

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2021 or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number 001-35243

SUNCOKE ENERGY, INC.
(Exact name of Registrant as specified in its charter)

Delaware
(State of or other jurisdiction of
incorporation or organization)

90-0640593
(I.R.S. Employer
Identification No.)

1011 Warrenville Road, Suite 600
Lisle, Illinois 60532
(630) 824-1000
(Registrant's telephone number, including area code)

Securities registered pursuant to section 12(b) of the Act:

Title of Each Class
Common Stock, \$0.01 par value

Trading symbol(s)
SXC

Name of Each Exchange on which Registered
New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant's common stock on June 30, 2021 (based upon the closing price of \$7.14 on June 30, 2021, the last trading day of the registrant's most recently completed second fiscal quarter, on the New York Stock Exchange) held by non-affiliates was approximately \$589,390,492.

The number of shares of common stock outstanding as of February 18, 2022 was 83,111,938.

Portions of the SunCoke Energy, Inc. 2022 definitive Proxy Statement, which will be filed with the Securities and Exchange Commission within 120 days after December 31, 2021, are incorporated by reference in Part III of this Form 10-K.

SUNCOKE ENERGY, INC.
TABLE OF CONTENTS

PART I

Item 1.	Business	1
Item 1A.	Risk Factors	16
Item 1B.	Unresolved Staff Comments	28
Item 2.	Properties	28
Item 3.	Legal Proceedings	29
Item 4.	Mine Safety Disclosures	29

PART II

Item 5.	Market for Registrant’s Common Equity, Related Stockholders Matters and Issuer Purchases of Equity Securities	30
Item 6.	[Reserved]	31
Item 7.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	32
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	46
Item 8.	Financial Statements and Supplementary Data	47
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	82
Item 9A.	Controls and Procedures	82
Item 9B.	Other Information	83
Item 9C.	Disclosure Regarding Foreign Jurisdiction that Prevent Inspections.	83

PART III

Item 10.	Directors, Executive Officers and Corporate Governance	83
Item 11.	Executive Compensation	83
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	83
Item 13.	Certain Relationships and Related Transactions, and Director Independence	83
Item 14.	Principal Accounting Fees and Services	83

PART IV

Item 15.	Exhibits, Financial Statement Schedules	84
Item 16.	Form 10-K Summary	88
Signatures		89

PART I

Item 1. Business

Overview

SunCoke Energy, Inc. (“SunCoke Energy,” “SunCoke,” “Company,” “we,” “our” and “us”) is the largest independent producer of high-quality coke in the Americas, as measured by tons of coke produced each year, and has more than 60 years of coke production experience. Coke is a principal raw material in the blast furnace steelmaking process and is produced by heating metallurgical coal in a refractory oven, which releases certain volatile components from the coal, thus transforming the coal into coke. We also own and operate a logistics business that provides handling and/or mixing services to steel, coke (including some of our domestic cokemaking facilities), electric utility, coal producing and other manufacturing based customers.

Incorporated in Delaware since 2010 and headquartered in Lisle, Illinois, we became a publicly-traded company in 2011 and our stock is listed on the New York Stock Exchange (“NYSE”) under the symbol “SXC.”

Cokemaking Operations

We are a technological leader in cokemaking. We have designed, developed, built, own and operate five cokemaking facilities in the United States (“U.S.”) with collective nameplate capacity to produce approximately 4.2 million tons of blast furnace coke per year. Additionally, we have designed and operate one cokemaking facility in Brazil under licensing and operating agreements on behalf of ArcelorMittal Brasil S.A. (“ArcelorMittal Brazil”), which has approximately 1.7 million tons of annual cokemaking capacity. Our core business model is predicated on providing steelmakers an alternative to investing capital in their own captive coke production facilities. We direct our marketing efforts principally towards steelmaking customers that require coke for use in their blast furnaces.

Our cokemaking ovens utilize efficient, modern heat recovery technology designed to combust the coal’s volatile components liberated during the cokemaking process and use the resulting heat to create steam or electricity for sale. This differs from by-product cokemaking, which repurposes the coal’s liberated volatile components for other uses. We believe our advanced heat recovery cokemaking process has numerous advantages over by-product cokemaking, including producing higher quality coke, using waste heat to generate derivative energy for resale and reducing the environmental impact. The Clean Air Act Amendments of 1990 specifically directed the U.S. Environmental Protection Agency (“EPA”) to evaluate our heat recovery coke oven technology as a basis for establishing Maximum Achievable Control Technology (“MACT”) standards for new cokemaking facilities. In addition, each of the four cokemaking facilities that we have built since 1990 has either met or exceeded the applicable Best Available Control Technology (“BACT”), or Lowest Achievable Emission Rate (“LAER”) standards, as applicable, set forth by the EPA for cokemaking facilities at that time. We have constructed the only greenfield cokemaking facilities in the U.S. in over 30 years and are the only North American coke producer that utilizes heat recovery technology in the cokemaking process.

Our Middletown facility and the second phase of our Haverhill facility, or Haverhill II, have cogeneration plants that use the hot flue gas created by the cokemaking process to generate electricity, which either is sold into the regional power market or to Cleveland-Cliffs Steel Holding Corporation pursuant to energy sales agreements. Our Granite City facility and the first phase of our Haverhill facility, or Haverhill I, have steam generation facilities, which use hot flue gas from the cokemaking process to produce steam for sale to customers pursuant to steam supply and purchase agreements. Granite City sells steam to United States Steel Corporation and Haverhill I provides steam, at minimal cost, to Altivia Petrochemicals, LLC.

The following table sets forth information about our cokemaking facilities:

Facility	Location	Year of Start Up	Use of Waste Heat	Number of Coke Ovens	Annual Cokemaking Nameplate Capacity ⁽¹⁾ (thousands of tons)	Customer ⁽³⁾	Contract Expiration	Contract Volume (thousands of tons)
Owned and Operated:								
Middletown ⁽²⁾	Middletown, Ohio	2011	Power generation	100	550	Cliffs Steel	December 2032	Capacity
Haverhill II	Franklin Furnace, Ohio	2008	Power generation	100	550	Cliffs Steel	June 2025	Capacity
Granite City	Granite City, Illinois	2009	Steam for power generation	120	650	U.S. Steel	December 2024	Capacity
Indiana Harbor	East Chicago, Indiana	1998	Heat for power generation	268	1,220	Cliffs Steel	October 2023	Capacity
Jewell	Vansant, Virginia	1962	Partially used for thermal coal drying	142	720	Cliffs Steel Algoma Steel ⁽⁴⁾	December 2025 December 2026	400 / 150
Haverhill I	Franklin Furnace, Ohio	2005	Process steam	100	550			
Total				830	4,240			
Operated:								
Vitória	Vitória, Brazil	2007	Steam for power generation	320	1,700	ArcelorMittal Brazil	January 2023	Capacity
Total				1,150	5,940			

- (1) Cokemaking nameplate capacity represents stated capacity for production of blast furnace coke equivalent production.
- (2) The Middletown coke sales agreement provides for coke sales on a “run of oven” basis, which includes both blast furnace coke and small coke. Middletown nameplate capacity on a “run of oven” basis is 578 thousand tons per year.
- (3) Contracted customers include Cleveland-Cliffs Steel Holding Corporation and Cleveland-Cliffs Steel LLC, both subsidiaries of Cleveland-Cliffs Inc. and collectively referred to as “Cliffs Steel,” United States Steel Corporation (“U.S. Steel”), and Algoma Steel Inc. (“Algoma Steel”).
- (4) Under the long-term, take-or-pay agreement with Cliffs Steel, Jewell and Haverhill I supplied a combined 800 thousand tons in 2021 and will supply a combined 400 thousand tons annually for 2022 through 2025. Additionally, the long-term, take-pay-agreement between Haverhill I and Algoma Steel provides for coke supply to shift to Jewell.

Long-term, Take-or-Pay Agreements

Our coke sales are largely made pursuant to long-term, take-or-pay agreements, primarily with two customers in the U.S.: Cliffs Steel and U.S. Steel. Additionally, SunCoke entered into a five year take-or-pay agreement with Algoma Steel beginning in 2022, with average sales of approximately 150 thousand tons of blast furnace coke per year, further diversifying our customer base. These agreements require us to produce the contracted volumes of coke and require our customers to purchase such volumes of coke up to a specified tonnage or pay the contract price for any tonnage they elect not to take. As a result, our ability to produce the contracted coke volume is a key determinant of our profitability. Our domestic capacity is largely consumed by these long-term agreements. Accordingly, spot prices for coke have a limited effect on our revenues.

