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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**



**FORM 11-K**



* **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2019**

**OR**

* **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from**

**Commission file number: 1-36313**

**TIMKENSTEEL CORPORATION VOLUNTARY INVESTMENT PENSION PLAN**



**(Full title of the Plan)**



**TIMKENSTEEL CORPORATION**

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

**(Name of issuer of the securities held pursuant to the Plan and address of its principal executive office)**



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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Financial Statements and Supplemental Schedule**

**December 31, 2019 and 2018, and Year Ended December 31, 2019**

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Exhibit 23.1 - Consent of Independent Registered Public Accounting Firm



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**Report of Independent Registered Public Accounting Firm**

To the Plan Administrator and Plan Participants and the Administrative Committee of the TimkenSteel Corporation Voluntary Investment Pension Plan

**Opinion on the Financial Statements**

We have audited the accompanying statement of net assets available for benefits of the TimkenSteel Corporation Voluntary Investment Pension Plan or (“Plan”) as of December 31, 2019 and 2018 and the related statement of changes in net assets available for benefits for the year then ended, and the related notes and schedule (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2019 and 2018, and the changes in net assets available for benefits for the year ended December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

**Supplemental Information**

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2019 has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental information is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and

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accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with Department of Labor’s (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Meaden & Moore, Ltd.

We have served as the Plan’s auditor since 2018.

Cleveland, Ohio

June 18, 2020

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Statements of Net Assets Available for Benefits**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **December 31,** |  |  |  |  |
|  |  | **2019** |  |  | 2018 |  |  |  |
| **Assets:** |  |  |  |  |  |  |  |  |
| Investments, at fair value (note 4) | **$** | **141,167,209** | $ | — |  |  |
| Plan interest in The Master Trust Agreement for TimkenSteel Corporation Defined |  | — |  |  |  |  |  |  |
| Contribution Plans (note 3) |  |  |  | 124,292,839 |  |  |  |
| **Total investments** |  | **141,167,209** |  |  | 124,292,839 |  |  |  |
| **Receivables:** |  |  |  |  |  |  |  |  |
| Contributions receivable from TimkenSteel Corporation |  | **38,834** |  |  | 58,711 |  |  |  |
| Notes receivable from participants |  | **3,366,085** |  |  | 3,227,463 |  |  |  |
| **Total receivables** |  | **3,404,919** |  |  | 3,286,174 |  |  |  |
| **Cash – noninterest bearing** |  | **633** |  |  | — |  |  |
| **Total assets** |  | **144,572,761** |  |  | 127,579,013 |  |  |  |
|  |  |  |  |  |  |  |  |  |
| **Liabilities** |  | — |  |  | — |  |  |
|  |  |  |  |  |  |  |  |  |
| **Net assets available for benefits** | **$** | **144,572,761** | $ | 127,579,013 |  |  |  |
| See accompanying Notes to the Financial Statements. |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |



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**TimkenSteel Corporation Voluntary Investment Pension Plan Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2019**



**Additions:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Interest income from notes receivable from participants** | **$** | **190,839** |  |
|  |  |  |  |
| **Investment income:** |  |  |  |
| Net appreciation in fair value of investments |  | **10,281,791** |  |
|  |  |  |  |
| Interest and dividends |  | **1,376,667** |  |
| Net investment gain from The Master Trust Agreement for TimkenSteel Corporation |  | **13,186,421** |  |
| Defined Contribution Plans |  |  |
|  |  |  |  |
| **Total investment income** |  | **24,844,879** |  |
| **Contributions:** |  |  |  |
|  |  |  |  |
| Participants |  | **4,889,478** |  |
| TimkenSteel Corporation |  | **446,386** |  |
|  |  |  |  |
| Participant rollovers |  | **86,322** |  |
| **Total contributions** |  | **5,422,186** |  |
|  |  |  |  |
| **Total additions** |  | **30,457,904** |  |
|  |  |  |  |
| **Deductions:** |  |  |  |
| Benefits paid directly to participants |  | **13,447,655** |  |
|  |  |  |  |
| Administrative expenses |  | **11,329** |  |
| **Total deductions** |  | **13,458,984** |  |
|  |  |  |  |
|  |  |  |  |
| **Net increase prior to transfers** |  | **16,998,920** |  |
|  |  |  |  |
|  |  |  |  |
| **Transfers between plans** |  | **(5,172)** |  |
|  |  |  |  |
|  |  |  |  |
| **Total changes in net assets** |  | **16,993,748** |  |
|  |  |  |  |
|  |  |  |  |
| **Net assets available for benefits:** |  |  |  |
|  |  |  |  |
| **Beginning of year** |  | **127,579,013** |  |
| **End of year** | **$** | **144,572,761** |  |
|  |  |  |  |
|  |  |  |  |

