the opportunity to work with Timken’s SAP systems and to understand the logic of planning, acquisition, outsourced services and logistics," he says.

He credits his success to mentorship, as well as an ability to think quickly and flexibly on his feet. "You have to be agile and adapt to change."

Since the program began in 2006, ODP has graduated 44 associates and placed eight in leadership positions.

Erin Amarello
• Started ODP in 2015, right after graduating from Rensselaer Polytechnic Institute
• Won the 2020 Step Ahead Emerging Leader award from the Manufacturing Institute — one of just 30 American women to be honored
• Manages the Aurora Bearing business, a recent acquisition

"Having just six months on each rotation puts the focus on your ability to manage up, down and across," says Amarello. "Every time you start a new rotation, there’s so much to learn."

Her strategy was to tap into the collective intelligence that awaited her in each position, quickly identifying and surrounding herself with knowledgeable people and then helping them in whatever way she could. "I learned how to draw information out to help me connect the dots," she says.

After a few years of applying her ODP experience to the real world, Amarello says the most important thing she learned was “to know your ‘why’ and share it.” Helping people find meaning in their work is critical to leadership, she says. “When people have purpose and they feel like what they do matters, that’s when you achieve the most together.”

You have to be agile and adapt to change.”
Co-Op Program: A Training Ground for the Next Generation

Through our Timken Engineering Co-Op program, engineering students with diverse backgrounds have the opportunity to work up to five semesters alongside our experienced engineers while completing their bachelor’s degrees.

“Co-op is one of our best training and development programs,” says Natasha Pollock, Timken’s vice president of human resources. “We have company leaders today who began their career at Timken as a co-op student.”

Timken recruits co-op candidates who align with the company’s culture and values and demonstrate a knack for solving problems. We also work with student organizations like the Society of Women Engineers, National Society of Black Engineers, Society of Hispanic Professional Engineers and others to help identify co-op students from a range of backgrounds with varying points of view.

40% of U.S. bearing co-op participants are ethnically or gender diverse.

I attended the career fair my first semester of college, and when I talked to Timken, it was so easy and welcoming. Even though I was unsure what a bearing was, I knew that the Timken community would help me learn and further my knowledge as an engineer, which is exactly what they’ve done.

Elisabeth Kuebel
Sophomore Co-Op Participant
North Canton, Ohio

My father guided me to engineering and helped me realize how much I like being the best in everything I do. When I received the opportunity to work as a student for Timken, I realized that being the best can lead to professional as well as personal development.

Elena-Manuela Marinescu
Senior Product Design Engineer and Former Co-Op Participant
Ploiesti, Romania

I never really felt like I belonged anywhere, but with sales engineering, it’s people who really like learning things and they’re social as well. There’s a nice balance where I actually feel part of a community.

Robin Benell
First Semester Co-Op Participant
North Canton, Ohio

“As a global organization, we represent the communities in which we work and serve. When competing on a global scale, it’s new and different ideas that result in effective and competitive decision-making.”

Natasha Pollock
Vice President of Human Resources
Currently have three ARGs that are open to advance our collective knowledge. We demonstrate how diversity and inclusion allow us to identify and deliver opportunities to our associates to foster personal and professional development, share best practices, and reach their full potential. Embraces ideas that help us work more effectively together. Multicultural backgrounds, perspectives and cultures create diversity of thought, full participation in conversation. We must engage with the ARGs so early in their career. 

Associate Resource Groups: A Commitment to Global Diversity and Inclusion

Our founder, Henry Timken, said, “If we all thought the same way, there would be no progress.” Those words are as true today as they were when he spoke them more than a century ago. The unique backgrounds, experiences and abilities of our associates are core to who we are. We work hard to attract, develop, and retain a high-performing workforce. And we listen to each other and learn to increase our understanding of the individuals who fuel our collective strength.

Our associate resource groups (ARGs) help us identify and deliver opportunities to advance our associates and our company and the greater community. They help us to continuously improve ourselves, the company and the greater community.

![Image](https://example.com/image1)

**Tracy Harris**
Cultural Lead, World Headquarters MAP and U.S. Southeast Region YPN since 2021

Before joining Timken, Lizzie lived in Nantes, France, for a semester. Studying abroad helped Lizzie understand the differences between cultures and how those differences can impact our work. At the same time, she also learned how those differences can bring us closer together. She loves using her background to help our team navigate challenges and improve our products. 

Young Professionals Network (YPN): Offers emerging leaders opportunities to network and develop skills to help them excel in current and future roles. Helps to position Timken as a preferred employer with a culture that inspires young professionals to excel in current and future roles. Helps to create diversity of thought, full participation in conversation. This network allows young leaders to connect, collaborate and contribute to the company with the ARGs as early in their career.

**Lizzie Parsons**
Senior Product Engineer Co-Chair, World Headquarters YPN

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Throughout 2020, our ARGs developed strategic programming to develop skills and foster deeper understanding of vital issues, including:

- An inspirational presentation hosted by MAP from the first-ever African-American to hold a citywide government position in Canton, Ohio, in celebration of Black History Month.
- Powerful stories from women around the globe hosted by WIN to celebrate International Women’s Day.
- An innovation series hosted by YPN exploring the importance of diversity of thought.

Other ARG-driven activities throughout the year included mentorship meetings that partnered senior leaders with early-in-their-career associates, Earth Day and sustainability challenges, our Juneteenth celebration and insider looks into the activities of different departments throughout the company. We remain engaged with our associates to identify opportunities for future ARG presence, and we are prioritizing efforts to broaden the reach of our ARGs around the globe.

### New ARG Programming in 2020 and Beyond

**Showcasing Diverse and Inclusive Perspectives**

Regular, formal training and development activities leveraging reputable sources and factual information are critical to advancing our associates’ diverse and inclusive perspectives. Examples of these activities include:

- **Harvard ManageMentor® Diversity, Inclusion and Belonging course for managers**, which is designed to help sharpen awareness of what diversity is and, among other goals, interrupt bias in hiring, managing and developing teams.
- **Timken associates hold leadership team positions on the Ohio Diversity Council’s Northeast Ohio chapter**. The Ohio Diversity Council coordinates events, such as the National Black Men in Leadership Summit, Woman in Leadership Symposiums, LGBTQ+ Unity Summit, National Latino Leadership Conference and other diversity-focussed programming.

### Aperian Global

Aperian Global, which gives us access to current cultural competency data, articles and guides to increase cultural awareness, teamwork, collaboration and productivity globally. For example, associates have access to information that gives them context around cultural practices and celebrations.

### Our Engaged Leader program

Our Engaged Leader program, which provides learning opportunities to further our culture of connectedness and growth through consistent conversations and team meetings. This approach enables leaders to support, guide and develop a diverse workforce.

### Gender equality presentations

Gender equality presentations with corresponding actions we can take to reflect inclusion in all facets of our lives. Presentations were provided by several speakers and panels, including Dr. Michael Kimmel, professor of sociology and gender studies at Stony Brook University.

Since 2014, we’ve collaborated with The Signature Program to augment development and support Timken female leaders through the enrichment of their leadership capabilities. These leaders are engaged in a candid, peer-based learning process with reinforcement through real-world scenarios.

Our gender and ethnic diversity development programs engage and invest in our high-potential associates. These programs define an intentional and sustainable talent framework and processes to create a more diverse leadership group and inclusive culture. We do this by partnering with associates with mentors and sponsors, assigning growth experiences, and providing education and training that enable development and career progression.

At Timken, our goal is to cultivate an inclusive team environment where everyone feels valued, respected and heard.
At Timken, diverse perspectives make a difference. We continuously aim to increase the representation of diverse employees across our global workforce, tapping into the talent pipeline at universities and leveraging recruiting firms and job-posting sites with expertise in this area. Further, we strive to amplify the voices of our diverse employee populations to ensure they are heard and represented fairly and equitably.

We also prioritize inclusion through our talent development programs. Whether through personalized plans, talent assessments, coaching and mentoring, experiential job assignments or our gender and ethnicity initiatives, Timken is committed to ensuring all employees are included and have ample opportunities to grow.

**Providing Well-Paying Jobs**

Timken values the direct, positive impact we deliver in areas where we have a large operational presence. We take pride in supporting the economic vitality of local communities by providing stable, well-paying jobs. For example, we are one of the largest and longest-standing employers in Northeast Ohio, home of our World Headquarters.

We’re also committed to providing competitive and equitable compensation based on the local markets in which we operate. Our pay practices for U.S.-based associates result in:

- A median annualized base salary for full-time employees (both salaried and hourly) that is 18% higher than the median annualized base salary for all occupations in the U.S.*
- A median hourly wage for full-time hourly employees that is nearly triple the federal minimum wage.
- An hourly wage for 2020 for our lowest-paid employee that was over 1.5 times higher than the federal minimum wage.

Our lowest U.S.-based hourly wage for 2020 was over 1.5 times higher than the federal minimum wage.

*Based on May 2020 estimates provided by the U.S. Bureau of Labor Statistics available at: https://www.bls.gov/oes/tables.htm

**Listening, Acting on Associate Input**

We continuously listen to our associates and act on their recommendations. In 2020, we reached out directly to our workforce through an Engagement Pulse Survey focused on COVID-19, and their response exceeded our expectations. In fact, 92 percent of recipients weighed in with their opinions and submitted more than 5,000 comments.

Across the organization, we required our managers to not only share team results with their associates, but partner with them to develop targeted action plans to address the input.

In 2021, Timken earned a spot on Forbes’ list of America’s Best Employers, Best Employers for New Graduates and Best Employers for Women. Honors like these underscore the importance of employee engagement and reinforce our commitment to a culture that values ethics, integrity, quality, teamwork and excellence.