Our long-term, take-or-pay coke sales agreements contain pass-through provisions for costs we incur in the cokemaking process, including coal and coal procurement costs, subject to meeting contractual coal-to-coke yields, operating and maintenance expenses, costs related to the transportation of coke to our customers, taxes (other than income taxes) and costs associated with changes in regulation. When targeted coal-to-coke yields are achieved, the price of coal is not a significant determining factor in the profitability of these facilities, although it does affect our revenue and cost of sales for these facilities in approximately equal amounts. However, to the extent that the actual coal-to-coke yields are less than the contractual standard, we are responsible for the cost of the excess coal used in the cokemaking process. Conversely, to the

extent our actual coal-to-coke yields are higher than the contractual standard, we realize gains. As coal prices increase, the benefits associated with favorable coal-to-coke yields also increase. These features of our coke sales agreements reduce our exposure to variability in coal price changes and inflationary costs over the remaining terms of these agreements. The coal component of the Jewell coke price has historically been fixed annually for each calendar year based on the weighted-average contract price of third-party coal purchases at our Haverhill facility applicable to Cliffs Steel coke sales. Beginning in 2022, Jewell coal purchases will be passed through at actual cost rather than at the price of Haverhill's coal, consistent with our other long-term, take-or-pay agreements.

Our coke prices include both an operating cost component and a fixed fee component. Operating costs under three of our coke sales agreements are fixed subject to an annual adjustment based on an inflation index. Under our other four coke sales agreements, operating costs are passed through to the respective customers subject to an annually negotiated budget, in some cases subject to a cap annually adjusted for inflation, and we share any difference in costs from the budgeted amounts with our customers. Accordingly, actual operating costs in excess of caps or budgets can have a significant impact on the profitability of all of our domestic cokemaking facilities. The fixed fee component for each ton of coke sold to the customer is determined at the time the coke sales agreement is signed and is effective for the term of each sales agreement. The fixed fee is intended to provide an adequate return on invested capital and may differ based on investment levels and other considerations. The actual return on invested capital at any facility is based on the fixed fee per ton and favorable or unfavorable performance on pass-through cost items.

Foundry and Export Coke

In order to further diversify our business and customer base, we have entered the foundry coke market. Foundry coke is a high-quality grade of coke that is used at foundries to melt iron and various metals in cupola furnaces, which is further processed via casting or molding into products used in various industries such as construction, transportation and industrial products. We began producing and selling foundry coke on a commercial scale in 2021. We also began selling blast furnace coke into the export coke market in 2021, utilizing capacity in excess of that reserved for our long-term, take-or-pay agreements. Foundry coke sales are generally made under annual agreements with our customers for an agreed upon price and do not contain take-or-pay volume commitments. Export coke sales are generally made on a spot basis at the current market price.

Market Discussion

U.S. steel production utilization rates improved throughout 2021, benefiting our steelmaking customers. Utilization increased from 75 percent in January 2021 to 82 percent in December 2021. Additionally, an increase in global steel demand along with global coke trade imbalance has benefited our export coke sales.

Brazil Operations

Our Brazil cokemaking operations are located in Vitória, Brazil, where we operate our ArcelorMittal Brazil cokemaking facility for a Brazilian subsidiary of ArcelorMittal S.A. Revenues from our Brazilian cokemaking facility are derived from licensing and operating fees, which include a fixed annual licensing fee, a licensing fee based upon the level of production required by our customer and full pass-through of the operating costs of the facility.

Logistics Operations

Our logistics business consists of Convent Marine Terminal ("CMT"), Kanawha River Terminal ("KRT"), Lake Terminal and Dismal River Terminal ("DRT"), and has the collective capacity to mix and/or transload more than 40 million tons of coal and other aggregates annually and has storage capacity of more than 3 million tons. CMT is located in Convent, Louisiana, with strategic access to seaborne markets for coal and other industrial materials. The terminal provides loading and unloading services and has direct rail access and the current capability to transload 15 million tons annually with its top of the line ship loader. The facility serves coal mining customers as well as other merchant business, including aggregates (crushed stone), petroleum coke and iron ore. CMT's efficient barge unloading capabilities complement its rail and truck offerings and provide the terminal with the ability to transload and mix a significantly broader variety of materials, including coal, petroleum coke and other materials from barges at its dock. KRT is a leading metallurgical and thermal coal mixing and handling terminal service provider with collective capacity to mix and transload 25 million tons annually through its operations in Ceredo and Belle, West Virginia. Lake Terminal and DRT provide coal handling and mixing services to SunCoke's Indiana Harbor and Jewell cokemaking operations, respectively.

Our terminals act as intermediaries between our customers and end users by providing transloading and mixing services. Materials are transported in numerous ways, including rail, truck, barge or ship. We do not take possession of materials handled but instead derive our revenues by providing handling and/or mixing services to our customers on a per ton

basis. Revenues are recognized when services are provided as defined by customer contracts. Logistics services provided to our domestic cokemaking facilities are provided under contracts with terms equivalent to those of arm's-length transactions.

Certain CMT customers are impacted by seaborne export market dynamics. Fluctuations in the benchmark price for coal delivery into northwest Europe, as referenced in the Argus/McCloskey's Coal Price Index Report ("API2 index price"), as well as Newcastle index coal prices, as referenced in the Argus/McCloskey's Coal Price Index ("API6 index price"), which reflect low-ash coal prices shipped from Australia, contribute to our customers' decisions to place tons into the export market and thus impact transloading volumes through CMT. Increased demand for energy in Europe and decreased global supply of natural gas has resulted in an increase in global demand for coal and an increase in API2 prices in 2021. This resulted in a strong export coal market and higher export coal volumes through CMT as compared to 2020.

Our KRT terminals serve two primary domestic markets, metallurgical coal trade and thermal coal trade. Metallurgical markets are primarily impacted by steel prices and blast furnace operating levels whereas thermal markets are impacted by natural gas prices and electricity demand.

Seasonality

Our revenues in our cokemaking business are largely tied to long-term, take-or-pay agreements and as such, are not seasonal. However, our cokemaking profitability is tied to coal-to-coke yields, which improve in drier weather. Accordingly, the coal-to-coke yield component of our profitability tends to be more favorable in the third quarter. Extreme weather may also challenge our operating costs and production in the winter months for our domestic coke business. KRT service demand fluctuates due to changes in the domestic electricity markets. Excessively hot summer weather or cold winter weather may increase commercial and residential needs for heat or air conditioning, which in turn may increase electricity usage and the demand for thermal coal and, therefore, may favorably impact our logistics business. Additionally, operating costs at CMT are impacted by water levels on the Mississippi River, which are often higher in the spring months.

Raw Materials

Metallurgical coal is the principal raw material for our cokemaking operations. All of the metallurgical coal used to produce coke at our domestic cokemaking facilities is purchased from third-parties. We believe there is an adequate supply of metallurgical coal available in the U.S. and worldwide, and we have been able to supply coal to our domestic cokemaking facilities without any significant disruption in coke production.

Each ton of coke produced at our facilities requires approximately 1.4 tons of metallurgical coal. We purchased 6.2 million tons of metallurgical coal in 2021. Metallurgical coal is generally purchased on an annual basis via one-year contracts with costs passed through to our customers in accordance with the applicable coke sales agreements. Occasionally, shortfalls in deliveries by metallurgical coal suppliers require us to procure supplemental coal volumes. As with typical annual purchases, the cost of these supplemental purchases is also generally passed through to our customers. In 2022, our metallurgical coal contracts are based on coke production requirements and do not contain a minimum annual purchase requirement. Most metallurgical coal procurement decisions are made through a coal committee structure with customer participation. The customer can generally exercise an overriding vote on most coal procurement decisions.

Transportation and Freight

For inbound transportation of metallurgical coal purchases, our facilities that access a single rail provider have long-term transportation agreements, and where necessary, coal-mixing agreements that run concurrently with the associated coke sales agreement for the facility. At facilities with multiple transportation options, including rail and barge, we enter into short-term transportation contracts from year to year. Delivery costs, and annual volume commitments included in certain agreements, are generally passed through to the customers.

For coke sales, the point of delivery varies by agreement and facility. The destination for coke sales under long-term, take-or-pay agreements from our Jewell and Haverhill cokemaking facilities is generally designated by the customer and shipments are made by railcar under long-term transportation agreements, which may include annual volume commitments, and are generally passed through to our customers. At our Middletown, Indiana Harbor and Granite City cokemaking facilities, coke is delivered primarily by a conveyor belt leading to the customer's blast furnace, with the customer responsible for additional transportation costs, if any. Most transportation and freight costs in our Logistics segment are paid by the customer directly to the transportation provider.

Research and Development and Intellectual Property and Proprietary Rights

Our research and development program seeks to improve existing and develop promising new cokemaking technologies, including new product development, and enhance our heat recovery processes. Over the years, this program has

produced numerous patents related to our heat recovery coking design and operation, including patents for pollution control systems, oven pushing and charging mechanisms, oven flue gas control mechanisms and various others. Additionally, we have continued to successfully utilize our existing coke ovens to produce foundry coke in addition to our primary product of blast furnace coke.

At Vitória, Brazil, where we operate one cokemaking facility on behalf of ArcelorMittal Brazil, we have intellectual property and licensing agreements in place for the entity's use of our technology, under which we receive a per ton licensing fee as well as an annual licensing fee.

Competition

Cokemaking

The cokemaking business is highly competitive. Most of the world's coke production capacity is owned by blast furnace steel companies utilizing by-product coke oven technology. The international merchant coke market is largely supplied by Chinese, Colombian and Ukrainian producers, among others, though it can be more challenging to maintain high quality coke in the export market, and when coupled with transportation costs, coke imports into the U.S. are often not economical.

