

Worthington Steel, Inc.
Employee Stock Purchase Plan

The Worthington Steel, Inc. Employee Stock Purchase Plan (the “Plan”) is set forth in the following questions and answers.

Purpose

1. *What is the purpose of the Plan?*

The purpose of the Plan is to provide employees of the Company with a simple and convenient method of investing in Worthington common shares through payroll deductions.

General Participation

2. *Who is eligible to participate?*

All regular full-time employees of the Company with at least six months of service and part-time employees with one year of service are eligible. The “Company” includes Worthington Steel, Inc. (“Worthington”) and its subsidiaries and joint ventures for whom Worthington provides payroll services. Employees must be located in the United States to be eligible.

3. *How do I participate?*

Eligible employees must complete the Employee Stock Purchase Plan Election Form to authorize deductions from their paycheck. Employees can make separate elections for regular base pay and supplemental pay (e.g., profit sharing, bonus, etc.).

4. *How are your deductions invested?*

Employee payroll deductions will be delivered to the Administrator and the Administrator will purchase shares of Worthington common stock with the deductions. The shares will be allocated to the Employee’s account and held in custody for the Employee by the Administrator. Stock purchase dates will correspond with Worthington bi-weekly check payment dates.

5. *Are my deductions for stock purchases after-tax?*

Yes, Employee deductions for stock purchases will be deducted after taxes are withheld from the Employee’s paycheck.

6. *Can I change or cancel my deductions?*

Yes, eligible employees may change or cancel their payroll deduction elections at any time.

7. *How will I know how much stock has been purchased for my account?*

A record of the stock purchased for each participant’s account will be maintained by the Administrator. Participants will receive a quarterly statement reflecting full and partial shares purchases. For information on their accounts, participants can call the Administrator, Broadridge, at 844.917.0956 or visit shareholder.broadridge.com/ws.

Advantages and Disadvantages

8. *What are the advantages and disadvantages of the Plan?*

Advantages

- Employees can make purchases of Worthington common shares with payroll deductions.
- Employees will pay no brokerage commissions or service charges in connection with purchase of Worthington common shares under the Plan.
- Employees funds will be fully invested because the Plan permits fractional common shares to be credited to the Plan account.
- Employees will avoid the need for safekeeping certificates for Worthington common shares credited to the Plan account.
- Employees will receive regular statements from the Administrator reflecting recent activity, including purchases, and the latest account balance in the Plan to simplify recordkeeping.

Disadvantages

- Employees will have no control over the time or price at which Worthington common shares are purchased for the Plan account and, in connection with such purchases, participants may bear the market risk of fluctuations in the price of Worthington common shares for a longer period of time than in the case for typical secondary market transactions.
- No interest will be paid on amounts you contribute to the Plan pending their investment.
- You may not pledge or assign common shares you hold under the Plan.

Purchase of Common Shares

9. *What is the source of the Worthington common shares purchased under the Plan?*

Purchases of common shares under the Plan will be made by the Administrator, Broadridge, through a registered broker-dealer (which may be an affiliate of Broadridge), in the open market. Purchases in the open market may be made on any stock exchange where Worthington common shares are traded or through negotiated transactions on such terms as Broadridge may reasonably determine. Neither the Company nor any participant in the Plan will have any authority or power to direct the date, time or price at which common shares may be purchased by Broadridge through a registered broker-dealer (which may be an affiliate of Broadridge).

Broadridge will have no liability in connection with any inability to purchase Worthington common shares, the timing of any purchases or the value of Worthington common shares acquired for a participant's account.

10. *When will Worthington common shares be purchased under the Plan?*

Worthington common shares will be purchased on each bi-weekly payroll payment date, or as soon as administrative practicable after each such bi-weekly payroll payment date. Each applicable date on which Worthington common shares are purchased is referred to as an "Investment Date."

11. *What is the price of Worthington common shares purchased under the Plan?*

Worthington common shares purchased in the open market for an Investment Date will be credited to participant's accounts at the weighted average price paid to purchase all Worthington common shares acquired for the Plan in the open market for that Investment Date. The Company pays any brokerage fees or commissions involved with any open market purchases under the Plan.