**Information provided is as of December 31, 2020, with the exception of information regarding the executive leadership team and the Board of Directors, which is as of September 1, 2021.**
For more than 120 years, our portfolio of engineered bearings and power transmission products has set the industry standard for quality, performance and efficiency. Today, we continue to apply this experience on behalf of our global customer base while extending our technical problem solving to our own operations and the communities we serve.

The global trend towards sustainability inspires us, and the challenges we face together motivate our team to reach for the next generation of innovative solutions and real-world impact.

A case in point: as of December 31, 2020, renewable energy is now The Timken Company’s largest individual end-market sector. We have committed $75 million in capital investments through early 2022 to expand our capabilities in renewables across our global footprint. This commitment includes our Xiangtan manufacturing plant in China, where there is a rapidly increasing customer base and an early adoption of wind power as an alternative source of energy.

We have advanced efforts to further reduce our reliance on plastic packaging and to lessen energy consumption and emissions. While doing this, our global team of associates went beyond the call of duty to do what was necessary to sustain essential industries throughout the pandemic.
Solar Energy: Key Infrastructure for a More Sustainable Future

Our products, technologies and applied engineering expertise continue to support and benefit from the global trends towards sustainability. We’ve invested heavily in research and development and built strong manufacturing, engineering and testing capabilities in both the United States and China. In addition, we’ve made targeted investments to increase production capacity, broaden our product range and improve productivity for precision drives used in the solar energy industry.

Our acquisition of Cone Drive in 2018 firmly established our presence in the solar energy industry. Over the last three years, we’ve helped power industry-leading growth for solar energy customers. In fact, since our acquisition of Cone Drive, we’ve tripled the size of our solar energy business and played a role in more than one-third of the world’s utility-scale solar projects. For example, the Al-Maktoum Solar Park in Dubai utilizes Cone Drive’s precision technology to position the heliostats for its power tower system. The solar park will have the capacity to generate 600 MW of clean energy using concentrated solar power (CSP) and an additional 2,200 MW from photovoltaic (PV) technology.

For comparison, the average American household consumes between 10 and 11 MWh of electricity per year, according to the U.S. Energy Information Administration. Cone Drive’s high-precision drives provide tracking and positioning capabilities for both PV and CSP applications. The company’s precision technology can improve stability and enable systems to handle the specific requirements of solar applications. All Cone Drive facilities are also ISO-quality standard certified, and our solar products are manufactured with robust quality controls.

But this is only the beginning; we’ll continue to build our growing renewable energy business and commitment to sustainability with capital investments of $75 million by early 2022.

In 2020, renewable energy became Timken’s single-largest end-market sector.

We’ve played a role in more than one-third of the world’s utility-scale solar projects.

Reimagining Energy Use

At Timken, we’re always looking for ways to operate in a more efficient and environmentally friendly manner. A case in point: In Sosnowiec, Poland, we’ve installed new air compressors in our facility that not only function as vital components of our manufacturing operation, but also help heat the building.

“Basically, we capture the heat generated by the compressors and redistribute it throughout the facility during cold-weather months,” said Jamie Milobar, manager of global environmental affairs. “Doing this reduces the facility’s annual greenhouse gas output generated by heating by 17 percent.”

These new compressors also use less electricity, further reducing the site’s carbon footprint by more than 0.5 percent. Additionally, they are cooled by air, not water, like their predecessors, resulting in less water usage.

We are exploring the possibility of implementing this program at other Timken locations as we continuously seek new and creative ways to reduce energy consumption and greenhouse gas emissions in locations across our global footprint.
Reconditioning Bearings, Drives and Motors: A Virtuous Cycle

With more than a century of combined experience remanufacturing bearings, drives, electric motors and generators, we contributed to the circular economy long before it had a name. Today, we offer a complete line of services that consumes significantly less raw material than manufacturing new products. Through our industrial repair and service business, we help reduce environmental impact by recycling more than 1,000 tons of steel and 75 tons of copper each year from service parts that can’t be reused.

As part of our contribution to the circular economy, we recently, recondition, remanufacture and modify most types of bearings. For drives, electric motors and generators, we also offer emergency repair, upgrade and operating services that can help restore customers’ equipment to “like-new” condition. Taking advantage of these services and our industry-leading warranty can save customers up to 60 percent compared to the cost of a new product while keeping reusable materials and parts out of landfills.

Customers typically send out-of-service parts to us to conduct a detailed inspection and restoration process and return like-new bearings, drives and motors in often significantly less time than it takes to manufacture new products.

Many customers also keep repaired parts as spares. When a damaged part needs to be replaced, they can pull from their own inventory, send the damaged unit to us to be repaired or rebuilt and continue the cycle of sustainability with minimum downtime. In many cases, parts can be repaired multiple times without sacrificing quality, safety or performance.

We recycle more than 1,000 tons of steel and 75 tons of copper each year from service parts that can’t be reused.

Times without sacrificing quality, safety or performance.

Our broad electromechanical knowledge and capabilities transcend any single service category to create a differentiated offering. By using our services, customers save money and contribute to the circular economy by extending the lives of mission-critical equipment and parts that are essential to keeping the world in motion.

It’s a win-win for our customers and the environment.

“Greater efficiency has always been core to our operations and product innovations. We continuously leverage our engineering expertise to develop more sustainable solutions that extend the life of these essential machine parts, while reducing their cost, waste and carbon footprint. Keeping high-quality steel in the recycling loop protects the environment and contributes to the circular economy.”

Carl Rapp
Timken Group Vice President
Timken is a vital partner to many essential industries around the world, and COVID-19 magnified our contributions. As the pandemic prompted lockdowns and uncertainty, our team persevered. Throughout the pandemic, our associates went above and beyond to deliver for our customers. Their dedication enabled us to serve many of the critical infrastructure industries that produce our food, propel transportation and power our homes.

Around the world, our employees stepped up in many different ways. In Russia, for example, senior service engineer Maxim Gerasimov helped oversee bearing installations at a customer’s steel mills in two far-off locations over a one-month period, an unheard of timeframe for such large projects. The work required a 48-hour road trip and a 14-day stay.

In 2020, we celebrated our 10th Ergo Cup Competition and received 65 entries. A team of internal judges determined finalists by evaluating each entry based on innovation, simplicity, cost savings, ergonomic risk reduction and presentation quality. Then, a panel of external experts selected the winner — a team from Standard Machine, part of Timken Power Systems, in Saskatoon, Canada.

Since 2019, we’ve eliminated the use of 2.7 million feet of plastic packaging.

In 2020, we made improvements to our data-collection software, allowing us to begin gathering more detailed safety metrics.

Focusing environmental, health and safety initiatives like Ergo Cup have helped us achieve world-class safety results at our facilities over the last decade.”

Tim Graham, Vice President of Bearing Operations

In 2020, Timken teams assess potential ergonomic risks in their facilities to develop and implement solutions that improve safety and productivity across our global operations. We select the teams with the best solutions to participate in our annual Timken Ergo Cup® Competition. The winner then advances to represent Timken at the Industrial and Systems Engineers’ (IISE) Ergo Cup® international event.

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Standard Machine helps manufacture main reduction gears used in ships built for the U.S. Navy. The production team performs rough turning, end milling and teeth cutting for the main gears before sending them off to another Timken facility for finishing. The winning team devised a new fixture that dials in gears using only a wrench, reducing ergonomic risks for the hands, neck, shoulder and back. Beyond the ergonomics benefits, the solution also improves productivity and customer responsiveness.

Parting Ways with Plastic Packaging

To help solve the world’s plastic problem, we’ve been eliminating certain forms of single-use plastic, including the bubble dunnage packing material used to help protect our products during shipping.

Working with supplier Ranpak – a global leader in environmentally friendly packaging – we’re replacing plastic bubble with rigid paper dunnage that can be reused and recycled. Since 2019, we’ve eliminated the use of 2.7 million feet of plastic packaging. And over the last four years, our manufacturing facilities have implemented several programs recycling more than 1,000 metric tons of plastic.

“Considering the world produces more than 400,000 metric tons of plastic annually, and plastic packaging accounts for half of all plastic waste, we prioritized this initiative,” said Kim Rudy, manager of global packaging. “We want to do our part to reduce waste and keep plastics out of landfills, oceans and waterways.”

So far, we’ve converted eight U.S. Timken facilities to sustainable paper packaging. We’re currently working on extending the program to our international facilities, newly acquired companies and supplier operations. We’re also in the process of identifying our next initiative to further reduce the use of single-use plastics.

We consistently communicate our environmental, health and safety management policies with our associates and expect full compliance. Every month, we compile the number (and rate) of work-related injuries and illnesses, and share them with the leadership team. In 2020, we had 143 recordable instances of work-related illness and injury, and no fatalities.

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Other 2020 Timken Ergo Cup® finalists included solutions designed by our teams in Chennai, India; Northampton, United Kingdom; and Tyger River, S.C.

Keeping Our Associates Safe

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Injury Rates as Calculated Based on OSHA Guidelines

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Injury Rates as Calculated Based on OSHA Guidelines

In 2020, we celebrated our 10th Ergo Cup® Competition and received 65 entries. A team of internal judges determined finalists by evaluating each entry based on innovation, simplicity, cost savings, ergonomic risk reduction and presentation quality. Then, a panel of external experts selected the winner – a team from Standard Machine, part of Timken Power Systems, in Saskatoon, Canada.

Standard Machine helps manufacture main reduction gears used in ships built for the U.S. Navy. The production team performs rough turning, end milling and teeth cutting for the main gears before sending them off to another Timken facility for finishing. The winning team devised a new fixture that dials in gears using only a wrench, reducing ergonomic risks for the hands, neck, shoulder and back. Beyond the ergonomics benefits, the solution also improves productivity and customer responsiveness.