The principal competitive factors affecting our cokemaking business include coke quality and price, reliability of supply, proximity to market, access to metallurgical coals and environmental performance. Our oven design and heat recovery technology play a role in all of these factors. Competitors include merchant coke producers as well as the cokemaking facilities owned and operated by blast furnace steel companies.

In the past, there have been technologies which have sought to produce carbonaceous substitutes for coke in the blast furnace. While none have proven commercially viable thus far, we monitor the development of competing technologies carefully. We also monitor ferrous technologies, such as direct reduced iron production, as these could indirectly impact our blast furnace customers.

We believe we are well-positioned to compete with other coke producers. Our Domestic Coke segment accounts for approximately 34 percent of the U.S. blast furnace coke market capacity. The majority of our current production from our cokemaking business is committed under long-term, take-or-pay agreements. As a result, competition mainly affects our ability to obtain new contracts supporting development of additional cokemaking capacity, re-contracting existing facilities, as well as the sale of coke in the export market. Our facilities were constructed using proven, industry-leading technology with many proprietary features allowing us to produce consistently higher quality coke than our competitors produce. Additionally, our technology allows us to produce heat that can be converted into steam or electrical power.

Logistics

The principal competitors of CMT are located on the U.S. Gulf Coast or U.S. East Coast. CMT is one of the largest export terminals on the U.S. Gulf Coast and provides strategic access to seaborne markets for coal and other bulk materials. Additionally, CMT is the largest bulk material terminal in the lower U.S. with direct rail access on the Canadian National Railway. In 2021, CMT accounted for approximately 59 percent of U.S. thermal coal exports from the U.S. Gulf Coast and approximately 16 percent of total U.S. thermal coal exports. CMT has a state-of-the-art ship loader, the largest of its kind in the world. We believe this ship loader has the fastest loading rate available in the Gulf Region, which should allow our customers to benefit from lower shipping costs. Additionally, CMT has a strategic alliance with a company that performs barge unloading services for the terminal, which provides CMT with the ability to transload and mix a significantly broader variety of materials.

Our KRT competitors are generally located within 100 miles of our operations. KRT has fully automated and computer-controlled mixing capabilities that mix coal to within two percent accuracy of customer specifications. KRT also has the ability to provide pad storage and has access to both CSX and Norfolk Southern rail lines as well as the Ohio River system.

Lake Terminal and DRT provide coal handling and/or mixing services to our Indiana Harbor and Jewell cokemaking facilities, respectively, and therefore, do not have any competitors.

Human Capital Management

Each employee at SunCoke is part of our collaborative and complimentary team. We are committed to maintaining an inclusive workplace that brings out the best in all of us. We respect all employees for their unique expertise and welcome the ideas they bring from their individual experience, education and training. We continually strive to make our operations more efficient, while creating a respectful work environment for each team member. Company leadership and our Board of

Directors are actively involved in overseeing the Company's human capital management programs. Our Chief Legal Officer & Chief Human Resources Officer, in partnership with local Human Resources and General Managers, sponsors the development and oversight of all human capital programs in the organization including: (i) culture, (ii) workforce composition, recruitment and our commitment to diversity, equity and inclusion, (iii) workforce stability, (iv) employee development and training, (v) benefits, (vi) talent management and total compensation, (vii) safety, and (viii) ethics and compliance.

Workforce Culture

Our culture at SunCoke is driven by our core values. SunCoke's values of excellence, innovation, commitment, integrity and stewardship are at the heart of who we are and how we work every day. They guide our actions and decisions so we can always strive to do the right thing for our stakeholders, our business and each other.

- Excellence: expect the best from yourself, remove obstacles, inspire and support others, embrace diversity and celebrate success.
- Innovation: master the science and process, create a better way, find a better solution and push the envelope.
- Commitment: deliver results, be accountable, work as a team, continuously improve and grow and always communicate effectively.
- Integrity: do what is right, say what you mean, do what you say, earn trust and treat others with respect.
- Stewardship: provide safe, reliable and environmentally sound operations for our people and their families, our customers and the communities where we do business.

Workforce Composition, Recruitment and Our Commitment to Diversity, Equity and Inclusion ("DEI")

As of December 31, 2021, we have 848 employees in the U.S. Approximately 41 percent of our domestic employees, principally at our cokemaking operations, are represented by the United Steelworkers union under various local collective bargaining agreements. Additionally, approximately 3 percent of our domestic employees are represented by the International Union of Operating Engineers. Labor agreements at KRT, Lake Terminal, and Indiana Harbor will expire on April 30, 2022, June 30, 2022, and September 1, 2022, respectively. We will negotiate the renewal of these agreements in 2022 and do not anticipate any work stoppages.

As of December 31, 2021, we have 279 employees at the cokemaking facility in Vitória, Brazil, all of whom are represented by a union under a labor agreement. During 2021, the labor agreement at our Vitória, Brazil facility was renewed for an additional year, and it expires on November 30, 2022.

We partner with reputable recruitment firms to fill key positions. Through those partnerships, we have a commitment to fill our candidate slates with a diverse group of candidates. SunCoke's commitment to diversity recruiting in 2021 also included a partnership with Professional Diversity Network, which allows us to develop our talent pipeline directly from eight affinity networks. Hiring managers then focus on ensuring a diverse pool of candidates are considered for job postings. In 2021, we enhanced our diversity & inclusion training. For frontline leaders and all SunCoke management, the training was conducted by an outside firm to further develop the ability to foster diversity and inclusion and create an environment where everyone feels valued and has the opportunity to succeed.

Approximately 10 percent of the Company's global workforce is female and minorities represent approximately 17 percent of the Company's U.S. workforce. The tables below provide breakdowns of gender representation globally and racial/ethnic group representation for U.S. employees.

Gender Representation for Global Employees

	Female		Male	
	Number of employees	Percent of employee level	Number of employees	Percent of employee level
Executive ⁽¹⁾	4	33 %	8	67 %
Non-Executive Management ⁽²⁾	28	26 %	78	74 %
Senior Leaders ⁽³⁾	32	27 %	86	73 %
Professionals ⁽⁴⁾	35	37 %	59	63 %
All Other Employees ⁽⁵⁾	44	5 %	871	95 %
Grand Total	111	10 %	1016	90 %

Racial/Ethnic Representation of US Employees

	Asian		Black or African American		Hispanic or Latino		White		Other	
	Number of employees	Percent of employee level	Number of employees	Percent of employee level	Number of employees	Percent of employee level	Number of employees	Percent of employee level	Number of employees	Percent of employee level
Executive ⁽¹⁾	1	8 %	0	— %	0	— %	11	92 %	0	— %
Non-Executive Management ⁽²⁾	3	3 %	4	4 %	4	4 %	84	88 %	1	1 %
Senior Leaders ⁽³⁾	4	4 %	4	4 %	4	4 %	95	87 %	1	1 %
Professionals ⁽⁴⁾	2	3 %	3	4 %	3	4 %	61	89 %	0	— %
All Other Employees ⁽⁵⁾	0	— %	70	10 %	46	7 %	546	82 %	9	1 %
Grand Total	6	1 %	77	9 %	53	6 %	702	83 %	10	1 %

- (1) Represents Executives/Senior Officers and Managers as defined by the EEO-1 Job Classification Guide
- (2) Represents First/Mid Officers and Managers as defined by the EEO-1 Job Classification Guide
- (3) Represents a weighted average of Executive Management and Non-Executive Management
- (4) Represents Professionals and Administrative Support Workers as defined by the EEO-1 Job Classification Guide
- (5) Represents all other classified employees as defined by the EEO-1 Job Classification Guide

Workforce Stability & Leadership Experience

Our commitment to employee retention through our talent management, benefits, performance management and total compensation programs is shown through our low regrettable turnover rate of less than 1 percent in 2021. The stability of our workforce is anchored by our experienced corporate leadership team along with our General Managers that lead the day-to-day operations at our facilities. Our leaders each have an average of nearly 20 years of leadership experience and an average tenure (or length of service) of over 10 years with SunCoke.

Employee Development & Training

SunCoke provides a robust training program that meets or exceeds all applicable regulatory requirements. We also provide specialized trainings on an as-needed basis for current topics throughout the year. Over the past several years, special training topics have included Active Shooter Preparedness, Harassment, Worker's Compensation, Diversity and Inclusion, Conducting Effective Investigations, Retirement Planning and Substance Abuse Awareness.

SunCoke's Personal Information & Privacy Policy outlines specific procedures to ensure that employees handle sensitive information in a secure and responsible manner. The Personal Information & Privacy Policy is updated to remain consistent with data security best practices. SunCoke utilizes a variety of information security training methods, including in-depth, periodic policy training, annual interactive video-based Code of Conduct training segments on data security best

practices, and periodic security awareness communications that remind employees to stay vigilant with respect to data security.

We believe in developing our employees both within their daily roles and to be ready for their next assignment at SunCoke. Development occurs in the form of leadership training, stretch assignments, and on the job training. For example, in 2021 SunCoke partnered with a global leadership consulting firm to certify Human Resources managers to implement frontline leader training programs. The programs will focus on a number of areas that are essential for frontline leadership development, including training on high-quality decision making, communication, coaching, and improving workplace performance.