12. *How many Worthington common shares will be purchased for participants?*

The number of Worthington common shares purchased for a participant on an Investment Date depends on the amount of the participant's deduction and the weighted average price per Worthington common share. Plan accounts will be credited with the number of Worthington common shares (including fractional common shares, computed to three decimal places) equal to the total amount the participant invests divided by the applicable purchase price per common share.

13. *When are Worthington common shares purchased for the Plan?*

- ***Payroll Deduction.*** Payroll deduction will be used to purchase Worthington shares on each bi-weekly payroll payment date or, if Administrator is unable to purchase Worthington shares on the applicable payroll date for any reason, as soon as administrative practicable after each such bi-weekly payroll payment date.
- ***Dividend Reinvestment.*** If a participant has elected dividend reinvestment, cash dividends paid in connection with Worthington common shares held in the participant's account will be reinvested and used to purchase additional Worthington common shares on the applicable dividend payment date or, if Administrator is unable to purchase sufficient Worthington common shares on the applicable dividend payment date for any reason including that the dividend payment date is not a business day, then the reinvestment will be made as soon as administrative practicable after the applicable dividend payment date.

14. *What options are available for Dividends?*

The Enrollment Form allows participants to arrange for the purchase of additional Worthington common shares through dividend reinvestment or to receive dividends in cash:

- ***"Dividend Reinvestment":*** If dividend reinvestment is elected, all cash dividends payable on Worthington common shares held in the Plan will be used to purchase additional Worthington common shares. A participant will not receive cash dividends from Worthington; instead, all dividends will be reinvested. Whole and fractional common shares will be allocated to the participant's Plan account.

- **“Cash Dividends”**: If cash dividends are elected, the participant will be paid cash for the Worthington common shares held in the participant’s Plan account. The cash dividends will be sent by check unless the participant has elected to have those dividends deposited directly to a designated bank account.

Participants may select either of the above dividend options.

15. How may a participant change the dividend option election under the Plan?

Participants may change the dividend option election applicable to the participant’s Plan account at any time by requesting a new Enrollment Form and returning it to Broadridge at the address shown in Question 18. Participants may also change options by logging into their shareholder account at www.shareholder.broadridge.com/ws to update the election preferences.

Administration

16. Who administers the Plan?

The Plan is currently administered by Broadridge Corporate Issuer Solutions, Inc. (“Broadridge” or “Administrator”). Broadridge is also the transfer agent for the Worthington common shares. Broadridge will keep and maintain Plan records and serve as custodian for common shares held in the Plan. As Administrator for the Plan, Broadridge will hold Worthington common shares purchased for Plan participants, unless the participant elects to sell or transfer those shares. Broadridge is also responsible for submitting an instruction to a registered broker-dealer (which may be an affiliate of Broadridge) to purchase or sell Worthington common shares for Plan accounts. Neither the Company nor participants have control over the times or prices at which Broadridge effects transactions or the selection of any broker or dealer used by Broadridge. Worthington may change the Administrator of the Plan at any time. Broadridge is not acting as a broker-dealer and will not execute any purchase or sale of common shares on behalf of Plan participants. Rather, Broadridge will forward requests to purchase or sell common shares for Plan participants to a broker-dealer appointed by Broadridge, including possibly a broker-dealer affiliated with Broadridge, who will execute the transactions.

17. Can I access my Broadridge account online?

Yes. See below for steps to register an account.

- Go to the website: shareholder.broadridge.com/ws.
- At the top right of the homepage, click “Log In.”
- On the login page, click “Create Profile.”
- Click the box that indicates: “Individuals; Joint Tenant.”
- Enter your name, account number (for the first four digits please use the “search” capabilities and select the class of stock), and social security number (SSN) and click “Continue.”
- You will be required to answer 3 security questions for verification purposes.
- Once you have answered these questions, click on “Submit.” If you answered one or more of the questions incorrectly, you may attempt the verification process a second time. If the second attempt does not work, you will be required to wait 24 hours before retrying.
- You will be prompted to enter your e-mail address in both boxes. Click on “Accept the Terms and Conditions” then click on “Submit.”
- A secure link will be sent to your e-mail address. This secure link is only valid for 12 hours.
- Click the link to complete the process. You will be directed to a new browser tab and will be prompted to change your password. This new password must be 8 characters long, with at least one capital letter and one number.
- You can now use your e-mail address and this new password to access your account online.