See accompanying Notes to the Financial Statements.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements**

**December 31, 2019 and 2018, and Year Ended December 31, 2019**

**1. Description of the Plan**

The following description of the TimkenSteel Corporation Voluntary Investment Pension Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions. The Plan was established effective June 30, 2014 in connection with the spinoff (spinoff) of TimkenSteel Corporation (the Company) from The Timken Company (Timken). In the spinoff, Timken transferred certain assets and liabilities relating to TimkenSteel Corporation employees and retirees to the Plan. Great West Trust Company, LLC was the trustee of the Plan as of December 31, 2018 and for the period January 1, 2019 to September 30, 2019 and Bank of America, N.A. was the trustee as of December 31, 2019 and for the period October 1, 2019 to December 31, 2019 (Trustees). The assets of the Plan were held in The Master Trust Agreement for the TimkenSteel Corporation Defined Contribution Plan (The Master Trust), which was established for the investment of assets of the Plan and the three other defined contribution plans sponsored by the Company until October 1, 2019 with the transfer of assets to individual trusts for each defined contribution plan. The Plan is subject to certain terms and conditions set forth in the CBA with the *United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and* *Service Workers International Union*, passed December 2017 effective until January 1, 2021 (the Union). The Plans are no longerheld in a Master Trust effective October 1, 2019.

**General**

The Plan is a defined contribution plan covering all full-time hourly employees of TimkenSteel Corporation (the Company and Plan Administrator) who are represented by the Union. Employees of the Company become eligible to participate in the Plan beginning the first month following completion of a 120 working day probationary period, provided that health care benefits have become effective. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**Contributions**

Under the provisions of the Plan, participants may contribute any whole percentage of their gross earnings, as defined in the Plan, subject to Internal Revenue Service (IRS) limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans, except Roth rollovers. Upon enrollment, a participant may direct their contribution in 1% increments to any of the Plan’s fund options. Participants have access to their account information and the ability to make account transfers and contribution changes daily through an automated telecommunication system and through the Internet.

Effective January 1, 2018, the Plan was amended and restated. As part of this restatement, for each plan year through the plan year ending December 31, 2021, the Company will make a contribution of $500 to each participant who, as of December 31 of the preceding plan year, was an employee hired after 2009.

Effective July 1, 2018, the Plan provides for a quarterly "Core Contribution" by the Company for those employees hired after 2009 who have elected the Core Contribution instead of their current benefits. Electing participants who are a participant on the first day of such calendar quarter will receive the Core Contribution. The contribution is based on the participant's full years of service and age as of December 31 of the previous calendar year. Core Contribution amounts range from 2.0% to 5.0% of the participants eligible compensation.

**Participant Accounts**

Each participant’s account is credited with the participant’s contributions and allocations of (a) the Company’s contributions and

1. Plan earnings, and is charged administrative expenses, as appropriate. Plan earnings are allocated based on the participant’s share of net earnings or losses of their respective elected investment options. Allocations of administrative expenses are based on participant’s account balances (as defined in the Plan). Forfeited balances of terminated participants’ nonvested accounts are used to reduce future Company contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Participants may hold shares in the Timken Company Stock Fund however, no new shares can be purchased.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**Vesting**

Participants are immediately vested in their contributions and any rollovers plus actual earnings thereon. Participants vest in the Core Contributions and Post-2009 Company Contributions after the completion of three years of service.

**Notes Receivable from Participants**

Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. Loan terms generally cannot exceed four years. The loans are secured by the balance in the participant’s account and bear interest at an interest rate of 1% in excess of the prime rate the month the loan was granted, as published the first business day of each month in the *Wall Street Journal*. Principal and interest are paid ratably through payroll deductions or direct payments from participants.

