

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

Retirement programs are an important element of the total compensation package offered by The Timken Company (the “Company”) to attract and retain employees, including its named executive officers. The Company has taken actions to transition away from the use of defined benefit plans in favor of the use of market-competitive defined contribution and employee savings plans. Certain of the Company’s named executive officers are parties to individual excess benefit agreements with the Company. The excess benefit agreements are non-qualified defined benefit agreements that generally provide for supplemental retirement benefits based on final average earnings, with reductions for other Company-provided retirement benefits. In 2014, the Company decided to limit future participation to those who already were participants such that it no longer provides excess benefit agreements to newly appointed executive officers. Accordingly, the only named executive officers that are parties to individual excess benefit agreements are the Company’s President and Chief Executive Officer, Richard G. Kyle, Executive Vice President and Chief Financial Officer, Philip D. Fracassa, and Executive Vice President and Group President, Christopher A. Coughlin (collectively, the “Participants”).

On November 8, 2018, the Compensation Committee of the Company’s Board of Directors approved the freezing of the benefits under the excess benefit agreements, effective as of December 31, 2022. This action aligns with the freezing of the benefits under the Company’s primary qualified U.S. defined benefit pension plan (The Timken-Latrobe-MPB-Torrington Retirement Plan), which was approved as of October 1, 2018 and will be effective as of December 31, 2022. Each of the Participants has voluntarily consented to the freezing of his benefits under his excess benefit agreement. The Company estimates that the lost lump sum value to the Participants due to the freeze, assuming current interest rates and an age 62 retirement, would be approximately \$0.7 million for Mr. Kyle, approximately \$0.6 million for Mr. Fracassa, and \$0 for Mr. Coughlin.

These estimates of potential lost value to the Participants (and corresponding future savings to the Company) are based on a number of assumptions, including future base pay increases of three percent per year, short-term incentive plan payouts for 2018 performance being in line with year-to-date projections, future annual payouts under the short-term incentive plan of 100 percent of target until the freeze date, interest rates at the time of retirement remaining the same as current interest rates, and an age 62 retirement. The actual impact to each of the Participants from the freeze probably will vary from such estimates since there are likely to be deviations from the assumptions used in making these calculations.

SIGNATURES

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

THE TIMKEN COMPANY

By: /s/ Philip D. Fracassa
Philip D. Fracassa
Executive Vice President, Chief Financial Officer

Date: November 9, 2018