Other 2020 Timken Ergo Cup® finalists included solutions designed by our teams in Chennai, India; Northampton, United Kingdom; and Tyger River, S.C.
Wind Energy: The Power of the Future

China continues to outpace other countries’ renewable energy use by large margins and has set a target of fulfilling 20 percent of the country’s energy needs with renewables by 2030. Our bearing plant in Xiangtan, China, plays a key role in serving the country’s growing demand and wind energy customer base.

As wind turbines continue to increase in size, the bearings they require must also get bigger. Many bearings built in Xiangtan are now 3.5 meters, requiring more than 30 days to manufacture. That’s why, in 2021, we’re investing to increase staff, the plant’s footprint and production capacity.

“Xiangtan plant delivers a broad wind portfolio,” says Wini Wang, general manager. She says: “We see significant and growing demand in the Chinese energy sector, especially for larger wind turbines that require our ultra-large-bore bearings for their mainshafts. Extending Xiangtan’s capacity is critical for us to continue serving Chinese wind energy customers.”

At the same time, the LEED-certified plant also focuses on reducing its own energy consumption and waste. “As a major player in the renewable energy sector, we’re constantly improving our energy strategy,” says Wang. The team also relies heavily on the kind of teamwork that only a global company can offer. “We rely on support from our global engineering teams to optimize Xiangtan manufacturing processes,” she says.

Wang is proud of the Xiangtan plant’s role in more efficient world and looks forward to supporting the continued growth of the wind energy sector in China. “As the world continues to transition to renewable energy sources, we’ll see continued investment in the Xiangtan facility,” she says. “Quality is our calling card. We proudly put Timken on every bearing we make — it’s a commitment to our customers that we’re delivering reliable bearings that help them power the future sustainably and long-term.”

To excel in her role, Wang grew her knowledge through hands-on experiences. In addition, she took advantage of Timken’s training and development programs, including the China Development Academy, Timken Manufacturing Academy and The Signature Program. She feels the Operations Development Program (ODP) is particularly effective in championing future manufacturing leaders (see Knowledge section for more info on ODP).

Wang was so successful in learning the ins and outs of Timken that she was asked to spend a year sharing her skills at our facility in Ballarat, Australia. While there, she particularly enjoyed how diversity of thought was explicitly welcomed. After returning to China, she began to create that kind of open environment at the Xiangtan facility.

In 2015, Wang became general manager of the Xiangtan facility, where she’s now overseeing the plant’s rapid growth.

Wang’s career trajectory certainly proves her personal credo: “Don’t limit yourself based on your professional background. You can grow in any direction as long as you’re dedicated to learning.”

About Wini Wang
General Manager, Xiangtan Facility

Wang was first approached by a recruiter in 2008 who was searching for a finance manager for our new manufacturing facility in Xiangtan, China. Wang accepted the position because it was both a personal and professional challenge — she had to learn about wind energy, manufacturing and a new company culture all at once. But she was more than up to the task.

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In 2020, we continued upgrading our operations to make our facilities more environmentally friendly. While production slowed at our global locations throughout the pandemic, we stayed focused on reducing our impact and utilizing sustainable alternatives, such as solar energy.

<table>
<thead>
<tr>
<th>EFFLUENTS AND WASTE</th>
<th>2020*</th>
<th>2019*</th>
<th>2020*</th>
<th>2019*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total from all sources (1,000 metric tons)</td>
<td>5.69</td>
<td>6.23</td>
<td>5.25</td>
<td>73.25</td>
</tr>
<tr>
<td>Hazardous waste</td>
<td>5.69</td>
<td>6.23</td>
<td>5.25</td>
<td>73.25</td>
</tr>
<tr>
<td>Nonhazardous waste</td>
<td>55.25</td>
<td>73.25</td>
<td>53.78</td>
<td>70.73</td>
</tr>
<tr>
<td>Reuse</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Recycling</td>
<td>2.54</td>
<td>2.46</td>
<td>45.38</td>
<td>45.67</td>
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<tr>
<td>Composting</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Energy Recovery</td>
<td>2.16</td>
<td>2.41</td>
<td>45.38</td>
<td>45.67</td>
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<tr>
<td>Incinerations</td>
<td>0.88</td>
<td>1.11</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deep Well Injection</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other (oily water recycle)</td>
<td>0.81</td>
<td>0.98</td>
<td>3.65</td>
<td>15.09</td>
</tr>
<tr>
<td>Hazardous waste transported</td>
<td>5.69</td>
<td>6.23</td>
<td>5.25</td>
<td>73.25</td>
</tr>
<tr>
<td>Hazardous waste imported</td>
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<td>Hazardous waste exported</td>
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<tr>
<td>Hazardous waste treated</td>
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<td>N/A</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Percentage of hazardous waste shipped internationally</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</table>

<table>
<thead>
<tr>
<th>TRANSPORT/TREATMENT OF HAZARDOUS WASTE (1,000 metric tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazardous waste transported</td>
</tr>
<tr>
<td>Hazardous waste imported</td>
</tr>
<tr>
<td>Hazardous waste exported</td>
</tr>
<tr>
<td>Hazardous waste treated</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ENERGY CONSUMPTION</th>
<th>2020*</th>
<th>2019*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total from non-renewable and renewable sources</td>
<td>6,230.67</td>
<td>6,019.23</td>
</tr>
<tr>
<td>Total from non-renewable sources</td>
<td>8,175.03</td>
<td>8,156.81</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>5,941.89</td>
<td>5,941.89</td>
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<tr>
<td>Electricity</td>
<td>2,305.05</td>
<td>2,253.52</td>
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<tr>
<td>No. 6 Fuel Oil</td>
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<tr>
<td>No. 2 Fuel Oil</td>
<td>0.10</td>
<td>0.09</td>
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<tr>
<td>Propane</td>
<td>99.90</td>
<td>103.89</td>
</tr>
<tr>
<td>Diesel</td>
<td>3.36</td>
<td>4.67</td>
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<tr>
<td>Recovered Fuel</td>
<td>5.18</td>
<td>5.03</td>
</tr>
<tr>
<td>Purchased Steam/Hot Water</td>
<td>101.06</td>
<td>101.97</td>
</tr>
<tr>
<td>Biodiesel</td>
<td>71.09</td>
<td>1.09</td>
</tr>
<tr>
<td>Renewable sources</td>
<td>11.62</td>
<td>11.40</td>
</tr>
<tr>
<td>Solar Energy</td>
<td>11.62</td>
<td>11.40</td>
</tr>
<tr>
<td>Wind</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Energy Intensity (Scope 1 and Scope 2)</td>
<td>3.26</td>
<td>3.12</td>
</tr>
</tbody>
</table>

**IMPACT NOW**

1. Energy consumption tracked using utility records and internal logs. Conversion of fuel consumption to gigajoules based on information from U.S. Energy Information Administration and Altius Energy Consulting, LLC. No energy was sold by the organization during the reporting period. Energy intensity includes electricity, natural gas, fuel oils, propane and solar energy and reflects only energy consumption within the company.

2. 2020 data includes 32 sites in scope. 2019 data reflects information from 31 sites in scope.

3. Certain data in the foregoing charts has been revised since the publication of the 2019 Corporate Social Responsibility Report to reflect immaterial corrections made as a result of Timken’s internal review processes.

4. Energy intensity metrics estimated above are incomparable. Sales value and production (“SVOP”) is not reported by all in-scope facilities and sites that do not report SVOP and factored into our intensity metrics with an SVOP value of $0 to avoid underreporting our intensity metrics. In 2019, 6 of 31 sites in scope did not report SVOP in 2020, of 32 sites did not report SVOP.

5. Water consumption data obtained from utility records and internal meters and logs. Change in water storage not identified as significant.


7. Waste data collected from vendors, invoices and transportation records.
With Timken’s support, we’re able to design and outfit the Makerspace with interactive tools and educational resources that will take the students’ learning to a whole new level. We’re also excited about the curriculum the I PROMISE School staff is creating alongside Timken’s team of experts. It will drive the Project Based Learning lessons we’ll teach inside the Makerspace this coming school year. We love Timken’s hands-on approach to our kids and families and are excited about everything we’re building together to create invaluable learning experiences for our students.”

Michele Campbell
Executive Director
LeBron James Family Foundation

Succeeding in a rapidly changing world requires a constant drive to innovate and perform for all stakeholders involved. We must champion today’s thought leaders as well as the next generation of science, technology, engineering and math (STEM) talent.

But for us, leadership also means we contribute meaningfully to the communities we work and live in, through charitable contributions, volunteering, mentoring or strategic partnerships.

The common denominator in all we do is our commitment to ethics and integrity. Our company and corporate governance are built on this commitment; we believe trust and transparency are key to creating equitable relationships and lasting impact.

In 2020, the disparities across the globe for at-risk and underrepresented students and communities became more evident than ever. This compelled us to focus the majority of our global efforts on education, because an investment in the next generation is an investment in our shared future.
"While we don’t behave ethically to win accolades, third-party recognitions are good benchmarks for us," says Angel Olivas, manager, Ethics and Compliance & Global Data Privacy. "They illustrate that our commitment to doing the right thing is not a flab, but a reflection of who we are and how we create strong relationships. In fact, The Timken Company has been built on ethics and integrity, earning us our global reputation.”

For Olivas, our reputation as a good corporate citizen is based on four principles, which exemplify our core values of ethics and integrity:

1. Honesty

Honesty means being transparent with associates, customers, shareholders and communities even when times are tough and conversations are difficult.