**Payment of Benefits**

Upon termination of service, a participant may receive a lump-sum amount equal to the balance of their account or elect to receive installment payments of their assets over a period of time not to exceed their life expectancy, or transfer their account balance to another qualified plan. If a participant’s account balance is greater than $1,000, they may leave their vested assets in the Plan until age 70½ after which time the lump-sum or installment distribution options would apply. Participants having a vested account balance less than $1,000 receive a lump-sum amount equal to their vested account balance.

Hardship withdrawals are allowed for participants incurring an immediate and severe financial need, as defined by the Plan.

Hardship withdrawals are strictly regulated by the IRS.

**Forfeitures**

Under the provisions of the Plan, if a participant leaves the Company with less than three years of Continuous Service, all Core Contributions and any earnings thereon are forfeited and used to fund other Company Contributions for eligible associates. Forfeiture balances as of December 31, 2019 and 2018 were $2,837 and $11,489, respectively. During 2019, Company contributions were reduced by $15,124 from forfeited nonvested accounts.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**Plan Transfers**

Certain participants who change job positions within the Company and, as a result, are covered under a different defined contribution plan offered by the Company, may be eligible to transfer account balances between plans. Transfers between the plans are subject to approval by the Plan Administrator.

**Plan Termination**

The Plan shall continue in full force and effect until January 1, 2022, and for yearly periods thereafter unless either the Company or the *United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International* *Union* shall notify the other party in writing within 60 days before the termination date of the 401(k) Agreement that they desireto terminate the agreement.

The Plan may generally be amended by mutual consent of the Company and the *United Steel, Paper and Forestry, Rubber,* *Manufacturing, Energy, Allied Industrial and Service Workers International Union*. In the event of Plan termination, the Trusteeshall distribute to each participant the amount standing to their credit in their separate account. Participants may elect to have dividends in TimkenSteel Corporation ESOP Stock Fund distributed to them in cash rather than automatically reinvested in TimkenSteel common shares.

1. **Summary of Accounting Policies Basis of Accounting**

The financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Investment Committee determines the Plan's valuation policies. See Note 4 for discussion of fair value measurements.

The Plan's Trustee maintains common collective trust funds and a collective investment trust of common shares of TimkenSteel Corporation and a collective investment trust of common shares of the Timken Company, in which the Company’s defined contribution plans participate on a unit basis. Participation units in TimkenSteel Corporation ESOP Stock Fund and Timken Company Stock Fund are valued at net asset value.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded when received. Net investment gain from The Master Trust Agreement for TimkenSteel Corporation Defined Contribution Plans from January 1, 2019 through September 30, 2019 and net appreciation of fair value of investments from October 1, 2019 through December 31, 2019 includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Payment of Benefits**

Benefits are recorded when paid.

**Expenses**

Certain expenses of maintaining the Plan are paid by the Company and are therefore excluded from these financial statements. Investment-related expenses are included in net investment gain from The Master Trust Agreement for TimkenSteel Corporation Defined Contribution Plans from January 1, 2019 through September 30, 2019 and net appreciation of fair value of investments from October 1, 2019 through December 31, 2019. Fees for the administration of notes receivable from participants are included in administrative expenses and charged directly to the participant's account.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**Notes Receivable from Participants**

Notes receivable from participants represents participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on participants' notes receivable is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2019 or 2018. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan.

**New Accounting Pronouncements**

In February 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2017-06, *Plan* *Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965), Employee Benefit Plan Master Trust Reporting.* The amendments in this update require that a Plan’sinterest in a master trust and any change in that interest be presented in a separate line item in the statement of net assets and in the statement of net assets available for plan benefits. The amendments in the ASU also require all plans to disclose (1) their master trust’s other asset and liability balances and (2) the dollar amount of the plan’s interest in each of those balances. The amendments in the ASU are effective for fiscal years beginning after December 15, 2018. The Plan adopted ASU 2017-06 on January 1, 2019 and applied retrospectively to all periods presented.

In August 2018 the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement. ASU 2018-13 improves the disclosure requirements for fair value measurements. The amendment is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted. The Plan is currently evaluating the impact on the net assets available for plan benefits.

**Evaluation of Subsequent Events**

The Plan has evaluated the impact of events that have occurred subsequent to December 31, 2019, through the date the financial statements were available to be issued, for possible recognition or disclosure in those financial statements. Refer to Note 8 for disclosure of subsequent events.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**3. Interest in The Master Trust**

As of December 31, 2018, and for the period January 1, 2019 to September 30, 2019 the plan's investments were in the Master Trust, which was established for the investment of assets of the plan and several other TimkenSteel sponsored retirement plans. Each participating retirement plan had a divided interest in the Master Trust. The assets of the Master Trust were held by Great West Trust Company, LLC (Trustee).

