

Alleima Special Metals LLC Retirement Plan

April 10, 2023

IMPORTANT NOTICE REGARDING RETIREMENT BENEFITS

This notice contains important information about recent changes to the Alleima Special Metals LLC Retirement Plan (the "Plan") that will result in the cessation of future benefit accruals for all participants, and is issued in accordance with Section 204(h) of the Employee Retirement Income Security Act (ERISA) and Section 4980(F) of the Internal Revenue Code. This notice also serves as a summary of material modifications to the Plan's summary plan description ("SPD"). We urge you to read this notice carefully. Please retain this summary, along with the Plan's SPD, for future reference. If you have any questions, need additional information, or would like to request a copy of the SPD, please contact Finance Manager, Alleima Special Metals LLC, 235407 E. SR 397, Kennewick, WA 99337; telephone number 509-734-3958.

Description of the Amendment - Freeze on Future Accruals as of July 23, 2023

The Plan has been amended to cease accruals for all participants effective July 23, 2023. This means that beginning July 23, 2023 you will not earn any additional benefits under the Plan. This change will not affect the benefit that you have earned through July 23, 2023 under the Plan, but your determined benefit will not increase for additional service or earnings after that date. Your future service will continue to be counted solely for purposes of vesting and early retirement date requirements (age 55 and 10 years of Eligibility Service), per Plan terms.

Benefit Formula in Effect Prior to July 23, 2023

Prior to July 23, 2023, the Plan provided the following benefit formula for Finley Plant:

The basic retirement amount with monthly payments beginning at Normal Retirement Date under this Plan, is equal to (a) plus (b), where:

- (a) equals 1.6% of Final Average Earnings less 1.333% of the Social Security Amount multiplied by any actual completed full and fractional years of Benefit Service up to 30 years.
- (b) equals 0.25% of Final Average Earnings multiplied by any actual completed full and fractional years of Benefit Service in excess of 30 years.

Prior to July 23, 2023, the Plan provided the following benefit formula for Titanium Sports Division:

The basic retirement amount for Titanium Sports Division Employees with monthly payments beginning at Normal Retirement Date under this Plan is equal to (a) plus (b) where:

- (a) equals 1.6% of Final Average Earnings less 1.333% of the Social Security Amount multiplied by any actual completed full and fractional years of Benefit Service up to 30 years.
- (b) equals 0.25% of Final Average Earnings multiplied by any actual completed full and fractional years of Benefit Service in excess of 30 years.

Benefits are reduced for early payment in accordance with Plan terms.

Other Plan Changes for Active Participants as of January 1, 2023

For active Participants who as of January 1, 2023 are accruing benefits in the Plan and are employed by Alleima Special Metals LLC, the following enhancements are applicable:

- An additional five (5) years of Benefit Service will be granted in order to determine an affected Participant's basic retirement amount under the Plan; and
- The basic retirement amount under this Plan will not be reduced by 1.33% of the Social Security Amount.

Plan Termination

The Plan is also terminated effective July 23, 2023. You will receive notices in the future regarding the Plan termination.

This notice is only a high level summary of key changes to the Plan. Complete details of the Plan are contained in a legal Plan document. If there is any difference between the information in this notice and in the legal Plan document, the Plan document will govern.

Date: April 2023
To: Alleima Special Metals LLC Retirement Plan Participants
From: Plan Administrator
Subject: Alleima Special Metals LLC Retirement Plan Funding Notice

Sponsors of qualified pension plans, such as the **Alleima Special Metals LLC Retirement Plan**, are required each year to provide plan participants with certain information about the funded status of their plan. The attached **“Annual Funding Notice for the Alleima Special Metals LLC Retirement Plan”** meets this annual requirement. This cover memo should help you better understand the Funding Notice.

This Notice is *not* a notice of any intention on the company's part to change in any way the terms of the **Alleima Special Metals LLC Retirement Plan** or to terminate the plan.

No Impact on Your Accrued Benefits

*The benefits you have already earned under the **Alleima Special Metals LLC Retirement Plan** have not changed.*

If you are a retiree or beneficiary and are currently receiving benefits from the Plan, your rights to those benefits have not changed.

Understanding the Annual Funding Notice

A pension plan is designed to provide plan participants with a benefit at retirement based on the plan's formula. In order to ensure sufficient funds exist to pay for these future retirement benefits, Alleima Special Metals LLC makes contributions to a trust fund and that money is set aside for plan benefits and invested based on the plan's investment policy. The timing of contributions is determined by federal guidelines and based on how much is in the trust (assets) and future obligations for benefits (liabilities). The Plan's investment and funding policies are outlined in the attached Notice.

The asset and liability measures used to determine the company's annual contribution to the Plan for 2020, 2021 and 2022 are summarized in the **“Funding Target Attainment Percentage”** section on page 1 of the Notice. These values are as of January 1 of the respective year. On page 2 of the Notice, the **“Year-End Assets and Liabilities”** section discloses the Plan's assets and liabilities as of December 31, 2022. These values are calculated differently than those used to determine the Funding Target Attainment Percentages shown on page 1.

Our Commitment to Your Alleima Special Metals LLC Retirement Plan Benefits

These values do not affect the amount of your pension benefit earned under the Plan. We want to assure you that we have every intention of continuing to fund our Plan as required by law.

ANNUAL FUNDING NOTICE

For

Alleima Special Metals LLC Retirement Plan

Introduction

This notice includes important information about the funding status of your single-employer pension plan ("the Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning January 1, 2022 and ending December 31, 2022 ("Plan Year").

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funding target attainment percentage." The Plan divides its Net Plan Assets by Plan Liabilities to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's Funding Target Attainment Percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also shows you how the percentage was calculated.