On an annual basis, we engage in succession management to ensure that development and training and development opportunities are identified for high performing talent, preparing potential successors for our most critical roles. Of the 147 positions filled in 2021, 59 (40 percent) were filled from within the Company.

In many cases, we take a hands-on approach to training at SunCoke. As we pursued entry into the foundry coke market, we primarily utilized intra-Company training of existing personnel to develop, implement, and execute this initiative. Leadership had the opportunity to provide many insights on topics from producing foundry to engaging new customers, highlighting the ability of our workforce to adjust to changing demands and grow with the Company. We pride ourselves on being a lean workforce that focuses on developing and promoting talent internally.

Benefits

We offer comprehensive health, welfare and retirement benefits. We also offer supplemental benefits programs designed to enhance the daily life and well-being of our employees, including: weight-loss, benefits services price-transparency, retirement planning education and coaching, paid-time off (including for community service), tuition reimbursement, health management for chronic conditions, a 24/7 employee assistance program and Identity Theft Protection.

Talent Management and Total Compensation

Our full-year performance management process begins with setting annual goals for the Company, which guide the development of functional, local and individual employee goals. Employees and their managers are accountable for the goals and must review their performance against the goals on an ongoing basis. We provide employee base wages that are competitive and consistent with employee positions, skill levels, experience, and geographic location. Additionally, we believe that individual performance and the results of the Company are directly linked to the payment of annual short-term incentives, which is why a significant portion of employee compensation is performance-based. Our short-term incentives include both financial metrics as well as performance-based environmental and safety metrics. The level of pay at risk increases progressively with positions of greater responsibility, with long-term cash and equity incentives with multi-year vesting periods granted at the Director, Vice President and Senior Vice President levels. Further, below the Director level, top performers may be granted long-term cash and equity incentives with multi-year vesting for retention. This helps the Company to retain those identified as having the top skills and abilities that are critical to our business.

Safety

We live by the ethos: Think Safe. Act Safe. Be Safe.

Our top priority has always been the safety and health of our employees, contractors and visitors. With the onset of the COVID-19 pandemic, this became even more challenging as we worked to ensure workplace safety and health was maintained. In response to the pandemic in 2020, we established an internal task force of subject matter experts who initiated enhanced health and safety measures across our facilities and enacted a work from home program for all qualifying personnel. Each of our sites implemented screening procedures consistent with U.S. Centers for Disease Control and Prevention ("CDC") recommendations such as screening questionnaires and temperature checks for employees, contractors and other service providers. Additionally, to prevent workplace exposure to the virus, we adopted further protocols consistent with CDC, state and local guidance including mask wearing, social distancing, contact tracing and quarantine requirements. Many of these protocols have evolved and continued throughout 2021 in accordance with regulations from federal, state and local government agencies and taking into consideration CDC guidelines and other public health authorities.

Safety is so important to SunCoke that we include safety in our core values and also incorporate safety as a metric in our short-term incentive program.

We have an ambition of zero incidents and injuries in the workplace. To reach our goal, we follow our Safety Vision, which is comprised of five core components including:

- Visible safety leadership - Site and corporate leadership have made a commitment to safety as the paramount value within the Company and our site leadership practices visible safety leadership on a daily basis.
- Communication and training - All team members and contractors take responsibility for their own safety and the safety of those around them and we train to ensure proper safety knowledge.
- Safe work practices - All team members and contractors take the time necessary to properly identify and mitigate all hazards and safely do each job.
- Incident investigation – We comply with all applicable laws and regulations and perform root cause analysis on all incidents.
- Continuous improvement – We are always focused on preventing safety incidents and Thinking Safe, Acting Safe and Being Safe.

Our target for Total Recordable Incident Rate ("TRIR") at SunCoke for 2021 was 0.8 company-wide, and at the end of the year, it was 0.76. We improved our safety performance from 2020 and continue to perform well above industry standards, as detailed below.

Our excellent safety record is best understood in comparison to industry-wide safety performance. According to the Bureau of Labor Statistics, the TRIR within our sector of Other Petroleum and Coal Products (Coke) Manufacturing was 3.1 for 2020. For comparison, it was 2.1 for the Iron and Steel Mills sector. Our year-over-year safety performance is consistently lower than average industry-wide rates, signaling fewer recordable incidents and demonstrating our strong commitment to safety. In a year especially filled with external stressors and distractions, we successfully managed to keep our employees focused on safety and the job at hand.

Year	Employee TRIR	Contractor TRIR
2019	0.9	0.8
2020	1.08	0.38
2021	0.77	0.75

Ethics & Compliance

We have adopted a Code of Business Conduct and Ethics that applies to all of our officers, directors and employees, including senior financial officers and executives. Our Code of Business Conduct and Ethics, along with our Core Values, establish the principles that guide our daily actions to uphold the highest standards of ethical and legal behavior. Whether working with customers, vendors, business partners or neighbors, we always strive to act with integrity. All employees must complete annual training on our Code of Business Conduct and Ethics, which we review and update as needed. The most recent updates occurred in 2021. We educate all employees to avoid potential conflicts of interest. Our Prohibited Payments and Political Contributions Policy addresses payments made to U.S. officials, including campaign contributions. Our Gifts, Entertainment and Sponsored Travel Policy provides guidance regarding business courtesies, including reporting obligations and value limitations. We also have a Human Rights Policy, which affirms our commitment to a fair living wage for all employees.

Guidance & Reporting Without Fear of Retaliation

All employees, officers and directors must report suspected policy violations of our Code of Business Conduct and Ethics to the Compliance Team, which consists of our Chief Compliance Officer and other leaders from the Human Resources and Legal Departments. They can do so through a variety of channels, including, but not limited to, directly reporting to a supervisor, providing email or verbal reports directly to the Compliance Team and using our confidential, third-party 24/7 reporting hotline or website. Calls and online submissions are anonymous, unless the notifying party discloses his or her identity. We take the anonymity of these communications seriously and SunCoke's Compliance Team follows up on each submission. In addition to the anonymous hotline, hourly employees represented by a collective bargaining unit can also file a report using the applicable union grievance process.

Legal and Regulatory Requirements

Our operations are subject to extensive governmental regulation, including environmental laws, which are a significant factor in our business. The following discussion summarizes the principal legal and regulatory requirements that we believe may significantly affect us.

Permitting and Bonding

- **Permitting Process for Cokemaking Facilities.** The permitting process for our cokemaking facilities is administered by each state individually. However, the main requirements for obtaining environmental construction and operating permits are found in the federal regulations. A construction permit allows construction and commencement of operations at the facility and is generally valid for at least 18 months. Generally, construction commences during this period, while many states allow this period to be extended in certain situations. A facility's operating permit may be a state operating permit or a Title V operating permit.
- **Air Quality.** Our cokemaking facilities employ Maximum Achievable Control Technology (MACT) standards designed to limit emissions of certain hazardous air pollutants. Specific MACT standards apply to oven door leaks, charging, oven pressure, pushing and quenching. Certain MACT standards for cokemaking facilities were developed using test data from SunCoke's Jewell cokemaking facility located in Vansant, Virginia. Additionally, under applicable federal air quality regulations, permitting requirements may differ among facilities, depending upon whether the cokemaking facility will be located in an "attainment" area—i.e., one that meets the national ambient air quality standards ("NAAQS") for certain pollutants, or in a "non-attainment" or "unclassifiable" area. The status of an area may change over time as new NAAQS standards are adopted, resulting in an area changing from one status or classification to another. In an attainment area, the facility must install air pollution control equipment or employ Best Achievable Control Technology (BACT). In a non-attainment area, the facility must install air pollution control equipment or employ procedures that meet Lowest Achievable Emission Rate (LAER) standards. LAER standards are the most stringent emission limitation achieved in practice by existing facilities. Unlike the BACT analysis, cost is generally not considered as part of a LAER analysis, and emissions in a non-attainment area must be offset by emission reductions obtained from other sources. Any changes in attainment status for areas where our facilities are located presents a risk that we may be required to install additional pollution controls, which may require us to incur greater operating costs at those facilities.
- More stringent NAAQS for ambient nitrogen dioxide ("NO₂") and sulfur dioxide ("SO₂") went into effect in 2010. In July 2013, the EPA identified or "designated" as non-attainment 29 areas in 16 states where monitored air quality showed violations of the 2010 1-hour SO₂ NAAQS. In December 2017, EPA issued a final designation of attainment or unclassifiable for all areas where our facilities are located. These designations mean that no action is required for the facilities with respect to SO₂ emissions at this time. However, it is possible for these areas to be redesignated in the future as non-attainment areas. If redesignated, we may be required to install additional pollution controls and incur greater costs of operating at those of our facilities located in areas that EPA determines to be non-attainment with the 1-hour SO₂ NAAQS.
- In 2012, more stringent NAAQS for fine particulate matter ("PM"), or PM 2.5, went into effect. In January 2015, the areas where the Granite City and Indiana Harbor facilities are located were designated unclassifiable for PM 2.5, and the areas where the Haverhill and Jewell facilities are located were designated unclassifiable/attainment for PM 2.5. In April 2015, the area where the Middletown facility is located was designated unclassifiable/attainment for PM 2.5. These designations mean that no action is required for the facilities with respect to PM 2.5 emissions at this time. However, it is possible for these areas to be redesignated in the future as non-attainment areas. If redesignated, we may be required to install additional pollution controls and incur greater costs of operating at those of our facilities located in areas that EPA determines to be non-attainment with the annual PM 2.5 NAAQS.
- In 2015, the EPA revised the existing NAAQS for ground level ozone to make the standard more stringent. In January 2018, EPA designated the areas where the Haverhill and Jewell facilities are located as attainment/unclassifiable for ozone. In June 2018, EPA designated the areas where the Granite City, Indiana Harbor, and Middletown facilities are located as marginal nonattainment for ozone. The status of the area where the Indiana Harbor facility is located was challenged in litigation and upheld in July 2020. As a result of the same litigation, the status of the area where the Granite City facility is located was remanded to EPA, which finalized the area as nonattainment in January 2021. In December 2020, the Ohio Environmental Protection Agency ("Ohio EPA") informed stakeholders in the Cincinnati and Cleveland nonattainment areas, including the Middletown facility, that the agency anticipates those areas will be reclassified as moderate nonattainment areas by the U.S. EPA in late 2021. However, on November 17, 2021, Ohio EPA released for public comment a draft request to the U.S. EPA to redesignate the area where