“The last year was challenging as business conditions and public health recommendations were constantly changing,” Olivas says. “We rely on local leaders to keep associates informed about what decisions are being made and why. We rely on associates to ask questions and point out gaps when something doesn’t seem quite right. Honesty is a very strong part of what makes our ethics program work. Our associates know that they can candidly express their concerns and trust that they will be taken seriously.”

2. Fairness

Timken is committed to earning business based on merit and treating associates with fairness. This is reinforced through decision-making and actions that avoid conflicts of interest.

“Sometimes, people want to do the right thing but may overlook our policies and processes when trying to solve problems,” he says. “While there may not be ill intent, we must always follow our guidelines to avoid issues for the company. We take our responsibility to ensure compliance seriously. I always remind our associates that our policies and processes are important and in place for a reason.”

3. Responsibility

From actions that reinforce our corporate social responsibility to ensuring that customers get what they need when they need it, responsibility takes many forms.

“When we set up associates to work remotely, we knew we needed extra protection for our assets, including our technical, commercial and personal data,” he says. “We were proactive in communicating our global data privacy policy and delivering additional training to identify phishing attacks and tips to safeguard company resources to help associates understand how to protect the data entrusted to us in a work-from-home environment.”

4. Respect

During a time when it can seem challenging to find common ground, our company is even more committed to maintaining an environment of respect where diversity of thought is celebrated.

“We respect everyone’s input and while we may have different opinions, we always treat each person with dignity and unite as a team to achieve our common goals. I’m relatively new to Timken, but looking back at how the company has reacted to different crises over a century, it has been respect for each other and our values that guided us. We don’t know all the challenges we will face, nor what all the right decisions will be, but if we are honest, fair, responsible, and respectful, I know that we’re going to get through it.”
In 2020, we committed to being a STEM partner for a school that serves inner-city students near our Timken World Headquarters. The I PROMISE School, a collaboration between the LeBron James Family Foundation (LJFF) and Akron Public Schools, gives hundreds of students in need access to additional educational support; groundbreaking academic intervention; wraparound services for their entire families; and a STEM curriculum that can change the course of their lives. This holistic approach has worked; in the school’s first year, 2018, 90 percent of students met or exceeded their expected growth in math and reading.

As part of our partnership with the LJFF, we sponsor the school’s “Makerspace” — a lab and library where students can cultivate innovative thinking through hands-on exploration. Stocked with supplies to build a robot, create art, or go on adventures through reading, resources like these can help inspire children who may have struggled academically or faced challenges at home.

Mike Leftwich, J.D., Timken associate relations specialist and LJFF Advisory Board member, feels a strong connection to the I PROMISE School for two reasons: he sees the real impact it makes in his own community, and he considers it an investment in the future growth of STEM fields regionally and globally.

“This year, we’ll connect students with Timken associates who specialize in various technical disciplines like mechanical engineering, materials science and the science of interactive surfaces during relative motion, aka tribology,” Leftwich says. “Our associates can share how they work with each other and with customers to solve real-world technical problems.”

While the pandemic has slowed our progress some, the blueprints for the Makerspace are ready for implementation, and we are exploring opportunities to expand the program with LJFF as well as similar partnerships in communities around the world.

It’s an opportunity for Timken to share our resources, knowledge and passion with these kids so they are inspired to go into a STEM-related field. For me, the biggest full-circle moment would be if — in the future — we interview a former I PROMISE student for a position at Timken. It’s about encouraging the next wave of talent — whether they end up here, or anywhere, innovating for the future.”

Mike Leftwich
Associate relations specialist and Timken representative on the LeBron James Family Foundation Advisory Board
Below, Lance Yu discusses why the STEM initiatives matter and how they have been received so far:

In your opinion, why do STEM-focused initiatives matter in China? As a manufacturing giant, our country has an increasing need for STEM talent. Through our initiatives, we can help cultivate the next generation’s interest in science and technology, inspire them to innovate and guide them in their career choices. At the same time, we care deeply about providing equal education opportunities to youth, particularly those from underserved areas. We believe our efforts can open more doors for them and hopefully change lives.

How has it been going so far? All three initiatives have kicked off successfully, and several of our associates have been volunteering in the classroom, sharing their experience with students and serving as mentors.

Spotlight On China: A Focused Vision for Community Relations

Our company’s presence in China has been growing for 30 years. Today, we employ more than 3,600 associates across the country and, as Lance Yu, president of Timken China, says: “There are many ways in which we can enrich lives and give back to our community, so we turned to our team to clearly define our efforts.”

Our associates’ feedback was very clear. They believe disadvantaged and disabled people need help the most, and we should focus our support in three ways: (1) education to reinforce lifelong learning; (2) basic needs to provide individuals access to health and human services; and (3) community building to enhance the quality of life where we live and work.

While the program is in its infancy, the China team has made good progress, putting in place three STEM-focused initiatives for 2021 (for more information see page 37):

What are the participants saying? We’ve received encouraging feedback from this year’s participants. Even though they join the classes in their spare time, they are already asking if the initiatives will continue in the coming years. Same with teachers, they would like to see these initiatives become permanent.

What about your associates? Are they excited and engaged? Yes, I wrote a letter to all our associates in China earlier this year to introduce our 2021 initiatives and encourage them to participate. They were excited that we’re acting on their input and prioritizing STEM education.

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At-Risk and Underrepresented Students: A Global Approach

As a company comprised of engineers and problem solvers, we come to work every day to devise solutions for challenging applications and design and build products to make a more efficient world. It’s only natural for us to extend that thinking beyond the products we’re known for to the challenges and issues facing the communities where we operate. After all, creating a more efficient world depends not only on machinery, but the people who build it.

In keeping with our promise to promote leadership, we recognize that the talent pool of next-generation problem solvers needs to get deeper and more diverse. That’s why we’re increasing our investments in education, with a focus on STEM opportunities for at-risk and underrepresented students around the globe.

In India, we have a long history of supporting projects focused on providing educational resources and STEM including:

- Scholarships provided through the Vidyasaarathi Samast Mahajan Trust
- Establishment of an artificial intelligence lab for students at the Indian Institute of Science
- Classroom support provided through the Sri Sri Vidya Mandir and Shakti Kendra trusts

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We support efforts like these to inspire students to explore STEM-based careers. We believe that more aid is needed to overcome the disparities in resources from school district to school district and household to household. That’s why we are committed to expanding programs like these around the globe.

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In Europe:

- STEM Collaborations with NASA, providing grants for K–12 educators from 12 different schools and programs to participate.
- Great Lakes Science Center Camp Curiosity, sponsoring 2020 STEM summer camp for nearly 200 at-risk and diverse youth, underwriting the full cost of the camp, before and after care and healthy meals; developed curriculum for sessions on renewable energy.
- Maison pour la Science provides a laboratory of ideas, innovation practices and technical equipment designed to support underprivileged children and aimed at improving the quality of science teaching in schools. The effort consists of science teachers, university professors, engineers, other scientists and advisors who implement, supervise and train teachers and students.

In United States:

- Sponsorship of the Makerspace Learning Lab at the LeBron James Family Foundations’ I PROMISE School, a real-world learning lab and a library, where Timken associates share their engineering expertise with the school’s students.
- STEM Collaborations with NASA, providing grants for K–12 educators from 12 different schools and programs to participate.
- Great Lakes Science Center Camp Curiosity, sponsoring 2020 STEM summer camp for nearly 200 at-risk and diverse youth, underwriting the full cost of the camp, before and after care and healthy meals; developed curriculum for sessions on renewable energy.

In China:

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In future solution:

- We support efforts like these to inspire students to explore STEM-based careers. We believe that more aid is needed to overcome the disparities in resources from school district to school district and household to household. That’s why we are committed to expanding programs like these around the globe.

STEM for Children of Migrant Workers improves the scientific knowledge of 9 to 12-year-olds through popular science lectures, workshops and initiatives.

STEM literacy for teenagers cultivates and develops teens’ potential by leveraging professional science and innovation training courses.

Science and Innovation Camp for Teenagers provides students in underdeveloped areas access to science and technology and promotes educational equity in urban and rural areas.
In 2020 and into 2021, the COVID-19 pandemic affected every community where we operate, prompting many of our neighbors to seek out charities and other sources for food, financial assistance and basic needs. To help fill the void, Timken responded around the world with both financial and in-kind donations to provide immediate support for those with the greatest need.

As the pandemic reached its peak in the United States, many turned to food banks to feed their families. We donated $175,000 to Feeding America®, which supports 200 food banks, pantries and meal programs that serve 40 million people across the country. And we contributed to the United Way COVID-19 Impact Fund to help residents in need with rent and mortgage payments, temporary shelter, food, clothing and medical supplies.

In other parts of the world, we contributed to pandemic relief in a number of ways. Our team in China sent excess masks and other personal protective equipment (PPE) to regions that had a significant need. In Romania, our team donated sanitizing products to a school, which used them to help prevent the spread of COVID-19 while students attended special training to prepare for graduation exams. And, in India, we donated to the Electronics City Industries Association Trust to provide food for those in need and PPE for frontline healthcare workers.

Additionally, Timken associates contributed in many individual ways, assisting our communities in protecting and recovering from the impacts of the pandemic, including making donations to our Timken matching-gift program.

Finally, at the time of publication, many of the world’s poorest countries are struggling to get access to COVID vaccines. To help fund equitable COVID-19 vaccine distribution around the globe, Timken donated $75,000 to UNICEF USA in support of the COVAX initiative, which is sending supplies to 92 developing countries.
Keeping Our Information Secure

Timken has instituted an enterprise-wide information security program with oversight from our Audit Committee. Recognizing that this is an evolving and complex space, we perform regular assessments of our information security program. Specific features include:

- Annual third-party penetration testing
- Annual information security training for all our associates—topics include identifying phishing attacks and insider threats, among other items
- The purchase of both first- and third-party cyber liability insurance
- The Audit Committee or Board receives reports on cyber security threats and trends at least annually and regular updates on our information security program. In addition, we actively work to comply with various government frameworks and certifications.