For further assistance, contact Broadridge at 844.917.0956.

18. What is the Plan’s contact information?

Internet

www.shareholder.broadridge.com/ws

Available 24 hours a day, 7 days a week for access to account information and answers to many common questions and general inquiries.

To enroll in the Plan:

For existing registered shareholders:

- Go to www.shareholder.broadridge.com/ws.
- Select “Log in to Your Account”

3. Enter your Username/e-mail address and Password

*If you are a first-time user, click on the “Create Profile” button under First Time Users

Email

shareholder@broadridge.com

Telephone

844.917.0956 Toll-Free

813-255-2423 outside the United States

Shareholder Relations Specialists are available Monday through Friday, from 8:00 a.m. to 5:00 p.m., Eastern Time.

You may also access your account information 24 hours a day, 7 days a week using our automated voice response system.

Written correspondence and deposit of certificated shares*:

Broadridge Corporate Issuer Solutions, LLC

P.O. Box 1342

Brentwood, NY 11717

Certified and overnight delivery

Broadridge Corporate Issuer Solutions, LLC

Attn: IWS

1155 Long Island Avenue

Edgewood, NY 11717

*If sending in a certificate for deposit, see Question 25 and Question 26.

Sales

19. How can I sell my Worthington common shares?

Sales are usually made through a broker, who will receive trading commissions. Typically, the Worthington common shares are sold through the exchange on which the Worthington common shares are traded. Depending on the number of Worthington common shares to be sold and the current trading volume, sale transactions may be completed in multiple transactions and over the course of more than one day. All sales are subject to market conditions, system availability, restrictions and other factors. The actual sale date, time or price received for any common shares sold through the Plan cannot be guaranteed.

Participants may instruct Broadridge to sell common shares under the Plan through a Batch Order, a Market Order, or a Day Limit Order.

Batch Order (online, telephone, mail) – Broadridge will combine each request to sell through the Plan with other Plan participant sale requests for a Batch Order. Common shares are then periodically submitted in bulk to a broker for sale on the open market. Common shares will be sold within five business days (except where deferral is necessary under applicable federal or state securities laws and regulations). Bulk sales may be executed in multiple transactions and over more than one day depending on the number of common shares being sold and the current trading volume. Once entered, a Batch Order request cannot be canceled.

Market Order (online or telephone) – A participant’s request to sell common shares in a Market Order will be at the prevailing market price when the trade is executed. If such an order is placed during market hours, Broadridge will promptly submit the common shares to a broker for sale on the open market. Once entered, a Market Order request cannot be canceled by the participant. Sales requests submitted near the close of the market may be executed on the next trading day, along with other requests received after market close.

Day Limit Order (online or telephone) – A participant’s request to sell common shares at or above a specified price in a Day Limit Order will be promptly submitted by Broadridge to a broker. The broker will execute as a Market Order when and if the market price of the common shares reaches or exceeds the specified price on the day the order was placed (for orders placed outside of market hours, on the next trading day). The order is automatically canceled if the specified price is not met by the end of that trading day. Once entered, a Day Limit Order request cannot be canceled by the participant.

Sales proceeds will be net of any fees to be paid by the participant. Broadridge will deduct any fees or applicable tax withholding from the sale proceeds. Sales processed on accounts without a valid Form W-9 for U.S. citizens or Form W-8BEN for non-U.S. citizens will be subject to Federal Backup Withholding. This tax can be avoided by furnishing the appropriate and valid form prior to the sale. Forms are available online at www.shareholder.broadridge.com/ws.