the Middletown facility is located as being in attainment with the 2015 ozone NAAQS based on updated air monitoring data. If the U.S. EPA denies the request for redesignation or does not approve the request before Ohio EPA promulgates new nonattainment area regulations, it is possible that the Middletown facility will be required to comply with those regulations. Nonattainment designations under the new standard and any future more stringent standard for ozone have two potential impacts: (1) demonstrating compliance with the standard using dispersion modeling for permitting new facilities or significant new projects may be more difficult; and (2) facilities operating in areas that are classified as moderate non-attainment areas may be required to install Reasonably Available Control Technology ("RACT") or demonstrate that they already meet RACT standards. While we are not able to determine the extent to which this new standard will impact our business at this time, it presents a potential risk of having an impact on our operations.

- The EPA adopted a rule in 2010 requiring a new facility that is a major source of greenhouse gases ("GHGs") to install equipment or employ BACT procedures. Currently, there is little information on what may be acceptable as BACT to control GHGs (primarily carbon dioxide from our facilities), but the database and additional guidance may be enhanced in the future.
- Several states have additional requirements and standards other than those in the federal statutes and regulations. Many states have lists of "air toxics" with emission limitations determined by dispersion modeling. States also often have specific regulations that deal with visible emissions, odors and nuisance. In some cases, the state delegates some or all of these functions to local agencies.
- **Wastewater and Stormwater.** Our heat recovery cokemaking technology does not produce wastewater as is typically associated with by-product cokemaking. Our cokemaking facilities, in some cases, have non-process wastewater and/or stormwater discharge permits.
- **Waste.** The primary solid waste product from our heat recovery cokemaking technology is calcium sulfate from flue gas desulfurization, which is generally taken to a solid waste landfill. On the whole, our heat recovery cokemaking process does not generate substantial quantities of hazardous waste as is typically associated with by-product cokemaking. The material from periodic cleaning of heat recovery steam generators has been disposed of off-site as hazardous waste. Our facilities only generate wastes and do not have permits for waste transportation, storage or disposal.
- **U.S. Endangered Species Act.** The U.S. Endangered Species Act and certain counterpart state regulations are intended to protect species whose populations allow for categorization as either endangered or threatened. With respect to permitting additional cokemaking facilities, protection of endangered or threatened species may have the effect of prohibiting, limiting the extent of or placing permitting conditions on soil removal, road building and other activities in areas containing the affected species. Based on the species that have been designated as endangered or threatened on our properties and the current application of these laws and regulations, we do not believe that they are likely to have a material adverse effect on our operations.
- **Permitting and Bonding for Former Coal Mining Operations.** The Surface Mining Control and Reclamation Act of 1977 ("SMCRA") and applicable state equivalents govern mining permits and reclamation plans, documents defining ownership and agreements pertaining to coal, minerals, oil and gas, water rights, rights of way and surface land and documents required by the Office of Surface Mining Reclamation and Enforcement's ("OSM's") Applicant Violator System.

We currently have no applications pending for new SMCRA permits, but hold several permits for which reclamation is incomplete.

Our reclamation obligations under applicable environmental laws could be substantial. Under accounting principles generally accepted in the U.S. ("GAAP"), we are required to account for the costs related to the closure of mines and the reclamation of the land upon exhaustion of coal reserves. The fair value of an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. At which time, the present value of the estimated asset retirement costs is capitalized as part of the carrying amount of the long-lived asset. At December 31, 2021, we had an asset retirement obligation of \$2.2 million related to estimated mine reclamation costs. The amounts recorded are dependent upon a number of variables, including the estimated future retirement costs, inflation rates, and the assumed credit-adjusted interest rates. Our future operating results would be adversely affected if these accruals were determined to be insufficient. These obligations are unfunded. Failure to comply with the regulatory requirements can result in sanctions.

- **Bonding Requirements for Permits Related to Former Coal Mining Operations and Coal Terminals with Surface Mining Permits.** Before a SMCRA permit or a surface mining permit is issued, a mine operator must submit a bond or other form of financial security to guarantee the payment and performance of certain long-term mine closure and reclamation obligations. The costs of these bonds or other forms of financial security have fluctuated in recent years and the market terms of surety bonds generally have become less favorable to those entities with legacy mining obligations or terminal operators and others with such permits. These changes in the terms of such bonds have been accompanied, at times, by a decrease in the number of companies willing to issue surety bonds. As of December 31, 2021, we have posted \$9.6 million in surety bonds or other forms of financial security for future reclamation.

Regulation of Operations

- **Clean Air Act.** The Clean Air Act and similar state laws and regulations affect our cokemaking operations, primarily through permitting and/or emissions control requirements relating to criteria pollutants and MACT standards. The Clean Air Act air emissions programs that may affect our operations, directly or indirectly, include, but are not limited to: the Acid Rain Program; NAAQS implementation for SO₂, PM, NO₂, lead, ozone, and carbon monoxide; GHG rules; the Cross-State Air Pollution Rule; MACT emissions standards for hazardous air pollutants; the Regional Haze Program; New Source Performance Standards (“NSPS”); and New Source Review.
 - The Clean Air Act requires, among other things, the regulation of hazardous air pollutants through the development and promulgation of various industry-specific MACT standards. Our cokemaking facilities are subject to two categories of MACT standards. The first category applies to pushing and quenching. The second category applies to emissions from charging and coke oven doors. The EPA is required to make a risk-based determination for pushing and quenching emissions and determine whether additional emissions reductions are necessary. In 2016, EPA issued a request for information and testing to our cokemaking facilities and other companies as part of its residual risk and technology review of the MACT standard for pushing and quenching, and a technology review of the MACT standard for coke ovens and charging emissions. Testing was conducted by our cokemaking facilities in 2017. EPA is required to finalize any changes to these MACT standards by December 26, 2022 pursuant to a settlement agreement with environmental groups. While we are not able to determine the extent to which any new standards would impact our business at this time, it presents a potential risk of having an impact on our operations and costs.
 - The Regional Haze program under the Clean Air Act requires that states submit State Implementation Plans that demonstrate reasonable progress towards achieving natural visibility conditions in Class I areas. On November 5, 2020, the Virginia Department of Environmental Quality (“VDEQ”) requested that the Jewell facility conduct an analysis of potential controls for SO₂ under the Regional Haze program. VDEQ is currently reviewing Jewell’s determination that no additional controls are feasible. While we are not able to determine the extent to which a different determination by VDEQ or EPA would impact our business at this time, it presents a potential risk of having an impact on our operations and costs at the Jewell facility.
- **Terminal Operations.** Our terminal operations located along waterways and the Gulf of Mexico are also governed by permitting requirements under the CWA and CAA. These terminals are subject to U.S. Coast Guard regulations and comparable state statutes regarding design, installation, construction, and management. Many such terminals owned and operated by other entities that are also used to transport coal and petcoke, including for export, have been pursued by environmental interest groups for alleged violations of their permits’ requirements, or have seen their efforts to obtain or renew such permits contested by such groups. While we believe that our operations are in material compliance with these permits, it is possible that such challenges or claims will be made against our operations in the future. Moreover, our terminal operations may be affected by the impacts of additional regulation on petcoke or on the mining of all types of coal and use of thermal coal for fuel, which is restricting supply in some markets and may reduce the volumes of coal that our terminals manage.
- **Federal Energy Regulatory Commission.** The Federal Energy Regulatory Commission (“FERC”) regulates the sales of electricity from our Haverhill and Middletown facilities, including the implementation of the Federal Power Act (“FPA”) and the Public Utility Regulatory Policies Act of 1978 (“PURPA”). The nature of the operations of the Haverhill and Middletown facilities makes each facility a qualifying facility under PURPA, which exempts the facilities and the Company from certain regulatory burdens, including the Public

Utility Holding Company Act of 2005 (“PUHCA”), limited provisions of the FPA, and certain state laws and regulation. FERC has granted requests for authority to sell electricity from the Haverhill and Middletown facilities at market-based rates and the entities are subject to FERC’s market-based rate regulations, which require regular regulatory compliance filings.