Each participating plan’s interest in the investment funds (i.e., separate accounts) of the Master Trust was based on account balances of the participants and their elected investment funds. The Master Trust assets were allocated among the participating plans by assigning to each plan those transactions (primarily contributions, benefit payments, and plan-specific expenses) that can be specifically identified and by allocating among all plans, in proportion to the fair value of the assets assigned to each plan, income and expenses resulting from the collective investment of the assets of the Master Trust.

The following table presents the investments of the Master Trust as of December 31, 2018:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | **Plan’s Interest in** |  |
|  |  |  | **Master Trust** |  | **Master Trust** |  |
|  |  |  | **Balances** |  | **Balances** |  |
| **Investments, at Fair Value:** |  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |  |
| Company ESOP Fund and Timken | **$** | **30,946,364** |  |  |  |
| Company | Stock Fund | $ | 19,505,886 |  |
| Registered Investment Companies |  | **188,067,284** |  | 48,142,816 |  |
|  |  |  |  |  |  |
| Common Collective Trust Funds |  | **164,778,315** |  | 56,644,137 |  |
|  |  |  |  |  |  |
| **Net Assets of Master Trust** | **$** | **383,791,963** | $ | 124,292,839 |  |
|  |  |  |  |  |  |  |

The net investment gain of the Master Trust for the period January 1, 2019 to September 30, 2019 is summarized as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Net appreciation in fair value of investments | **$** | **44,428,727** |  |  |
|  | Interest and dividend income |  |  | **1,076,849** |  |  |
|  |  |  |  |  |  |  |
|  | Investment gain before expenses |  |  | **45,505,576** |  |  |
|  | Investment manager and administrative expenses |  |  | **(167,175)** |  |  |
|  |  |  |  |  |  |  |
|  | **Total** | **$** | **45,338,401** |  |  |
|  |  | 11 |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |  |



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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**4. Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB Accounting Standards Codification (ASC) 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

* + quoted prices for similar assets or liabilities in active markets;
	+ quoted prices for identical or similar assets or liabilities in inactive markets;
	+ inputs other than quoted prices that are observable for the asset or liability;
* inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

The following table sets forth by level, within the fair value hierarchy, the plan’s assets at fair value as of December 31, 2019.

**Assets at Fair Value as of December 31, 2019**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Total** |  | **Level 1** |  | **Level 2** | **Level 3** |  |
| **Assets:** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Money Market Fund | $ | **14,305** | **$** | **14,305** | **$** | **— $** | **—** |
| Registered Investment Companies |  | **58,703,121** |  | **58,703,121** |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Total assets in the fair value hierarchy** |  | **58,717,426** |  | **58,717,426** |  | **—** | **—** |
| Investments measured at net asset value (a) |  | **82,449,783** |  | **—** |  | **—** | **—** |
|  |  |  |  |  |  |  |
| **Investments at fair value** | $ | **141,167,209** | **$** | **— $** | **— $** | **—** |
|  |  |  |  |  |  |  |  |  |

The following table sets forth by level, within the fair value hierarchy, the plan’s assets of the Master Trust at fair value as of

December 31, 2018:

**Assets at Fair Value as of December 31, 2018**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Total** |  | **Level 1** |  | **Level 2** | **Level 3** |  |
| **Assets:** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Registered Investment Companies |  | **$** 188,067,284 | $ | 188,067,284 | $ | — $ | — |
| **Total assets in the fair value hierarchy** |  | 188,067,284 |  | 188,067,284 |  | — | — |
|  |  |  |  |  |  |  |  |
| Investments measured at net asset value (a) |  | 195,724,679 |  | — |  | — | — |
| **Total Assets of Master Trust** |  | **$** 383,791,963 | $ | — $ | — $ | — |



1. In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Following is a description of the valuation methodologies used for assets measured at fair value.

Money market fund is valued at the daily closing price as reported by the fund. The money market fund is an open-end mutual fund that is registered with the Securities and Exchange Commission. This fund is required to publish its daily net asset value (NAV) and to transact at that price. The money market fund is deemed to be actively traded.