A check for the proceeds of the sale of common shares (in U.S. dollars), less applicable taxes and fees, will generally be mailed by first class mail as soon as administratively possible after the settlement date. If a Plan participant submits a request to sell all or a portion of the common shares in the participant's Plan account, and the participant requests the net proceeds to be automatically deposited to a checking or savings account, the participant must provide a voided blank check for a checking account or blank savings deposit slip for a savings account. Requests for automatic deposit of sale proceeds that do not provide the required documentation will not be processed and a check for the net proceeds will be issued. As an added security measure, Broadridge may apply a five-business-day hold period to the initial association of bank account information to a participant's Plan account as well as changes made to established direct deposit or direct debit instructions. This hold period helps prevent unauthorized transactions. Bank account information must be active at the time the sale takes place to receive sales proceeds via ACH. If bank account information is not active, a check for the net proceeds will be issued.

A participant who wishes to sell common shares currently held in certificate form may send the certificates in for deposit to the participant's Plan account with Broadridge and then proceed with the sale. To sell common shares through a broker of a participant's choice, the participant may request Broadridge to transfer common shares electronically from the participant's Plan account to the participant's brokerage account. Alternatively, a certificate for common shares can be requested that the participant can deliver to the participant's broker. The price of Worthington's common shares may fluctuate between the time a sale request is received and the time the sale is completed on the open market. Broadridge shall not be liable for any claim arising out of failure to sell on a certain date or at a specific price. Neither Broadridge nor any of Broadridge's affiliates will provide any investment recommendations or investment advice with respect to transactions made through the Plan. This risk should be evaluated by the participant and is a risk that is borne solely by the participant.

Sales by employees, officers, directors and others must be made in compliance with Worthington's Insider Trading Policy. In addition to other limitations, Worthington's Insider Trading Policy provides that a participant may not trade in Worthington common shares if the participant is aware of material, inside non-public information about Worthington.

Costs

20. Are there any out-of-pocket costs to participants in connection with participation in the Plan?

There are no commissions, brokerage fees or other fees or charges to participants for purchasing Worthington common shares through the Plan. As indicated below, participants may incur fees and charges in connection with sales of Worthington common shares held in the Plan and certain other actions.

Investment Fees

Fees

Investment fees

Dividend reinvestment	Company Paid
Check investment	Company Paid
One-time automatic investment	Company Paid
Recurring automatic investment	Company Paid
Dividend purchase trading commission per common share	Company Paid
Optional cash payment trading commission per common share	Company Paid

Sales fees

Batch Order	\$15.00
Market Order	\$25.00
Limit Order per transaction (Day)	\$25.00
Sale trading commission per common share	\$0.10
Direct deposit of sale proceeds	\$5.00

Other fees

Certificate issuance	Company Paid
Certificate deposit	Company Paid
Returned check / Rejected automatic bank withdrawal	\$35.00 per item
Prior year duplicate statement	\$15.00 per year

Reports to Participants

21. *What kind of reports will be sent to participants in the Plan?*

Broadridge will mail quarterly statements to participants of account balances and reinvestment activity. In addition, whenever there is activity in a participant's Plan account, Broadridge will mail a separate written confirmation of that transaction. Participants can also keep track of their account activity by accessing account online at www.shareholder.broadridge.com/ws.

Participants should keep Plan statements for U.S. federal income tax purposes. If a participant believes an error has been made in the Plan records, or Plan mailings are being misdirected, lost or stolen, they should promptly contact Broadridge.

Dividends on Fractional Common Shares

22. *Will participants be credited with dividends on fractional common shares?*

Yes. Dividends on fractional common shares, as well as dividends on whole Worthington common shares, will be credited to Plan accounts and will be reinvested in additional common shares if the participant elects to have dividends reinvested.

Certificates for Common Shares

25. *Will direct registration statements or certificates be issued for common shares purchased through the Plan?*

Common shares purchased through the Plan will be credited to the participant's Plan account under the participant's name. Direct registration statements or certificates will only be issued to a participant for Worthington common shares credited to a participant's Plan account if a participant requests Broadridge in writing to do so. The number of Worthington common shares credited to a participant's Plan account will be shown on the statements of the Plan account. This service eliminates the need for the participant to protect against loss, theft or destruction of certificates.