- **Clean Water Act of 1972.** The Clean Water Act (“CWA”) may affect our operations by requiring water quality standards generally and through the National Pollutant Discharge Elimination System (“NPDES”). Regular monitoring, reporting requirements and performance standards are requirements of NPDES permits that govern the discharge of pollutants into water. Discharges must either meet state water quality standards or be authorized through available regulatory processes such as alternate standards or variances. Additionally, through the CWA Section 401 certification program, states have approval authority over water discharge permits or licenses that might result in a discharge to their waters. Similarly, for permitting or any future water intake and/or discharge projects, our facilities could be subject to the Army Corps of Engineers Section 404 permitting process.
- **Resource Conservation and Recovery Act.** We may generate wastes, including “solid” wastes and “hazardous” wastes that are subject to the Resource Conservation and Recovery Act (“RCRA”) and comparable state statutes. The EPA has limited the disposal options for certain wastes that are designated as hazardous wastes under RCRA. Furthermore, it is possible that certain wastes generated by our operations that currently are exempt from regulation as hazardous wastes may in the future be designated as hazardous wastes, and therefore be subject to more rigorous and costly management, disposal and clean-up requirements. Certain of our wastes are also subject to Department of Transportation regulations for shipping of materials. Any changes to hazardous waste standards or the constituents in the wastes generated at our facilities presents a potential risk of having an impact on our operations and cost structure.
- **Comprehensive Environmental Response, Compensation, and Liability Act.** Under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), also known as Superfund, and similar state laws, responsibility for the entire cost of clean-up of a contaminated site, as well as natural resource damages, can be imposed upon current or former site owners or operators, or upon any party who released one or more designated “hazardous substances” at the site, regardless of the lawfulness of the original activities that led to the contamination. In the course of our operations we may have generated and may generate wastes that fall within CERCLA’s definition of hazardous substances. We also may be an owner or operator of facilities at which hazardous substances have been released by previous owners or operators. Under CERCLA, we may be responsible for all or part of the costs of cleaning up facilities at which such substances have been released and for natural resource damages. We also must comply with reporting requirements under the Emergency Planning and Community Right-to-Know Act and the Toxic Substances Control Act.
 - Pursuant to a court-mandated deadline, EPA published a final rule in December 2020 that does not impose financial assurance requirements for managing hazardous substances on the coal products manufacturing sector under Section 108(b) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA 108(b)”). EPA’s final rule determined that the risks associated with these facilities’ operations are addressed by existing federal and state programs and regulations and modern industry practices.
- **Climate Change Legislation and Regulations.** Our facilities are presently subject to the GHG reporting rule, which obligates us to report annual emissions of GHGs. The EPA also finalized a rule in 2010 requiring a new facility that is a major source of GHGs to install equipment or employ BACT procedures. In 2014, the Supreme Court issued an opinion holding that although EPA may not treat GHGs as a pollutant for the purpose of determining whether a source must obtain a PSD or Title V permit, EPA may continue to require GHG limitations in permits for sources classified as major based on their emission of other pollutants. Currently there is little information as to what may constitute BACT for GHG in most industries. Under this rule, certain modifications to our facilities could subject us to the additional permitting and other obligations relative to emissions of GHGs under the New Source Review/Prevention of Significant Deterioration (“NSR/PSD”) and Title V programs of the Clean Air Act based on whether the facility triggered NSR/PSD because of emissions of another pollutant such as SO₂, NO_x, PM, ozone or lead.
 - The EPA has engaged in a rulemaking to regulate GHG emissions from existing and new coal fired power plants, and we expect continued legal challenges to this rulemaking and any future rulemaking for other industries. For instance, in August 2015, the EPA issued its final Clean Power Plan (“CPP”) rules establishing carbon pollution standards for power plants. In February 2016, the U.S. Supreme

Court granted a stay of the implementation of the CPP before the U.S. Court of Appeals for the District of Columbia ("D.C. Circuit") issued a decision on the rule. In October 2017, the EPA proposed to repeal the CPP. EPA then proposed the Affordable Clean Energy ("ACE") rule as a replacement for the CPP in August 2018, which it finalized in June 2019. In 2020, various legal challenges to the ACE rule were filed, and in January 2021, the D.C. Circuit vacated EPA's repeal and replacement of the CPP with the ACE rule and remanded the rulemaking to the agency. In October 2021, the U.S. Supreme Court granted a petition for certiorari to review the D.C. Circuit's decision.

Currently, we do not anticipate these new or existing power plant GHG rules would apply directly to our facilities. However, the impact current and future GHG-related legislation and regulations have on us will depend on a number of factors, including whether GHG sources in multiple sectors of the economy are regulated, whether an overall GHG emissions cap level is established, the degree to which GHG offsets are allowed, the allocation of emission allowances to specific sources, and actions by the states in implementing these requirements. Any new GHG reduction laws on regulations that apply to us will likely require us to incur increased operating and capital costs and/or increased taxes on GHG emissions. We may not recover the costs related to compliance with regulatory requirements imposed on us from our customers due to limitations in our agreements. The imposition of a carbon tax or similar regulation could materially and adversely affect our revenues. Collectively, these requirements along with restrictions and requirements regarding the mining of all types of coal may reduce the volumes of coal that we manage and may ultimately adversely impact our revenues.

- **Occupational Safety and Health Act (OSH Act).** Our facilities are subject to regulation by OSHA or MSHA under the OSH Act and other agencies with standards designed to ensure worker safety. These standards impose minimum requirements for our operations to maintain and operate sites and equipment in a safe manner. As noted above, we have consistently operated within the top quartiles for OSHA's recordable injury rates as measured and reported by the American Coke and Coal Chemicals Institute.
- **Security.** CMT is subject to regulation by the U.S. Coast Guard pursuant to the Maritime Transportation Security Act. We have an internal inspection program designed to monitor and ensure compliance by CMT with these requirements. We believe that we are in material compliance with all applicable laws and regulations regarding the security of the facility.
- **Black Lung Benefits Revenue Act of 1977 and Black Lung Benefits Reform Act of 1977, as amended in 1981.** Under these laws, U.S. coal mine operator must pay federal black lung benefits and medical expenses to claimants who are current and former employees and last worked for the operator after July 1, 1973. The Patient Protection and Affordable Care Act ("PPACA"), which was implemented in 2010, amended previous legislation and provides for the automatic extension of awarded lifetime benefits to surviving spouses and changes the legal criteria used to assess and award claims. SunCoke is not an active coal mine operator and does not perform or oversee coal mining. However, SunCoke has retained certain black lung liabilities associated with legacy coal operations. Our obligation related to black lung benefits at December 31, 2021 was \$63.3 million and was estimated based on various assumptions, including actuarial estimates, discount rates, number of active claims, changes in health care costs and the impact of PPACA.

Available Information

We make available free of charge on our website, www.suncoke.com, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to such reports as soon as reasonably practicable after such materials are electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"). The SEC maintains an Internet site (www.sec.gov) that contains our electronically filed information. Our website also includes our Code of Business Conduct and Ethics, our Governance Guidelines, our Related Persons Transaction Policy and the charters of our Board Committees.

A copy of any of these documents will be provided without charge upon written request to Investor Relations, SunCoke Energy, Inc., 1011 Warrenville Road, Suite 600, Lisle, Illinois 60532.

Information about our Executive Officers

Our executive officers and their ages as of February 24, 2022, were as follows:

Michael G. Rippey	64	President and Chief Executive Officer
Katherine T. Gates	45	Senior Vice President, Chief Legal Officer and Chief Human Resources Officer
P. Michael Hardesty	59	Senior Vice President, Commercial Operations, Business Development, Terminals and International Coke
Bonnie M. Edeus	38	Vice President, Contoller
Shantanu Agrawal	35	Vice President, Finance and Treasurer
John F. Quanci	60	Vice President, Chief Technology Officer

Michael G. Rippey. Mr. Rippey was appointed as Chief Executive Officer, President and a director of SunCoke Energy, Inc., effective December 1, 2017. At that time, he also was appointed as Chairman, Chief Executive Officer and President of SunCoke Energy Partners GP LLC, the general partner of SunCoke Energy Partners, L.P., our former sponsored master limited partnership. Prior to joining SunCoke, Mr. Rippey served as Senior Advisor to Nippon Steel & Sumitomo Metal Corporation (a leading global steelmaker) since 2015. From 2014 to 2015, he was Chairman of the Board of ArcelorMittal USA (a major domestic steel manufacturer), and from August 2006 through October 2014, he was ArcelorMittal USA's President and Chief Executive Officer. Prior to that, he successfully rose through progressively responsible financial, commercial and administrative leadership roles at ArcelorMittal USA and its predecessor companies. He began his career with Inland Steel Company (a predecessor to ArcelorMittal USA) in 1984. Mr. Rippey currently serves on the Board of Directors of Olympic Steel, Inc. [NASDAQ: ZEUS] (a leading U.S. metals service center), where he is a member of the Nominating Committee and serves as Chair of the Audit and Compliance Committee. In addition to ArcelorMittal USA, Mr. Rippey's previous board service also includes the National Association of Manufacturers and the American Iron & Steel Institute, where he was a past Chairman of the Board.