We’re in the process of obtaining our Cybersecurity Maturity Model Certification for the United States Department of Defense and the Cyber Essentials for the United Kingdom’s National Cyber Security Centre to demonstrate our compliance.

Respecting, Promoting and Protecting Human Rights

We apply internationally recognized human rights principles to our global operations and in the communities where we operate. Amongst other topics, our enterprise-wide human rights policy covers the company’s:

- Stance against human trafficking and forced labor
- Care for the health and safety of our associates and others
- Embrace of diversity and intolerance of discrimination
- Commitment to competitive and equitable pay
- Respect for the principles of freedom of association and collective bargaining
- Promotion of the development of our communities
- Support for access to clean water

Our full policy and statement is available at https://www.timken.com/resources/human-rights-policy/
The Timken Company (NYSE: TKR; www.timken.com) designs a growing portfolio of engineered bearings and power transmission products. With more than a century of knowledge and innovation, we continuously improve the reliability and efficiency of global machinery and equipment to move the world forward. Timken posted $3.5 billion in sales in 2020 and employs more than 17,000 people globally, operating from 42 countries.

Our Flagship Brands
Our growing portfolio of engineered bearings and power transmission product brands serve our customers’ evolving needs.

Our growing portfolio of engineered bearings and power transmission product brands serve our customers’ evolving needs.
The Timken 2020 Corporate Social Responsibility Report includes information focused primarily on data collected and activities that occurred during calendar year 2020, except where indicated. We believe that this report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2020, Core option. We currently expect to update this report annually.

Report Scope
Quantitative data related to operations and facilities of businesses that were acquired by Timken in calendar year 2020 are excluded from this report, as the full integration of these businesses was still underway. Environmental data also excludes certain operations from Timken's 2020 Corporate Social Responsibility Report includes information on a quarterly basis. The Timken corporate environmental team, in coordination with each individual site, conducts an annual review of the data provided by our facilities to identify discrepancies and ensure the quality of reporting. Information provided in prior years is also reviewed and verified as part of this process.

Materiality Assessment
In 2019, we conducted a materiality assessment to inform much of the content in this report and guide Timken’s strategy and programs going forward. The topics considered in the materiality assessment were developed by reviewing the GRI Standards in the Economic, Environmental and Social categories, which were classified into 17 key subtopics to allow for a more focused assessment. Internal stakeholders, including a cross section of Timken executive, associates and the CSR Steering Committee, completed a ranking exercise to determine how topics should be prioritized based on their importance to Timken and its external stakeholders. Our CSR Steering Committee is comprised of subject matter experts and senior leaders tasked with moving our corporate social responsibility program forward.

The CSR Steering Committee assessed the correlation between the ranked topics and external standards, such as the industry-specific reporting standards from the Sustainability Accounting Standards Board for the Industrial Machinery & Goods market and the United Nations Sustainable Development Goals, to aggregate the topics into a list of Timken’s material topics. We also reviewed customer, supplier and peer CSR reports to further inform our view of additional topics relevant to our industry. The resulting material topics were reviewed and approved by Timken’s executive management.


For definitions, boundaries, management approaches and other information to touch on our material topics, please see Page 61.

Certain statements in this report (including statements regarding the company’s beliefs, estimates, and expectations) that are not historical in nature are “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, the statements related to Timken’s sustainability and diversity plans, developments, targets, goals and expectations are forward-looking. Timken cautions that actual results may differ materially from those projected or implied in forward-looking statements due to a variety of important factors, including those discussed in the company’s reports on Form 10-Q and current reports on Form 8-K. Except as required by the federal securities laws, the company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. The characterization of items identified throughout this report as “material” should not be construed as a statement or determination by Timken that such items are material for purposes of U.S. securities laws.

Timken® is a registered trademark of The Timken Company. All other registered trademarks are the property of their respective owners.
GENERAL DISCLOSURES

DISCLOSURE | TITLE | EXPLANATION OR LOCATION
--- | --- | ---
102-01 | Name of the organization | The Timken Company
102-02 | Activities, brands, products, and services | timken.com: About (Product Brand Portfolio); Timken 2020 Form 10-K: Item 1
102-03 | Location of headquarters | North Canton, Ohio, United States
102-04 | Location of operations | Timken 2020 Form 10-K: Item 1
102-05 | Ownership and legal form | The Timken Company is publicly traded on the New York Stock Exchange (NYSE: TKR).
102-06 | Markets served | Timken 2020 Form 10-K: Item 1
102-07 | Scale of the organization | Timken 2020 Form 10-K: Item 1 and Item 6
102-08 | Information on employees and other workers | See table on Page 14 (Representation Matters).
102-09 | Supply chain | Timken 2020 Form 10-K: Item 1
102-10 | Significant changes to the organization and its supply chain | Timken 2020 Form 10-K: Item 1 and Item 7
102-11 | Precautionary Principle or approach | Timken is committed to being a good steward of the environment. We embrace energy efficiency, pollution prevention, waste management and recycling, and we have the structures in place to ensure success, including our Global EHS Policy and EHS Management System governing the actions of Timken leadership and associates alike.
102-12 | External initiatives | Timken continues to make progress to meet its corporate goal to have in place or implement an environmental management system (EMS) based on the principles of the ISO 14001 standard at each of our major manufacturing facilities worldwide. Twenty-one facilities are currently certified to ISO 14001. Timken also has two U.S. Green Building Council (USGBC) leadership in Energy & Environmental Design (LEED) certifications for its world headquarters in North Canton, Ohio, U.S., and its plant in Xiangtan, China. Both locations are certified as LEED Gold by USGBC.
102-13 | Membership of associations | Timken, President and CEO Richard Kyle has served as a board member of the National Association of Manufacturers (NAM) since 2017. The NAM board comprises more than 200 of the nation’s best manufacturing executives, representing large and small companies alike, across all industrial sectors. Board members provide national and global perspectives on the impact of federal government actions and their complimentary ability to plan, prepare, and implement. In addition, board members contribute leadership and guidance to a number of subcommittees important to manufacturers, including taxes, trade, energy, infrastructure and workforce development.
102-14 | Statement from senior decision-maker | CEO Letter, Page 1
102-15 | Key impacts, risks, and opportunities | Timken 2020 Form 10-K: Item 1A
102-16 | Values, principles, standards, and norms of behavior | Timken continues to make progress to meet its corporate goal to have in place or implement an environmental management system (EMS) based on the principles of the ISO 14001 standard at each of our major manufacturing facilities worldwide. Twenty-one facilities are currently certified to ISO 14001. Timken also has two U.S. Green Building Council (USGBC) leadership in Energy & Environmental Design (LEED) certifications for its world headquarters in North Canton, Ohio, U.S., and its plant in Xiangtan, China. Both locations are certified as LEED Gold by USGBC.

GRI Standards Index
102-17  Mechanisms for advice and complaints about ethics
To help protect our company’s values and reputation, all associates are asked to speak up if something doesn’t seem right or when they have a question. Customers, suppliers, and other third parties may contact Timken’s ethics reporting resources, which include:
- Any company leader
- Our ethics and compliance office
- The Timken HelpLine

The Timken HelpLine is answered by an external third party, and reports are not traced or recorded. All reports are kept confidential to the maximum extent possible under local law. This allows our associates to report freely any concerns they may have if they are uncomfortable directly approaching management. These reports are investigated by specified individuals trained to deal with sensitive situations. Our policy prohibits retaliation following any good faith report.

Timken.com: Ethics and Integrity

102-18  Governance structure
Timken.com: Board of Directors
Timken.com: Committee Composition
Timken.com: Governance Documents (Committee Charters, Board Policies and Procedures, Amended Regulations)

The Timken Board of Directors oversees the Company’s operations, provides guidance and oversight to the Company’s management, and monitors the performance of its CEO and other executive officers. The Timken Board of Directors is composed of ten members, nine of whom are independent. Since 2014, the Chair of the Board has been independent.

Since 2014, the Chair of the Board has been independent.

102-19  Delegating authority
At the direction of our CEO and the Nominating and Corporate Governance Committee of the Timken Board of Directors, Timken created a cross-functional CSR Steering Committee.

The CSR Steering Committee reports its activities to the Executive Strategy Team (consisting of our executive officers, head of legal) and the Board of Directors, specifically the Nominating and Corporate Governance Committee.

The CSR Steering Committee communicates and consults with stakeholders regarding CSR issues through one-on-one contacts with customers, suppliers and shareholders, related conferences and events, third-party reports, and ongoing dialogue with political and community leaders where Timken operates around the globe.

The CSR Steering Committee is charged with monitoring and evaluating current CSR activities, developing a collective CSR program, recommending strategies and reporting on our progress. The CSR Steering Committee reports to the Executive Strategy Team (consisting of our executive officers, head of legal and strategy and business development) and head of Legal) and the Board of Directors, specifically the Nominating and Corporate Governance Committee.

102-20  Executive level responsibility for social, economic, and environmental topics
The Coordinating Committee on social, economic, and environmental topics consults with stakeholders regarding CSR issues through one-on-one contacts with customers, suppliers and shareholders, related conferences and events, third-party reports, and ongoing dialogue with political and community leaders where Timken operates around the globe.

102-21  Composition of the highest governance body and its committees

102-22  Chair of the highest governance body

Since 2014, the Chair of the Board has been independent.