At any time, a participant may request in writing that Broadridge send you a direct registration statement or a certificate for all or part of the whole common shares credited to their Plan account. This request must be mailed to Broadridge at the address listed in Question 18. The Worthington common shares represented by such direct registration statement or certificate as well as any remaining whole common shares and fractional common shares will continue to be credited to the participant's Plan account.

Common shares credited to Plan accounts may not be pledged or assigned and any attempted pledge or assignment will be void. If a participant wants to pledge or assign common shares in their Plan account, they must request the withdrawal of such common shares from the Plan and request that a direct registration statement or a certificate for them be issued in the participant's name.

Neither direct registration statements nor certificates for fractional common shares will be issued under any circumstances.

26. *In whose name will direct registration statements or certificates be registered when issued to participants?*

When a participant elects to participate in the Plan, the participant will be required to establish a Plan account in the participant's name into which the participant's Worthington common shares would be registered. Therefore, direct registration statements or certificates for whole common shares purchased under the Plan will be similarly registered when issued to the participant upon written request. If a participant wants common shares in the participant's account to be registered and issued in a different name, the participant must provide a completed Legal Transfer Form. The participant will be responsible for any taxes that may be due, and you must comply with any transfer requirements which may be applicable, as a result of the registration and issuance of common shares in a name other than the participant's name.

27. *When and how can I withdraw from the Plan?*

A participant who stops payroll Plan deduction can fully withdraw from the Plan at any time by giving notice to Broadridge. For purposes of clarity, the Company will not pay any fees related to any account for a withdrawn participant and the Plan's dividend reinvestment provisions will not apply.

Notice to withdraw from the Plan can be made in the following ways:

- Access your account via the Internet at www.shareholder.broadridge.com/ws.
- Call Broadridge at the telephone number shown in Question 18.

- Mail written instructions to Broadridge, including their Plan account name/registration and their Plan account number, signed by the authorized signer(s) as the name(s) appear(s) on their Plan account statement.

When closing their Plan account, participants have the following choices:

- ***A participant can request that Broadridge continue to hold their common shares.*** The common shares the participant acquired through the Plan can continue to be held on their behalf for safekeeping.
- ***A participant can ask for a direct registration statement or a certificate for all Plan common shares.*** A participant will receive a direct registration statement or a certificate for the whole common shares credited to their Plan account along with a check for any fractional common share sold on the open market, less the fees for sales (see Question 20) and applicable withholding or taxes.
- ***A participant can request that all their Plan common shares be sold.*** Participants will receive a check for the whole and fractional common shares sold on the open market, less the fees for sales (see Question 20) and applicable withholding or taxes.

Generally, Broadridge processes requests to withdraw from the Plan daily. Broadridge will mail a participant's direct registration statement, certificate and/or sale check to a participant's address on record by first class mail. If a participant wants the direct registration statement, certificate and/or sale check mailed to another address, the participant must notify Broadridge in writing at the time of their request to withdraw from the Plan.

Other Information

28. ***What happens if Worthington declares a share split or issues a dividend payable in common shares?***

All Worthington common shares issued to you in connection with a share split or a share dividend distributed by Worthington on shares allocated to a participant's Plan account will be added to the participant's Plan account.

As soon as administratively possible after the declaration of a share split or a share dividend, Broadridge will send participants a statement indicating the number of additional common shares credited to their accounts under the Plan as a result of the share split or the share dividend. Participants may receive a direct registration statement or a certificate for these common shares (other than fractional common shares) at any time by sending a written request to Broadridge at the address indicated in Question 18.

29. ***How will a participant's common shares held by Broadridge be voted at meetings of Worthington's shareholders?***

Before each meeting of Worthington's shareholders at which the participant is entitled to vote, the participant will be provided with access to the Company's online proxy materials (and the opportunity to request a printed copy), including a single proxy covering the total number of common shares you hold of record — both Plan common shares and book-entry DRS or certificated common shares held outside the Plan. If a participant properly submits voting instructions, all Worthington common shares will be voted as directed.