Funding Target Attainment Percentage			
	2022	2021	2020
1. Valuation Date	January 1, 2022	January 1, 2021	January 1, 2020
2. Plan Assets			
a. Total Plan Assets	\$24,759,848	\$23,066,986	\$22,880,228
b. Funding Standard Carryover Balance	0	0	\$0
c. Prefunding Balance	0	0	\$0
d. Net Plan Assets (a) – (b) – (c) = (d)	\$24,759,848	\$23,066,986	\$22,880,228
3. Plan Liabilities	\$18,465,605	\$18,591,943	\$19,270,653
4. Funding Target Attainment Percentage (2d)/(3)	134.08%	124.06%	118.73%

Plan Liabilities

Plan Liabilities in line 3 of the chart above is an estimate of the amount of assets the Plan needs on the Valuation Date to pay for promised benefits under the Plan.

Year-End Assets and Liabilities

The asset values in the chart above are measured as of the first day of the Plan Year. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based

on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. As of December 31, 2022, the fair market value of the Plan's assets was \$22,496,274. On this same date, the Plan's liabilities, determined using market rates, were \$18,591,753.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the Valuation Date was 184. Of this number, 17 were current employees, 135 were retired and receiving benefits, and 32 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is to contribute an amount at least equal to the minimum required contribution under ERISA. Alleima Special Metals LLC may increase its contribution above the minimum, if appropriate, to its tax and cash position and the plan's funded status.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to diversify the investment of the Plan so as to minimize the risk of large losses in accordance with ERISA.

Under the investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
Money Market Funds	3%
U.S. Government securities	49%
Corporate debt instruments (other than employer securities)	36%
Corporate stocks (other than employer securities)	12%
Other	100%

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1515, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefits. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where to Get More Information."

Summary of Rules Governing Termination of Single-Employer Plans

If a plan terminates, there are specific termination rules that must be followed under federal law. A summary of these rules follows.

There are two ways an employer can terminate its pension plan. First, the employer can end a plan in a "standard termination" but only after showing the PBGC that such plan has enough money to pay all benefits owed to participants. Under a standard termination, a plan must either purchase an annuity from an insurance company (which will provide you with periodic retirement benefits, such as monthly for life or for a set period of time when you retire) or, if the plan allows, issue one lump-sum payment that covers your entire benefit. Your plan administrator must give you advance notice that identifies the insurance company (or companies) selected to provide the annuity. The PBGC's guarantee ends upon the purchase of an annuity or payment of the lump-sum. If the plan purchases an annuity for you from an insurance company and that company becomes unable to pay, the applicable state guaranty association guarantees the annuity to the extent authorized by that state's law.

Second, if the plan is not fully-funded, the employer may apply for a distress termination. To do so, however, the employer must be in financial distress and prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Benefit Payments Guaranteed by the PBGC

When the PBGC takes over a plan, it pays pension benefits through its insurance program. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. Most participants and beneficiaries receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits that are not guaranteed.

The amount of benefits that the PBGC guarantees is determined as of the plan termination date. However, if a plan terminates during a plan sponsor's bankruptcy, then the amount guaranteed is determined as of the date the sponsor entered bankruptcy.

The PBGC maximum benefit guarantee is set by law and is updated each calendar year. For a plan with a termination date or sponsor bankruptcy date, as applicable in 2023, the maximum guarantee is \$6,750 per month, or \$81,000 per year, for a benefit paid to a 65-year-old retiree with no

survivor benefit. If a plan terminates during a plan sponsor's bankruptcy, the maximum guarantee is fixed as of the calendar year in which the sponsor entered bankruptcy. The maximum guarantee is lower for an individual who begins receiving benefits from PBGC before age 65 reflecting the fact that younger retirees are expected to receive more monthly pension checks over their lifetimes. Similarly, the maximum guarantee is higher for an individual who starts receiving benefits from PBGC after age 65. The maximum guarantee by age can be found on the PBGC's website, www.pbgc.gov. The guaranteed amount is also reduced if a benefit will be provided to a survivor of the plan participant.

The PBGC guarantees "basic benefits" earned before a plan is terminated, which include:

- pension benefits at normal retirement age;
- most early retirement benefits;
- annuity benefits for survivors of plan participants; and
- disability benefits for a disability that occurred before the date the plan terminated or the date the sponsor entered bankruptcy, as applicable.

The PBGC does not guarantee certain types of benefits:

- The PBGC does not guarantee benefits for which you do not have a vested right, usually because you have not worked enough years for the company.
- The PBGC does not guarantee benefits for which you have not met all age, service, or other requirements.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.
- Early retirement payments that are greater than payments at normal retirement age may not be guaranteed. For example, a supplemental benefit that stops when you become eligible for Social Security may not be guaranteed.
- Benefits other than pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay, are not guaranteed.
- The PBGC generally does not pay lump sums exceeding \$5,000.

In some circumstances, participants and beneficiaries still may receive some benefits that are not guaranteed. This depends on how much money the terminated plan has and how much the PBGC recovers from employers for plan underfunding.

For additional general information about the PBGC and the pension insurance program guarantees, go to the "General FAQs about PBGC" on PBGC's website at www.pbgc.gov/generalfaq. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information About Your Plan," below.

Where to Get More Information

For more information about this notice, you may contact Alleima Special Metals LLC; 235407 E. SR 397; Kennewick, WA 99337, at 509-734-4000. For identification purposes, the official plan number is 004 and the plan sponsor's name and employer identification number or "EIN" are Alleima Special Metals LLC and 91-0817881.