Registered investment companies are valued at the daily closing price as reported by the fund. The funds held by the Plan are open-ended funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds held by the Plan are deemed to be actively traded.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

Following is a description of the valuation methodologies used for assets measured at net asset value.

Common Collective Trust Funds are valued based on the NAV of units of the common collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimating fair value. The NAV is based upon the fair value of the underlying investments comprising the trust less its liabilities. The practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table summarize investments measured at fair value based on net asset value (NAVs) per share as of December 31, 2019:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | **Unfunded** | **Redemption** | **Redemption** |
| **December 31, 2019** |  |  | **Fair Value** | **Commitments** | **Frequency** | **Notice Period** |
|  |  |  |  |  |  |  |
| JPMCB Core Bond Fd CL Investment | $ | **8,313,125** | (a) | Daily | Trade Day |
| JPMCB Equity Index Fd CL Investment |  |  | **31,881,687** | Not applicable | Daily | Trade Day |
|  |  |  |  |  |  |  |
| State Street Small Cap Index |  |  | **4,987,233** | Not applicable | Daily | Trade Day |
| Western Asset Core Plus R1 |  |  | **332,483** | Not applicable | Daily | Trade Day |
|  |  |  |  |  |  |  |
| Wells Fargo Stable Value Fund – W |  |  | **16,878,014** | Not applicable | Daily | Trade Day |
| TimkenSteel Corporation ESOP Fund |  |  | **11,220,034** | Not applicable | Daily | Trade Day |
|  |  |  |  |  |  |  |
| Timken Company Stock Fund |  |  | **8,837,207** | Not applicable | Daily | Trade Day |
| **Total** |  | $ | **82,449,783** |  |  |  |



* 1. There were unfunded commitments of approximately $790,000 held within the fund at year-end.
1. There were unfunded commitments of approximately $790,000 held within the fund at year-end.

The following table summarizes investments of the Master Trust measured at fair value based on net asset value (NAVs) per share as of December 31, 2018:

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | **Unfunded** | **Redemption** | **Redemption** |
| **December 31, 2018** |  | **Fair Value** | **Commitments** | **Frequency** | **Notice Period** |
|  |  |  |  |  |  |
| JPMorgan Core Bond Fund | **$** | 32,993,095 | Not applicable | Daily | Trade Day |
| JPMCB Equity Index - CF |  | 73,029,533 | Not applicable | Daily | Trade Day |
|  |  |  |  |  |  |
| SSgA Russell Small Cap Index NL-A |  | 17,845,940 | Not applicable | Daily | Trade Day |
| Western Asset Core Plus Bond R1 |  | 500,733 | Not applicable | Daily | Trade Day |
|  |  |  |  |  |  |
| Wells Fargo Stable Value Funds E & W |  | 40,409,014 | Not applicable | Daily | Trade Day |
| TimkenSteel Corporation ESOP Fund |  | 23,977,870 | Not applicable | Daily | Trade Day |
|  |  |  |  |  |  |
| Timken Company Stock Fund |  | 6,968,494 | Not applicable | Daily | Trade Day |
| Total | **$** | 195,724,679 |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

Investments held by the Plan as of December 31, 2019 and 2018 included the following:

The JPMCB Core Bond Fd CL includes investments that seek to maximize total return by investing primarily in a diversified portfolio of intermediate and long-term debt securities. The fair value of the investments in this fund has been determined using the net asset value per share.

The JPMCB Equity Index - CL includes investments that provide exposure to a broad equity market and are designed to mirror the aggregate price and dividend performance of the S&P 500 Index. The fair value of the investments in this fund has been determined using the net asset value per share.

The State Street Small Cap Index includes investments seeking an investment return that approximates as closely as practicable, before expenses, the performance of the Russell 2000 Index over the long term. The fund includes exposure to stocks of small U.S. companies. The fair value of the investments in this fund has been determined using the net asset value per share.

The Western Asset Core Plus R1 seeks to maximize total return from a high-quality, U.S. domestic core fixed-income portfolio that can be enhanced by allocations to sectors such as high-yield, non-U.S. emerging market debt. The fair value of the investments in these funds has been determined using the net asset value per share.