102-24  Nominating and selecting the highest governance body

102-25  Conflicts of interest

102-26  Evaluating the highest governance body’s performance

TImken.com: Governance Documents

102-27  Remuneration policies

102-28  Process for determining remuneration

TImken.com: Governance Documents

102-29  Review of economic, environmental, and social impacts

102-30  Identifying and managing economic, environmental, and social impacts

TImken.com: Governance Documents

102-31  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-32  Process for determining remuneration

CEO Rich Kyle formally reviews and approves Timken’s CSR report. The Nominating and Corporate Governance Committee, the Board Committee responsible for CSR, reviews and provides feedback on Timken’s CSR report.

See Disclosures 102-19 through 102-21.

102-33  Communicating critical concerns

See Disclosures 102-19 through 102-21.

102-34  Communication of the highest governance body and its committees

Since 2014, the Chair of the Board has been independent.

102-35  Human rights

See Disclosures 102-19 through 102-21.

102-36  Identifying and managing economic, environmental, and social impacts

See Disclosures 102-19 through 102-21.

102-37  Stakeholders’ involvement in remuneration

The CSR Steering Committee, responsible for CSR, reviews and provides feedback on Timken’s CSR report.

See Disclosures 102-19 through 102-21.

102-38  Annual total remuneration ratio

CEO rich Kyle formally reviews and approves Timken’s CSR report. The Nominating and Corporate Governance Committee, the Board Committee responsible for CSR, reviews and provides feedback on Timken’s CSR report.

See Disclosures 102-19 through 102-21.

102-39  Identifying and selecting stakeholders

See Disclosures 102-19 through 102-21.

102-40  List of stakeholder groups

See Disclosures 102-19 through 102-21.

102-41  Collective bargaining agreements

See Disclosures 102-19 through 102-21.

102-42  Conflicts of interest

See Disclosures 102-19 through 102-21.

102-43  Remuneration of directors

102-44  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-45  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-46  Governance structure

See Disclosures 102-19 through 102-21.

102-47  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-48  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-49  Governance structure

See Disclosures 102-19 through 102-21.

102-50  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-51  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-52  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-53  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-54  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-55  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-56  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-57  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-58  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-59  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-60  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.

102-61  Communication of the highest governance body and its committees

See Disclosures 102-19 through 102-21.

102-62  Role of highest governance body in setting purpose, values, and strategy

See Disclosures 102-19 through 102-21.
In 2020, Timken engaged in various forms of shareholder outreach, including participating in nine investor conferences, nine non-deal roadshows, and a significant number of individual investor meetings. In total, Timken completed over 500 interactions with investors during 2020, up over 20% from 2019.

Key topics and concerns raised See Page 63.

Entities included in the consolidated financial statements Timken 2020 Form 10-K: Exhibit 21 (Subsidiaries of the Registrant).

Defining report content and topic Boundaries About this Report, Page 44; see also Page 61.

List of material topics About this Report, Page 45; see also Page 61.

Restatements of information About this Report on Page 44.

Changes in reporting None

Reporting period Calendar year 2020

Date of most recent report November 2020

Reporting cycle The Timken Company 2020 Corporate Social Responsibility Report includes information focused primarily on data collected and activities that occurred during calendar year 2020, except where indicated. We currently expect to update this report annually.

Contact point for questions regarding the report CSR@timken.com

Claims of reporting in accordance with the GRI Standards We believe this report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2020, Core option. See also: About this Report on Page 44.

GRI content index Pages 46 through 60 of this 2020 CSR Report Supplement — Indices, Approach, and Engagement.

External assurance Other than content that references our 2020 Form 10-K, this report has not been externally assured. Timken may consider seeking external assurance for some report data in the future.

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**ECONOMIC PERFORMANCE**

### 201-1 Direct economic value generated and distributed

Timken 2020 Form 10-K: Item 8

Mitigating climate change presents significant opportunities for Timken due to increasing demand for renewable energy and energy efficiency. Many of our products support the burgeoning wind and solar power industries, two of our fastest-growing end-market sectors. We not only design products that use less energy and reduce greenhouse gas emissions, we develop solutions to help increase the efficiency and affordability of renewable-energy systems. Our manufacturing operations are helping to advance solar and wind energy; increase fuel efficiency in farm equipment, trains and other vehicles; and support the rising demand for electric vehicles.

Risks to our business relative to climate change are primarily regulatory. Tighter emissions controls could potentially increase our operational costs, and waning government subsidies for renewable power in the United States could negatively impact wind and solar installations. Severe weather associated with a changing climate could potentially impact our operations as well. In 2020, renewable energy became our single largest end-market sector in terms of total sales, evidencing our commitment to sustainability. Our products, technology and innovation continue to support the global trend towards sustainability and meet customers' evolving requirements for optimized reliability and performance. In addition, we recently announced more than $75 million in capital investments through early 2022 to increase our renewable energy capabilities across our global footprint.

These investments will include implementation of advanced automation and manufacturing technologies designed to support long-term growth in this space.

### 201-3 Defined benefit plan obligations and other retirement plans

Timken maintains a competitive defined contribution retirement program for its associates in the United States. The program has an enormously high participation rate with over 90% of the eligible population participating in it. We provide training and education sessions, one-on-one financial counseling, and make updates to the program to maintain it as one of the most competitive plans in the industry.

In the United States, Timken offers four defined benefit plans. All four plans have been closed to new members for some time and are sufficiently funded to meet obligations. Internationally, Timken offers retirement programs consistent with the requirements outlined by national law in our respective locations.

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**MARKET PRESENCE**

### 202-1 Balance of standard entry level wage by gender compared to local minimum wage

We are committed to providing equal pay for equal work. Globally, our associates are paid according to their skills, responsibilities, qualifications and experience rather than their gender. And while Timken operates in multiple locales and jurisdictions that have varying minimum-wage requirements, associates’ starting salaries typically are well above applicable minimum-wage requirements.
GRI STANDARDS INDEX: TOPIC SPECIFIC

INDIRECT ECONOMIC IMPACTS

205-1 Operations assessed for risks and actions taken

Timken’s Corporate giving focus area include associate giving, basic needs, education, and reputation and community building. In 2020, 8% of our total corporate giving and 9% of community building effort is to the majority of our giving is directed towards locations where we have a significant indirect impact on the local communities.

205-2 Significant indirect economic impacts

Our associates donate thousands of volunteer hours supporting personal charities and company-sponsored events, as well as fulfilling community leadership roles and sitting on the boards of various charitable organizations. Our matching gift program provides a dollar for dollar match up to certain limits to 2019 150 organizations championed by our associates.

The Timken Grant Program contributes to nonprofit charitable organizations in our local communities. Our corporate giving focus area include associate giving, basic needs, education, and reputation and community building.

Timken Charitable and Educational Fund, U.S. Giving in 2020:
- Basic Needs: $21;423
- Education: $157;345
- Community Building: $45,468

Our international giving approach mirrors our efforts in the United States. In India, our giving totaled $456,468 to help local residents with basic needs, education and community building.

PROCUREMENT PRACTICES

204-1 Proportion of spending on local suppliers

Of the approximately 400,000 tons of steel that Timken purchases annually, about 320,000 tons, or 80%, are purchased regionally/locally.

Approximately 85% of our overall materials used are sourced regionally/locally.

Significant locations of operations is defined as locations employing 100 or more people.

ANTI-CORRUPTION

205-1 Operations assessed for risks related to corruption

The risk assessment for corruption is conducted on an enterprise-wide basis. While the Audit Committee of the Board of Directors is ultimately responsible for the oversight of Timken’s anti-corruption program, our Vice President, General Counsel & Secretary provides the highest level of executive oversight for the program.

Timken’s anti-corruption policies and procedures have been communicated to all Board members, and all Board members have received training on anti-corruption.

Timken’s anti-corruption policies and procedures have been communicated to all salaried associates, and all salaried associates are assigned mandatory training on anti-corruption.

Timken has a Supplier Code of Conduct, which is available on our website and communicated to suppliers. The Supplier Code of Conduct addresses anti-corruption.

205-3 Confirmed incidents of corruption and actions taken

During the reporting period, Timken did not experience any incidents of corruption that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC other than as disclosed herein.

ANTICOMPETITIVE BEHAVIOR

205-1 Approach to tax

Timken is headquartered in the U.S. and operates in 42 countries around the world. We contribute to the communities in which we operate through the taxes we pay. We are a current income tax payer both within and outside the U.S. bringing value to the countries in which we operate.

Our global tax strategy closely follows our financial and ethical policies and guidelines. We determine all applicable tax rates, regulations and differences in the jurisdictions in which we have tax payments. We emphasize internal controls and strive to achieve the appropriate transparency with local governments and tax authorities. We are also compliant with country-by-country reporting, as required under the Organization for Economic Co-operation and Development’s plan to address base erosion and profit shifting. We have procedures in place to ensure our senior management understands the tax consequences of all material company transactions, audit settlements and other material tax matters, globally.

Timken does not undertake aggressive tax planning or use artificial tax arrangements intended for tax avoidance. We implement tax planning strategies that have business purpose and commercial substance, but will enhance tax efficiency through the use of available tax incentives that are within the scope of normal business activity.

Our dedicated tax professionals partner with the business to provide proactive and efficient tax services to satisfy all reporting and filing obligations in accordance with laws and regulations and to develop and implement strategies that support business goals and lower tax costs.

There is senior management responsibility for tax decision making, and where necessary, the tax function is supported by external advisors. The tax function is mitigated as far as possible through thoughtful implementation and documentation, as well as transparent audit programs with tax authorities. All dealings with the tax authorities are conducted in a collaborative, courteous and timely manner in an effort to minimize uncertainty in tax matters.

207-1 Tax governance, control and risk management

See Disclosure 207-1.

GRI STANDARDS INDEX: TOPIC SPECIFIC

ENERGY

203-1 Energy consumption within the organization

Refer to page 27.