Katherine T. Gates. Ms. Gates was appointed Senior Vice President, Chief Legal Officer and Chief Human Resource Officer effective November 14, 2019. Prior to that she was Senior Vice President, General Counsel and Chief Compliance Officer of SunCoke Energy, Inc. since October 22, 2015. Ms. Gates leads the Company's environmental and sustainability function, including all Environmental, Social, and Governance matters. Ms. Gates joined SunCoke in February 2013 as Senior Health, Environment and Safety Counsel. She was promoted to Vice President and Assistant General Counsel in July 2014, where she focused on litigation, regulatory and commercial matters. Ms. Gates has been practicing law for two decades, and began her legal career in private practice as a Partner at Beveridge & Diamond, P.C. Ms. Gates served on the firm's Management Committee, where she addressed budget, compensation, commercial, and other issues. Ms. Gates also co-chaired the civil litigation section of the firm's Litigation Practice Group. In addition, from October 2015 through June 2019, Ms. Gates served as a director of SunCoke Energy Partners GP LLC, the general partner of our former master limited partnership subsidiary SunCoke Energy Partners, L.P.

P. Michael Hardesty. Mr. Hardesty was appointed Senior Vice President, Commercial Operations, Business Development, Terminals and International Coke of SunCoke Energy, Inc., effective October 1, 2015. Mr. Hardesty joined SunCoke Energy, Inc. in 2011 as Senior Vice President, Sales and Commercial Operations, and has more than 30 years of experience in the mining industry. Before joining SunCoke, Mr. Hardesty served as Senior Vice President for International Coal Group, Inc. ("ICG"), where he was responsible for leading the sales and marketing functions and was a key member of the executive management team. Prior to ICG, Mr. Hardesty served as Vice President of Commercial Optimization at Arch Coal, where he developed and executed trade strategies, optimized production output and directed coal purchasing activities. He is a past board member and Secretary-Treasurer of the Putnam County Development Authority in West Virginia. In addition, from October 2015 through June 2019, Mr. Hardesty served as a director of SunCoke Energy Partners GP LLC, the general partner of SunCoke Energy Partners, L.P., our former master limited partnership subsidiary.

Bonnie M. Edeus. Ms. Edeus was appointed as SunCoke Energy, Inc.'s Vice President and Contoller in July, 2021. Ms. Edeus joined the Company in 2013 and has assumed increasing responsibility within financial leadership roles, most recently serving as Assistant Contoller since January 2016. Ms. Edeus is a Certified Public Accountant and prior to coming to the Company, she worked in assurance services for BDO USA, LLP, the United States member firm of BDO International, a major global public accounting network, which she joined in 2007.

Shantanu Agrawal. Mr. Agrawal was appointed Vice President, Finance and Treasurer of SunCoke Energy, Inc. in July, 2021. Prior to that he was Director, Financial Performance & Analysis ("FP&A") and Investor Relations. Mr. Agrawal began his career with SunCoke as an FP&A Analyst in 2014. He has been with SunCoke for more than seven years and has increasingly taken on more responsibilities and oversight over that period. Mr. Agrawal is an accomplished finance executive with a rich mix of finance, operations and strategic planning. In his current roles, Mr. Agrawal has led the Company's finance function, including budgeting, forecasting, financial analysis, cash management and investor relations.

John F. Quanci. Dr. John F. Quanci joined SunCoke Energy, Inc. in October, 2010, and was appointed to his current position as Vice President, Chief Technology Officer in May, 2019. Prior to joining SunCoke, Dr. Quanci was Director, Corporate Technology of Sunoco, Inc. (a leading transportation fuel provider with interests in logistics). Dr. Quanci has over 30 years of domestic and international experience in process research, development, plant optimization, manufacturing, rebuilding/turnarounds, and taking new technologies from ideation to full production. Over the course of his career, Dr. Quanci has managed several major engineering and technology organizations both internal and external to the petroleum industry, including those of: Mobil Research, Mobil Oil, BP/Mobil, Exxon/Mobil, Rodel and Rohm and Haas Electronic Materials (now DuPont Electronic Materials). Dr. Quanci holds a Ph.D. in Chemical Engineering from Princeton University and is a registered Professional Engineer with over one hundred U.S. and international patents and patent applications.

Item 1A. Risk Factors

In addition to the other information included in this Annual Report on Form 10-K and in our other filings with the SEC, the following risk factors should be considered in evaluating our business and future prospects. These risk factors represent what we believe to be the known material risk factors with respect to us and our business. Our business, operating results, cash flows and financial condition are subject to these risks and uncertainties, any of which could cause actual results to vary materially from recent results or from anticipated future results.

These risks are not the only risks we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition, or results of operations.

Risks Inherent in Our Business and Industry

The financial performance of our cokemaking and logistics businesses is substantially dependent upon a limited number of customers, and the loss of any of these customers, or any failure by them to perform under their contracts with us, could materially and adversely affect our financial condition, permit compliance, results of operations and cash flows.

Substantially all of our coke sales currently are made pursuant to long-term contracts with Cliffs Steel and U.S. Steel. We expect these customers to continue to account for a significant portion of our revenues for the foreseeable future.

We are subject to the credit risk of our major customers and other parties. If we fail to adequately assess the creditworthiness of existing or future customers or unanticipated deterioration of their creditworthiness, any resulting increase in nonpayment or nonperformance by them could have a material adverse effect on our cash flows, financial position or results of operations. During periods of weak demand for steel or coal, our customers may experience significant reductions in their operations, or substantial declines in the prices of the steel, or coal products, they sell. These and other factors such as labor relations or bankruptcy filings may lead certain of our customers to seek renegotiation or cancellation of their existing contractual commitments to us, or reduce their utilization of our services. See Note 8 to our consolidated financial statements.

The loss of any of these customers (or financial difficulties at any of these customers, which result in nonpayment or nonperformance) could have a significant adverse effect on our business. If one or more of these customers were to significantly reduce its purchases of coke or logistics services from us without a make-whole payment, or default on their agreements with us, or terminate or fail to renew their agreements with us, or if we were unable to sell such coke or logistics services to these customers on terms as favorable to us as the terms under our current agreements, our cash flows, financial position, permit compliance, or results of operations could be materially and adversely affected.

Our cokemaking and logistics businesses are subject to operating risks, some of which are beyond our control. Equipment failures or deterioration of assets, may lead to production curtailments, shutdowns, impairments, or additional expenditures, which could have a material adverse effect on our results of operations and financial condition.

Factors beyond our control could disrupt our cokemaking and logistics operations, adversely affect our ability to service the needs of our customers and increase our operating costs, all of which could have a material and adverse effect on our results of operations. Adverse developments at our cokemaking facilities could significantly disrupt our ability to produce and supply coke, steam, and/or electricity to our customers. Adverse developments at our logistics operations could significantly disrupt our ability to provide handling, mixing, storage, terminalling, transloading and/or transportation services, of coal and other dry and liquid bulk commodities, to our customers. Our operations depend upon critical pieces of equipment that occasionally may be out of service for scheduled upgrades or maintenance or as a result of unanticipated failures. Assets and equipment critical to these operations also may deteriorate or become depleted materially sooner than we currently estimate, resulting in additional maintenance spending or additional replacement capital expenditures.

Our cokemaking and logistics operations are subject to significant hazards and risks, any of which could result in production and transportation difficulties and disruptions, equipment failures and risk of catastrophic loss, permit non-compliance, pollution, personal injury or wrongful death claims and other damage to our properties and the property of others. Such hazards and risks include, but are not limited to

- geological, hydrologic, or other conditions that may cause damage to infrastructure or personnel;
- fire, explosion, or other major incident causing injury to personnel and/or equipment that causes a cessation, or significant curtailment, of all or part of our cokemaking or logistics operations at a site for a period of time;
- processing and plant equipment failures or malfunction, operating hazards and unexpected maintenance problems affecting our cokemaking or logistics operations, or our customers;
- adverse weather conditions and natural disasters, such as severe winds, heavy rains or snow, flooding, extreme temperatures and other natural events, including those resulting from climate change, affecting our cokemaking or logistics operations, transportation, or our customers; and
- possible legal challenges to the renewal of key permits, which may lead to their renewal on terms that restrict our cokemaking or logistics operations, or impose additional costs on us.

If any of these conditions or events occur, our cokemaking or logistics operations may be disrupted, operating costs could increase significantly and we could incur substantial losses. Such disruptions in our operations could materially and adversely affect our financial condition or results of operations. In particular, to the extent a disruption leads to our failure to maintain the temperature inside our coke oven batteries, we may not be able to maintain the integrity of the ovens or to continue operation of such coke ovens, which could adversely affect our ability to meet our customers' requirements for coke and, in some cases, electricity and/or steam.