The Wells Fargo Stable Value Fund W is a collective investment fund that actively manages a diversified portfolio of investment contracts, and the associated portfolio of underlying assets. An investment by a plan in this fund results in the issuance of a given number of participation interests (Units) in the fund for the Plan's account. The fair value of the investments in this fund has been determined using the net asset value per share.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

The TimkenSteel Corporation ESOP Fund is a collective investment fund that holds TimkenSteel Corporation common stock and money market funds to provide liquidity for daily accounts. The TimkenSteel Corporation ESOP Fund consists of assets from the following sources: employee contributions (including certain rollovers), employee loan repayments, exchanges into the fund from other investment options, Company contributions (vested and unvested), earnings and dividends. The fair value of the participation units of this fund have been determined using the net asset value per share. Transactions within this fund are considered related party transactions of the Plan.

The Timken Company Stock Fund is a collective investment fund that holds Timken Company common stock and money market funds to provide liquidity for daily accounts. The Timken Company Stock Fund consists of assets from the following sources: employee contributions (including certain rollovers), employee loan repayments, exchanges into the fund from other investment options, Company contributions (vested and unvested), earnings and dividends. The fair value of the participation units of this fund have been determined using the net asset value per share. Transactions within this fund are considered related party transactions of the Plan.

**5. Related-Party Transactions**

Related-party transactions include investments in the TimkenSteel Corporation ESOP Fund and the Timken Company Stock Fund. Transactions involving these investments are allowable party-in-interest transactions under ERISA.

The following is a summary of transactions in the TimkenSteel Corporation ESOP Fund and the Timken Company Stock Fund with the Plan for the year ended December 31, 2019:

|  |  |  |
| --- | --- | --- |
| Purchased and transferred in | **$** | **22,314,595** |
|  |  |  |
| Sold and transferred out | **$** | **24,385,376** |
|  |  |  |

Purchases and benefits paid to participants include TimkenSteel Corporation common shares valued at quoted market prices at the date of purchase or distribution.

Certain legal and accounting fees and certain administrative expenses relating to the maintenance of participant records are paid by the Company. Fees paid during the year for services rendered were based on customary and reasonable rates for such services. In addition, the Plan has arrangements with various service providers and these arrangements qualify as party-in-interest transactions.

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**TimkenSteel Corporation Voluntary Investment Pension Plan**

**Notes to Financial Statements (continued)**

**6. Income Tax Status**

The IRS has determined and informed the Plan Administrator, by a letter dated April 13, 2016, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since then, but the Plan Administrator and the Plan's legal counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability or asset if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2019, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions.

**7. Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants’ account balances and the amounts reported in the statements of net assets available for benefits.

**8. Subsequent Event**

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease (“COVID-19”) as a pandemic. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact investment income and other plan transactions. As of March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) that included numerous employee benefit plan provisions to assist plan sponsors and participants. The Plan had adopted certain provisions related to the CARES Act. Other financial impacts could occur though such potential impact is unknown at this time.