203-3 Energy intensity

Refer to page 27.
EMPLOYMENT

Benefits

Suppliers that were screened using environmental criteria

During the reporting period, Timken identified no noncompliance with environmental laws and/or regulations that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC other than as disclosed in such reports.

All new direct material suppliers are subject to a stringent onboarding process that is compliant with International Automotive Task Force (IATF) standards. This includes on-site visits ensuring systems and processes are in place covering areas such as quality, capacity, risk management and corporate social responsibility topics. The IATF certification also outlines continual compliance audits required based on risk assessments of the supplier.

All of Timken manufacturing facilities must implement an effective EHS management system in accordance with our corporate EHS standards and procedures, which are regularly reviewed and updated to conform with ISO Standard 9001 (occupational health and safety) and all plant operations are covered by our EHS management systems.

Facility-level management systems consider regulatory requirements, customer specifications, facility performance, hazards and risks, and integration of new acquisitions. Third-party certification must be obtained when required by customers or regulatory agencies, or if approved by Corporate EHS.

Timken assesses health and safety risks and opportunities by using established methodologies and criteria defined with respect to their scope, nature and timing to ensure they are proactive rather than reactive and are used in a systemic way to improve the health and safety management system.

Timken takes great care to protect the health of both associates and temporary employees at work. Around the world, all of our manufacturing plants have a designated occupational health clinic to handle on-the-job injuries and designated first responders on site. Many of our larger facilities feature nurses on-site. We also take preventative measures by requiring preemployment medical screenings to be performed for associates, and we have provisions for addressing health concerns when they arise for existing associates.

Employment

Benefits provided to full-time employees that are not provided to temporary or part-time employees:

- Less than 5% of associates are considered part-time, and while some do receive the same level of benefits as full-time associates, they do not.
- We conduct market studies around the world to ensure full-time associates receive competitive benefits relative to the markets where they work. While benefits vary by location, our base health and dental plans, among other benefits, provide comprehensive coverage. A summary of the most common benefits is provided below.

- Benefits vary by PBS teams, with more than 8,000 opportunities identified to coach associates on safe behaviors.
- Timken associates influence safety directly through interactions with plant leadership or through joint management-worker safety committees. Worker unions, when they exist, are typically included as well. We also actively engage associates as members of our PBS teams, with more than 8,000 opportunities identified to coach associates on safe behaviors.

- Timken takes great care to protect the health of both associates and temporary employees at work. Around the world, all of our manufacturing plants have a designated occupational health clinic to handle on-the-job injuries and designated first responders on site. Many of our larger facilities feature nurses on-site. We also take preventative measures by requiring preemployment medical screenings to be performed for associates, and we have provisions for addressing health concerns when they arise for existing associates.

- Occupational health services

- Occupational health and safety

- Health and safety management systems

- Occupational health and safety

- Health and safety management systems

- Occupational health and safety

- Health and safety management systems

- Occupational health and safety

- Health and safety management systems

- Employment

- Benefits provided to full-time employees that are not provided to temporary or part-time employees:

- Less than 5% of associates are considered part-time, and while some do receive the same level of benefits as full-time associates, they do not.
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- Timken takes great care to protect the health of both associates and temporary employees at work. Around the world, all of our manufacturing plants have a designated occupational health clinic to handle on-the-job injuries and designated first responders on site. Many of our larger facilities feature nurses on-site. We also take preventative measures by requiring preemployment medical screenings to be performed for associates, and we have provisions for addressing health concerns when they arise for existing associates.
403-6 Worker training on occupational health and safety

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<td>403-6</td>
<td>Worker training on occupational health and safety</td>
<td>Timken's Occupational Health and Safety mission is to promote the health and safety of all our Associates by providing training and education programs to ensure that all our Associates are well-informed and prepared for the risks associated with their jobs. This is a number of ways, including by providing frequent health education presentations on topics ranging from healthy eating to the importance of an active lifestyle to maintaining good mental health. We offer ergonomic seminars and one-on-one access to doctors, registered nurses and, on-site occupational health counselors at the Timken Health and Wellness Center, which is the focal point for programs that reach our complete workforce. In addition, we ensure that all our associates are instructed to report safety concerns to the leadership team. All associates need to complete training regarding national, regional, state and local regulations. We choose an extensive suite of functions specific GRI training requirements.</td>
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403-6 Promotion of worker health and safety

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<td>403-6</td>
<td>Promotion of worker health and safety</td>
<td>This includes a wide range of initiatives, including training on occupational health and safety, prevention and mitigation of health and safety risks, and the location where they will be working. All compliance training is completed according to national, regional, state and local regulations. We choose an extensive suite of functions specific GRI training requirements.</td>
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403-7 Prevention and mitigations of occupational ill health and injury impacts directly to business relationships

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<td>403-7</td>
<td>Prevention and mitigations of occupational ill health and injury impacts directly to business relationships</td>
<td>Associates are informed to report safety concerns to the leadership team, as by calling the Timken HelpLine. The experience is expected to adhere fully to all applicable governmental laws and regulations to protect the health and safety of our employees. All materials used in product manufacture shall satisfy current government and safety constraints on restricted, toxic and hazardous materials. All salaried associates, including both managers and non-managers, received annual performance reviews to guide their career paths and provide important feedback for personal growth. The Fitness Center also offers a virtual group exercise classes that associates use to take care of their own families. Additional well-being programs are offered at Timken locations around the world, and the company also offers an online training program that is designed to reach our entire workforce. The Fitness Center also offers a virtual group exercise classes that associates use to take care of their own families. Additional well-being programs are offered at Timken locations around the world, and the company also offers an online training program that is designed to reach our entire workforce. There are also some voluntary programs that help promote the physical and mental health of all our associates. U.S. associates and eligible spouses on Timken medical insurance plans can earn a discount on their monthly medical plan premiums for taking a biometric screening, meeting with their primary care physicians, and satisfying other simple criteria as part of the Better Health Program, which is a wellness program designed to improve the health of all our associates. Timken also offers a wellness program that pays for the subscription to a health and safety program that provides tools to help improve the physical and mental health of all our associates. U.S. associates and eligible spouses on Timken medical insurance plans can earn a discount on their monthly medical plan premiums for taking a biometric screening, meeting with their primary care physicians, and satisfying other simple criteria as part of the Better Health Program, which is a wellness program designed to improve the health of all our associates. Timken also offers a wellness program that pays for the subscription to a health and safety program that provides tools to help improve the physical and mental health of all our associates.</td>
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403-8 Workers' councils or occupational health and safety management systems

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<td>403-8</td>
<td>Workers' councils or occupational health and safety management systems</td>
<td>All plant associates and temporary workers are covered by our OSHA management systems. Partially reported – See Table on Page 23 (Keeping our Associates Safe).</td>
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403-9 Work-related injuries

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<td>403-9</td>
<td>Work-related injuries</td>
<td>NOTE: Regarding this indicator, Timken does not distinguish between injuries and illness. Injury and accident rates are calculated based on 200,000 hours worked. Partially reported – See Table on Page 23 (Keeping our Associates Safe).</td>
</tr>
</tbody>
</table>

NOTES:
- “Injury and accident rates are calculated based on 200,000 hours worked.”
- “Partially reported – See table on Page 23 (Keeping our Associates Safe).”
- “Regarding this indicator, Timken does not distinguish between injuries and illness. Injury and accident rates are calculated based on 200,000 hours worked.”
58

HUMAN RIGHTS ASSESSMENT

412-1 Operations that have been subject to human rights reviews or impact assessments

(Partially Reported) Timken is committed to ensuring all of our associates understand our stance on human rights. This is a key component of our Standards of Business Ethics, which has been translated in multiple languages and distributed to all offices, plants and locations around the world. As part of this, we recognize the importance of promoting individual health and welfare, as well as a commitment to responsible and ethical conduct of business. We do not condone or permit human trafficking, the use of child, forced or involuntary labor in any of our operations. We expect our suppliers and other third parties to uphold these standards (as set forth in our Supplier Code of Conduct). In addition, we provide various training and awareness opportunities worldwide. To further combat violations of human rights, such as discrimination and harassment, we provide a companywide HelpLine that associates can call (anonymously if they choose) and voice concerns relating to human rights without fear of retaliation.

See also, Forced Labor and Human Trafficking Statement and The Timken Company Human Rights Policy.

412-2 Employee training on human rights policies or procedures

The issue of forced labor is included in the Timken Supplier Code of Conduct in Section A, paragraph 4, which is referenced on every Timken Purchase Order and the Terms and Conditions of Sale posted on the Internet (web/site names/timken suppliers). In 2020, no violations of forced labor were identified in Timken or suppliers’ operations.

See also, The Timken Company Human Rights Policy.

412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

The issue of child labor is included in the Timken Supplier Code of Conduct in Section A, paragraph 3, which is referenced on every Timken Purchase Order and the Terms and Conditions of Sale posted on the Internet (web/site names/timken suppliers). We expect all suppliers around the world to adhere to this code as we work together for mutual success.

See also, The Timken Company Human Rights Policy.

LOCAL COMMUNITIES

413-1 Operations with local community engagement impact assessments, and development programs

With 127 manufacturing facilities and service centers in 42 countries, Timken is an active member of many communities around the world. We engage with our neighbors in various ways and empower our individual facility leaders to develop relationships that enable them to understand and best meet the needs of the local communities.

In and around the Northeast Ohio, home to our global headquarters, we financially support several local groups dedicated to expanding economic development in the region.

When Timken is developing a new manufacturing facility or other significant presence in a community, we work with local officials and community leaders to assess potential impacts on local infrastructure, the environment, the economy and more.