30. ***What are the responsibilities of Worthington and Broadridge under the Plan?***

The Worthington common shares are not insured by the Federal Deposit Insurance Corporation or any other government agency, are not deposits or other obligations of, and are not guaranteed by, Broadridge or Worthington, and are subject to investment risks, including possible loss of the principal amount invested. Common shares held in the Plan are not subject to protection under the Securities Investor Protection Act of 1970.

Neither Worthington nor Broadridge shall have any responsibility beyond the exercise of ordinary care for any action taken or omitted pursuant to the Plan, nor shall they have any duties, responsibilities or liabilities except those expressly set forth in the Plan. In administering the Plan, none of Worthington, Broadridge or the broker will be liable for any good faith act or omission to act, including, but not limited to, any claim of liability (1) arising out of the failure to terminate a Plan account upon a participant's death prior to receipt of a notice in writing of such death, (2) with respect to the prices or times at which common shares are purchased or sold, or (3) as to the value of the common shares acquired for you or fluctuations in the market value of our common shares.

Participants should recognize that there is not assurance of a profit or protection you against a loss on the common shares purchased under the Plan.

Broadridge is authorized to choose a broker at Broadridge's sole discretion to facilitate purchases and sales of common shares for a participant under the Plan. Broadridge will furnish the name of the registered broker utilized in common share transactions within a reasonable time upon written request from a participant.

Broadridge undertakes to perform such duties and only such duties as are expressly set forth in the Plan to be performed by Broadridge, and no implied covenants or obligations shall be read into the Plan against Broadridge or the Company.

In the absence of gross negligence or willful misconduct on Broadridge's part, Broadridge, whether acting directly or through agents or attorneys, shall not be liable for any action taken, suffered or omitted or for any error of judgment made by Broadridge in the performance of Broadridge's duties under the Plan. In no event shall Broadridge be liable for special, indirect or consequential loss or damage of any kind whatsoever (including, but not limited to, lost profit), even if Broadridge has been advised of the likelihood of such loss or damage and regardless of the form of action.

Broadridge shall: (1) not be required to make and shall make no representations and have no responsibilities as to the validity, accuracy, value or genuineness of any signatures or endorsements, other than Broadridge's own; and (2) not be obligated to take any legal action under the Plan that might, in Broadridge's judgment, involve any expense or liability, unless Broadridge has been furnished with reasonable indemnity.

Broadridge shall not be responsible or liable for any failure or delay in the performance of Broadridge's obligations under the Plan arising out of or caused, directly or indirectly, by circumstances beyond Broadridge's reasonable control, including, without limitation: acts of God; earthquakes; fires; floods; wars; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities; interruptions or malfunctions of computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental actions; it being understood that Broadridge shall use reasonable efforts which are consistent with accepted practices in the stock investment plan industry to resume performance as soon as administratively possible under the circumstances.

31. *May the Plan be changed or discontinued?*

Notwithstanding any other provision of the Plan, the Board of Directors of Worthington (including any committee of the Board) reserves the right to amend, modify, suspend or terminate the Plan at any time. Notice of any material amendment or modification, or of any suspension or termination, of the Plan will be mailed to all participants.

If the Plan is terminated:

- any uninvested payroll deductions will be returned to employees without interest;
- a direct registration statement or, upon written request, a certificate for whole common shares credited to Plan accounts will be issued; and
- a cash payment will be made for any fractional common share credited to a participant's Plan account. This cash payment will be based upon the closing price of Worthington common shares as reported on the New York Stock Exchange for the date or dates set forth in the notice of termination.

If the Company terminates the Plan, the Company will pay any termination charges that may be involved.

32. *How can you obtain answers to other questions regarding the Plan?*

If participants have any further questions, they should direct them to Broadridge at one of the addresses or one of the telephone numbers provided in Question 18.

33. *Who interprets the Plan?*

Worthington interprets and regulates the Plan, and any determinations made by Worthington will be final and binding on all parties, including Plan participants. Worthington may adopt rules and regulations to facilitate administration of the Plan. The terms and conditions of the Plan and its operation are governed by the laws of the State of Ohio applicable to agreements made and to be performed wholly within such jurisdiction.