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|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **TimkenSteel Corporation Voluntary Investment Pension Plan** |  |
|  |  | **EIN #46-4024951** | **Plan #004** |  |  |  |  |
|  |  | **Schedule H, Line 4i – Schedule of Assets (Held at End of Year)** |  |
|  |  | **Year Ended December 31, 2019** |  |  |  |  |
|  | **Identity of Issue, Borrower,** | **Description of Investment Including Maturity Date,** |  |  |  |  |  |
|  | **Lessor, or Similar Party** | **Rate of Interest Collateral, Par, or Maturity Value** | **Cost** | **Current Value** |  |
| **(a)** | **(b)** | **(c)** |  | **(d)** |  | **(e)** |  |  |
|  | BLF Federal Fund | Money Market Fund |  | \*\* | $ | 14,305 |  |  |
|  |  |  |  |  |  |  |  |  |
|  | American EuroPacific |  |  |  |  |  |  |  |
|  | Growth - R6 | Registered Investment Company |  | \*\* |  | 5,752,012 |  |
|  | American Washington | Registered Investment Company |  | \*\* |  | 5,202,894 |  |  |
|  | American Beacon Small Cap Registered Investment Company |  |  |  | 2,507,940 |  |  |
|  | Value |  |  | \*\* |  |  |  |  |
|  | Vanguard Incm Instl Target | Registered Investment Company |  |  |  | 1,037,618 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2015 Instl Target | Registered Investment Company |  |  |  | 2,918,137 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2020 Instl Target | Registered Investment Company |  |  |  | 3,798,197 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2025 Instl Target | Registered Investment Company |  |  |  | 7,865,063 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2030 Instl Target | Registered Investment Company |  |  |  | 2,236,794 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2035 Instl Target | Registered Investment Company |  |  |  | 4,999,326 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2040 Instl Target | Registered Investment Company |  |  |  | 794,949 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2045 Instl Target | Registered Investment Company |  |  |  | 3,795,140 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2050 Instl Target | Registered Investment Company |  |  |  | 964,199 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2055 Instl Target | Registered Investment Company |  |  |  | 365,438 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2060 Instl Target | Registered Investment Company |  |  |  | 168,785 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | Vanguard 2065 Instl Target | Registered Investment Company |  |  |  | 95,728 |  |  |
|  | Retirement |  |  | \*\* |  |  |  |  |
|  | T Rowe Price Instl LG CL | Registered Investment Company |  |  |  | 14,138,898 |  |  |
|  | Instl |  |  | \*\* |  |  |  |  |
|  | Wells Fargo Small Company | Registered Investment Company |  |  |  | 2,062,003 |  |  |
|  | R6 |  |  | \*\* |  |  |  |  |
|  |  |  |  |  |  | 58,703,121 |  |  |
|  |  |  |  |  |  |  |  |  |
|  | State Street Small Cap Index | Common/Collective Trusts |  | \*\* |  | 4,987,233 |  |
|  | JPMCB Core Bond Fd CL | Common/Collective Trusts |  |  |  | 8,313,125 |  |  |
|  | Investment |  |  | \*\* |  |  |  |  |
|  | JPMCB Equity Index Fd CL | Common/Collective Trusts |  |  |  | 31,881,687 |  |  |
|  | Investment |  |  | \*\* |  |  |  |  |
|  | Western Asset Core Plus R1 | Common/Collective Trusts |  | \*\* |  | 332,483 |  |  |
|  | Wells Fargo Stable Value | Common/Collective Trusts |  |  |  | 16,878,014 |  |  |
|  | Fund – W |  |  | \*\* |  |  |  |  |
|  |  |  |  |  |  | 62,392,542 |  |  |
|  |  |  |  |  |  |  |  |  |
| \* | TimkenSteel Corporation |  |  |  |  |  |  |  |
|  | ESOP Stock Fund | Common Stock |  | \*\* |  | 11,220,034 |  |
| \* The Timken Company Stock |  |  |  |  |  |  |  |
|  | Fund | Common Stock |  | \*\* |  | 8,837,207 |  |  |
|  |  |  |  |  |  | 20,057,241 |  |  |
|  |  |  |  |  |  | 141,167,209 |  |  |
|  |  | Interest rates ranging from 4.25% - |  |  |  |  |  |  |
| \* | Notes receivable from | 6.50% with various maturity dates |  | -0- |  | 3,366,085 |  |
|  | participants |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  | Total |  |  |  | $ | 144,533,294 |  |



\*Indicates party-in-interest to the Plan.



\*\*Costs have been omitted due to participant-directed transactions under an individual account plan.

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|  |  |
| --- | --- |
|  | **TimkenSteel Corporation Voluntary Investment Pension Plan** |
|  | **Index to Exhibits** |
|  |  |
| Exhibit |  |
| Number | Exhibit Description |
| 23.1 | [Consent of Independent Registered Public Accounting Firm](#page24) |

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**SIGNATURES**

*The Plan*. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer theemployee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

TIMKENSTEEL CORPORATION

VOLUNTARY INVESTMENT PENSION PLAN

Date: June 18 ,2020 /s/ Kristopher R.Westbrooks



Kristopher R. Westbrooks

Executive Vice President, Chief Financial Officer

TimkenSteel Corporation

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**Exhibit 23.1**

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the Registration Statement on Form S-8 (333-197079) pertaining to the TimkenSteel Corporation Voluntary Investment Pension Plan of our report dated June 18, 2020, with respect to the financial statements and supplemental schedule of the TimkenSteel Corporation Voluntary Investment Pension Plan included in this Annual Report (Form 11-K) as of December 31, 2019 and 2018 and for the year ended December 31, 2019.

/s/ Meaden & Moore, Ltd.

Cleveland, Ohio

June 18, 2020