See also, Forced Labor and Human Trafficking Statement and The Timken Company Human Rights Policy.
Supplier Social Assessment

416-1 New suppliers that were screened using social criteria

All new direct material suppliers are subject to a stringent onboarding process that is compliant with International Automotive Task Force (IATF) standards. This includes an on-site visit ensuring systems and processes are in place covering areas such as quality, capacity, risk management and corporate social responsibility topics. The IATF certification also outlines continual compliance requirements based on risk assessments of the supplier. Environmental and social expectations are also outlined in Timken’s Supplier Code of Conduct including violation reporting procedures and expectations up to and including termination of the business relationship. See also, Forced Labor and Human Trafficking Statement.

416-2 Negative social impacts in the supply chain and actions taken

We are not aware of any negative social impacts in the supply chain or actions taken in the last year.

Customer Health and Safety

414-2 Negative social impacts in the supply chain and economic area

We aim to prevent and address identified health and safety issues in all our product categories. See also, Equal Opportunity.

414-1 New suppliers that were screened using social criteria

During the reporting period, Timken identified no negative social impacts in the supply chain or actions taken in the last year.

416-1 Assessment of the health and safety impacts of products and services

We are at work to reduce our energy use and continue to produce more energy efficient products. Working to reduce our energy use associated with our footprint.

Socioeconomic Compliance

413-2 New suppliers that were screened using social criteria

Operations with significant actual and potential negative impacts on local communities.

413-1 Noncompliance with laws and regulations in the social and economic area

With 127 manufacturing facilities and service centers in 40 countries, Timken’s operations have the potential to impact the local community, both positively and negatively. Positive impacts include providing jobs, enforcing local economies, paying local taxes as applicable, and, in many cases, supporting community education and other philanthropic efforts. Potential negative impacts include water and air quality, traffic congestion, noise, emissions, and other safety impacts. Timken employs a variety of measures to keep employees, vendors and customers safe including safety management, public relations, community awareness, and emergency response planning.

416-1 New suppliers that were screened using social criteria

During the reporting period, Timken identified no new incidents of noncompliance with regulations and/or voluntary codes consisting of health and safety impacts of Timken products and services that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC other than as disclosed in such reports.

416-2 New suppliers that were screened using social criteria

During the reporting period, Timken identified no new incidents of noncompliance with regulations and/or voluntary codes consisting of health and safety impacts of Timken products and services that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC other than as disclosed in such reports.

415-2 Noncompliance with laws and regulations in the social and economic area

During the reporting period, Timken identified no noncompliance with laws and regulations in the social and economic area that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC other than as disclosed in such reports.

415-1 Noncompliance with laws and regulations in the social and economic area

During the reporting period, Timken identified no noncompliance with laws and regulations in the social and economic area that rose to the level of materiality that would have required disclosure in our periodic reports filed with the SEC other than as disclosed in such reports.

Disclosure 103-1 & 103-2

Diversity and Equal Opportunity

Promoting equal employment opportunities, non-discrimination policies and practices in the workplace.

See also Disclosure 406-1.

Financial Performance

Promoting responsible financial growth

Timken 2020 Form 10K Item 4

See also Disclosure 201-1 and 201-2.

Regulatory Compliance

Ensuring that all associates, officers, and directors practice sound ethics and that we comply with law and applicable regulations

See also Disclosure 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, and 403-8.

Emissions

Working to track and reduce greenhouse gas emissions associated with our footprint

See also Disclosure 205-1, 205-2, 205-3, 205-4, 403-2, 403-4, 403-5, 403-7 and 403-8.

Energy

Working to reduce our energy use and continue to produce more energy efficient products

See also Disclosure 205-1, 205-2, 205-3, 205-4, 403-2, 403-4, 403-5, 403-7 and 403-8.
**Management Approach**

Human Rights

Prohibiting the use of child

and compulsory labor and

promoting general human

rights.

UN SDG targets or indicators.

The SASB and UN SDGs references are to indicate the material topics to which they relate. We are not claiming that this report fulfills any specific SASB indicator or that it demonstrates progress against specific UN SDG targets.

**Retention, Compensation and Benefits**

Offering benefit and compensation packages to our associates that help ensure their well-being and to help attract and retain talented individuals and maintain healthy labor relations.

Waste

Sustainably managing waste at our facilities, including through waste reduction efforts, reuse, and recycling.

**Material Topic**

**Definition**

**2020 Location/Response**

**Boundary**

**SASB**

**U.N. Sustainable Development Goals (SDGs)**

*The SASB and UN SDG references are to indicate the material topics to which they relate. We are not claiming that this report fulfills any specific SASB indicator or that it demonstrates progress against specific UN SDG targets or indicators.*

**Stakeholder Engagement**

We engage with a variety of stakeholders based on their genuine interest in Timken and their potential to impact our business, our employees, and the communities where we live and work. Stakeholder interaction takes many forms, with the intent being to better understand stakeholder priorities and how they factor into our operational decisions.

Timken currently does not have a centralized mechanism for tracking the full range of feedback we receive from all of our various stakeholders, but Timken personnel are available to address stakeholder feedback on specific topics related to their functional areas.

GRI 102-46, 102-42, 102-43, 102-44

**Stakeholder Group**

**Type of Engagement**

**Topics Raised/Company Response**

Communities

• Memberships in and/or support of community organizations

• Site visits/tours

• Local governments

• Community development

• Economic development

• Employment opportunities

Customers

• Trade shows

• Proposals for funded research

• Lobbying

• Industry conference and trade shows

• Social media

• 4.0 stores

Suppliers

• Supplier surveys

• Industry initiatives

• Supplier days

• Supplier surveys

• Industry initiatives

• Supplier days

• Bilateral talks

• Training sessions

Employees

• Internal site

• Periodic/continuous engagement surveys

• Training and development

• Social media

• Union representatives

• Trade associations

• Social media

• Bilateral

Investors

• SEC filings

• Quarterly earnings communications

• Annual shareholders’ meeting

• Annual reports

• Business results

• Company strategy

• Governance practices

• Mixed comparisons

• Environment/Sustainability

• Risk management

Regulators/ Natural and Regional Governments

• Lobbying

• Proposals for funded research

• Participation on standards councils and committees

• Taxes and other revenue sources

• Job creation

• National security

• Environment

• Education and workforce development

• International trade

• Energy supply, security and affordability

• Development projects

• Tax standardization

Universities

• Industry partnerships

• Conference presentations

• Networking

• Research

• Partnerships, collaboration, sharing and cross training

• R&D and new product development

• Student recruitment

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**Management Approach**
Consistent with our ongoing approach to engagement with our shareholders, we have been monitoring the Sustainability Accounting Standards Board (SASB) framework as a means to assess the financial materiality of environmental, social and governance risks to our company. In 2019, we utilized the SASB Materiality Map® and the risks identified by SASB for companies in the Industrial Machinery and Goods industry under SASB’s Sustainable Industry Classification System® as part of Timken’s materiality assessment. The SASB Materiality Map informed, in part, Timken’s assessment of what certain third party stakeholders viewed as material topics for Timken. That said, Timken conducted its materiality assessment within the context of producing a report that was prepared in accordance with the Global Reporting Initiative (GRI) Standards 2018, Core option and not using SASB methodology. While we utilized the SASB Materiality Map as part of our materiality assessment, this report has not been prepared in accordance with the SASB framework. However, we understand that certain of our stakeholders utilize the SASB framework and find it helpful for identifying certain information that they may determine to be particularly relevant about a company from a sustainability perspective. In order to try to make our report easier to navigate for SASB users, Timken put together a chart showing the risks that SASB has identified as likely material for companies in the Industrial Machinery and Goods industry alongside the relevant SASB standards. We then identified initial responses to those standards with references to where similar information (where available) is provided in our public disclosures. The responses and references provided in the chart below are for information purposes only and their inclusion is not an admission that the underlying topics are material to Timken. By providing the information below, Timken in no way represents that the responses below have been prepared in accordance with SASB standards or that the underlying data has been gathered in accordance with SASB methodology. In addition, certain disclosures below are only partially responsive to the applicable standards.

### SASB Metric Description

<table>
<thead>
<tr>
<th>SASB Metric</th>
<th>Description</th>
<th>Responses/References</th>
</tr>
</thead>
<tbody>
<tr>
<td>RT-IG-003.A</td>
<td>Number of units produced by product category</td>
<td>(Partially Responsive) Sales and revenue information broken out by segment is provided in Timken’s reports to shareholders, as well as Form 10-K and related conference calls, and is regularly communicated to investors in our quarterly earnings calls. See Timken 2020 Form 10-K: Item 7.</td>
</tr>
<tr>
<td>RT-IG-003.B</td>
<td>Number of employees</td>
<td></td>
</tr>
<tr>
<td>RT-IG-130a.1</td>
<td>(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable</td>
<td>(Partially Responsive) See Timken 2020 Form 10-K: Item 7.</td>
</tr>
<tr>
<td>RT-IG-320a.1</td>
<td>(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)</td>
<td>(Partially Responsive) See Timken 2020 Form 10-K: Item 7.</td>
</tr>
<tr>
<td>RT-IG-410a.2</td>
<td>Sales-weighted fleet fuel efficiency for non-road equipment</td>
<td></td>
</tr>
<tr>
<td>RT-IG-410a.3</td>
<td>Sales-weighted fleet fuel efficiency for stationary generators</td>
<td></td>
</tr>
<tr>
<td>RT-IG-410a.4</td>
<td>Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) off-road medium- and heavy-duty engines, and (e) other non-road diesel engines</td>
<td></td>
</tr>
<tr>
<td>RT-IG-440b.1</td>
<td>Revenue from remanufactured products and remanufacturing services</td>
<td>(Partially Responsive) See Timken 2020 Form 10-K: Item 7.</td>
</tr>
</tbody>
</table>
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