Taxes

23. *What are the U.S. federal income tax consequences of participation in the Plan?*

Guidelines. Common shares will be purchased by the Administrator in open market transactions, and participants will not have taxable income as a result of that purchase. As described in Question 11, the participant's tax basis per common share will equal the weighted average price paid to purchase Worthington common shares, plus the brokerage fees and commissions paid by the Company on your behalf.

The holding period for the common shares credited to the participant's Plan account will begin on the day following the date on the applicable Investment Date on which the purchase is made.

Reinvested Dividends. If a participant elects to have dividends reinvested, the participant will be treated for U.S. federal

income tax purposes as having received a taxable distribution of the dividends that are reinvested. The tax basis of the common shares purchased with dividends will be equal to the purchase price of such common shares, plus the amount of any brokerage fees and commissions paid by the Company on your behalf.

The holding period for Worthington common shares credited to the participant's Plan account under the dividend reinvestment option will begin on the day following the date on which dividends are reinvested.

Other Consequences. A participant will not recognize any taxable income when you receive a direct registration statement or a certificate for whole common shares that have been credited to the participant's Plan account.

A participant may recognize a gain or loss when common shares acquired through the Plan are sold or exchanged, whether by Broadridge upon request to terminate participation in the Plan, or by the participant after receiving a direct registration statement or a certificate for whole common shares that have been credited to the participant's Plan account, or when the participant receives a cash adjustment for a fractional common share. The amount of any such gain or loss will be equal to the difference between the amount that the participant receives for the common shares, or fractional common share, and the tax basis of the common shares.

At the end of each calendar year, Broadridge will notify the participant and the Internal Revenue Service of the amount of the participant's annual dividend income. Dividends are generally considered taxable to individuals as ordinary income, and participants must include their dividend income on their federal income tax return. In addition, the Internal Revenue Service has ruled that the amount of brokerage commissions paid by the Company on your behalf is to be treated as a distribution to you which is subject to U.S. federal income tax in the same manner as dividends. The sum of dividends reinvested in common shares and/or payroll deductions made to purchase common shares, plus the amount of any brokerage fees and commissions paid by the Company on your behalf, becomes your cost basis for those common shares.

The Administrator is required to withhold for U.S. federal income tax purposes a percentage of all dividend payments unless:

- the participant has furnished a taxpayer identification (social security) number; and
- the participant has certified that they are not subject to backup withholding.

Participants should previously have been requested to submit all information and certifications required in order to exempt a participant from backup withholding if an exemption is available.

If a participant is subject to backup withholding on dividends, or if the participant is a foreign shareholder whose dividends are subject to U.S. federal income tax withholding, the required federal income tax will be withheld from the gross amount of the dividend and only the reduced amount will be reinvested in common shares or paid in cash.

A foreign person (nonresident alien individual or foreign entity) is subject to tax withholding at a 30% rate on the gross amount of certain payments of U.S. source income including dividends, unless the beneficial owner of the payment is entitled to a reduced rate of, or exemption from, withholding tax under an income tax treaty. Foreign entity owned accounts may also be subject to 30% withholding on all applicable U.S. sourced income, including dividends, as required by the Foreign Account Tax Compliance Act ("FATCA"). Foreign persons should consult with their tax advisors or counsel as to which tax certification form they are required to provide and for more specific information regarding the withholding requirements under Chapters 3 and 4 (FATCA) of the Internal Revenue Code of 1986, as amended.

The Plan assumes that each participant will use the first-in, first-out ("FIFO") method when determining the tax basis of any common shares sold. Participants may designate their preference for a different method of determining the tax basis of common shares by identifying this preference in writing to Broadridge. Participants may designate their preference for specific identification cost basis at any time.

The foregoing discussion is intended only as a general summary of the current U.S. federal income tax consequences of participation in the Plan. Eligible employees considering participating in the Plan are urged to consult with their own tax advisors prior to joining the Plan.