If our assets do not generate the amount of future cash flows that we expect, or we are not able to execute on capital maintenance or procure replacement assets in an economically feasible manner, our future results of operations may be materially and adversely affected.

We face competition, both in our cokemaking operations and in our logistics business, which has the potential to reduce demand for our products and services, and that could have an adverse effect on our financial condition and results of operations.

We face competition, both in our cokemaking operations and in our logistics business:

- **Cokemaking operations:** Historically, coke has been used as a main input in the production of steel in blast furnaces. However, some blast furnace operators have relied upon natural gas, pulverized coal, and/or other coke substitutes. Many steelmakers also are exploring alternatives to blast furnace technology that require less or no use of coke or alternatives that reduce the amount of GHG emissions from the process. For example, electric arc furnace technology is a commercially proven process widely used in the United States. As these alternative processes for production of steel become more widespread, the demand for coke, including the coke we produce, may be significantly reduced. We also face competition from alternative cokemaking technologies, including both by-product and heat recovery technologies. As these technologies improve and as new technologies are developed, competition in the cokemaking industry may intensify. As alternative processes for production of steel become more widespread, the demand for coke, including the coke we produce, may be significantly reduced.
- **Logistics business:** Decreased throughput and utilization of our logistics assets could result indirectly due to competition in the electrical power generation business from abundant and relatively inexpensive supplies of natural gas displacing thermal coal as a fuel for electrical power generation by utility companies. In addition, competition in the steel industry from processes such as electric arc furnaces, or blast furnace injection of pulverized coal or natural gas, may reduce the demand for metallurgical coals processed through our logistics facilities. In the future, additional coal handling facilities and terminals with rail and/or barge access may be constructed in the Eastern United States. Such additional facilities could compete directly with us in specific markets now served by our logistics business. Certain coal mining companies and independent terminal operators in some areas may compete directly with our logistics facilities. In some markets, trucks may competitively deliver mined coal to certain shorter-haul destinations, resulting in reduced utilization of existing terminal capacity.

Such competition could reduce demand for our products and services, thus having a material and adverse effect on our financial condition and results of operations.

We are subject to extensive laws and regulations, which may increase our cost of doing business and have an adverse effect on our cash flows, financial position or results of operations.

Our operations are subject to strict regulation by federal, state and local authorities with respect to: discharges of substances into the surrounding environment including the air, water and ground; emissions of GHGs; compliance with the National Ambient Air Quality Standards (NAAQS); management and disposal of hazardous substances and wastes; cleanup of contaminated sites; protection of groundwater quality and availability; protection of plants and wildlife; reclamation and restoration of properties after completion of mining or drilling; sales of electric power; installation of safety equipment in our facilities; and protection of employee health and safety. Complying with these and other regulatory requirements, including the terms of our permits, can be costly and time-consuming, and may hinder operations. In addition, these requirements are complex, change frequently and have become more stringent over time. Regulatory requirements, including those related to GHGs, may change in the future in a manner that could result in substantially increased capital, operating and compliance costs, which could have a material adverse effect on our business, financial condition and results of operations.

Failure to comply with applicable laws, regulations or permits may result in the assessment of administrative, civil and criminal penalties, the imposition of cleanup and site restoration costs and liens, the issuance of injunctions to limit or cease operations, the suspension or revocation of permits and other enforcement measures that could cause delays in permitting or development of projects or materially limit, or increase the cost of, our operations. We may not have been, or may not be, at all times, in complete compliance with all such requirements, and we may incur material costs or liabilities in connection with such requirements, or in connection with remediation at sites we own, or third-party sites where it has been alleged that we have liability, in excess of the amounts we have accrued. For a description of certain environmental laws and matters applicable to us and associated risks, see “Item 1. Business-Legal and Regulatory Requirements.”

Our operations may impact the environment or cause exposure to hazardous substances, which could result in material liabilities to us.

Our operations result in emissions of various substances to the air, including GHGs, use hazardous materials, and generate solid and hazardous waste. We have in the past and could in the future be subject to claims under federal, state and local laws and regulations arising from these activities, including for the investigation and clean-up of soil, surface water, or groundwater. We previously have been and could again in the future be subject to litigation for alleged bodily injuries or property damage arising from claimed exposure to emissions or hazardous substances allegedly used, released, or disposed of by us, as well as litigation related to climate change by governments, private entities, or individuals. Although we make every effort to avoid litigation, these matters are not totally within our control. We will contest these matters vigorously and have made insurance claims where appropriate, but because of the uncertain nature of litigation and coverage decisions, we cannot predict the outcome of these matters. Environmental impacts resulting from our operations, including exposures to emissions, hazardous substances, or wastes associated with our operations, could result in costs and liabilities that could adversely impact our financial condition and results of operations.

We may be unable to obtain, maintain or renew permits or leases necessary for our operations, which could materially reduce our production, cash flows or profitability.

Our cokemaking and logistics operations require us to obtain a number of permits that impose strict regulations on various environmental and operational matters. These, as well as our facilities and operations (including our generation of electricity), require permits issued by various federal, state and local agencies and regulatory bodies. The permitting rules, and the interpretations of these rules, are complex, change frequently, and are often subject to discretionary interpretations by our regulators, all of which may make compliance more difficult or impractical, and may possibly preclude the continuance of ongoing operations or the development of future cokemaking and/or logistics facilities. Non-governmental organizations, environmental groups and individuals have certain rights to engage in the permitting process, and may comment upon, or object to, the requested permits. Such persons also have the right to bring citizen’s lawsuits to challenge the issuance of permits, or the validity of environmental impact statements related thereto. If any permits or leases are not issued or renewed in a timely fashion or at all, or if permits issued or renewed are conditioned in a manner that restricts our ability to efficiently and economically conduct our operations, our cash flows or profitability could be materially and adversely affected.

Our businesses are subject to inherent risks, some for which we maintain third party insurance and some for which we self-insure. We may incur losses and be subject to liability claims that could have a material adverse effect on our financial condition, results of operations or cash flows.

We maintain insurance policies that provide limited coverage for some, but not all, potential risks and liabilities associated with our business. We may not obtain insurance if we believe the cost of available insurance is excessive relative to the risks presented. As a result of market conditions, premiums and deductibles for certain insurance policies can increase substantially, and in some instances, certain insurance may become unavailable or available only for reduced amounts of coverage. As a result, we may not be able to renew our existing insurance policies or procure other desirable insurance on commercially reasonable terms, if at all. In addition, certain risks, such as certain environmental and pollution risks, and certain cybersecurity risks, generally are not fully insurable. We must compensate employees for work-related injuries. If we do not make adequate provision for our workers' compensation liabilities, or we are pursued for applicable sanctions, costs, and liabilities, our operations and our profitability could be adversely affected. Even where insurance coverage applies, insurers may contest their obligations to make payments. Our financial condition, results of operations and cash flows could be materially and adversely affected by losses and liabilities from un-insured or under-insured events, as well as by delays in the payment of insurance proceeds, or the failure by insurers to make payments.

We may not be able to successfully implement our growth strategies or plans, and we may experience significant risks associated with future acquisitions, investments and/or divestitures. If we are unable to execute our strategic plans, whether as a result of unfavorable market conditions in the industries in which our customers operate, or otherwise, our future results of operations could be materially and adversely affected.

A portion of our strategy to grow our business is dependent upon our ability to acquire and operate new assets that result in an increase in our earnings. We may not derive the financial returns we expect on our investment in such additional assets or such operations may not be profitable. We cannot predict the effect that any failed expansion may have on our core businesses. The success of our future acquisitions and/or investments will depend substantially on the accuracy of our analysis concerning such businesses and our ability to complete such acquisitions or investments on favorable terms, as well as to finance such acquisitions or investments and to integrate the acquired operations successfully with existing operations. Risks associated with acquisitions include the diversion of management's attention from other business concerns, the potential loss of key employees and customers of the acquired business, the possible assumption of unknown liabilities, potential disputes with the sellers, and the inherent risks in entering markets or lines of business in which we have limited or no prior experience. Antitrust and other laws may prevent us from completing acquisitions. If we are not able to execute our strategic plans effectively, or successfully integrate new operations, whether as a result of unfavorable market conditions in the industries in which our customers operate, or otherwise, our business reputation could suffer and future results of operations could be materially and adversely affected.

In the event we form joint ventures or other similar arrangements, we must pay close attention to the organizational formalities and time-consuming procedures for sharing information and making decisions. We may share ownership and management with other parties who may not have the same goals, strategies, priorities, or resources as we do. The benefits from a successful investment in an existing entity or joint venture will be shared among the co-owners, so we will not receive the exclusive benefits from a successful investment. Additionally, if a co-owner changes, our relationship may be materially and adversely affected.

We regularly review strategic opportunities to further our business objectives, and may eliminate assets that do not meet our return-on-investment criteria. The anticipated benefits of divestitures and other strategic transactions may not be realized, or may be realized more slowly than we expected. Such transactions also could result in a number of financial consequences having a material adverse effect on our results of operations and our financial position, including reduced cash balances; higher fixed expenses; the incurrence of debt and contingent liabilities (including indemnification obligations); restructuring charges; loss of customers, suppliers, distributors, licensors or employees; legal, accounting and advisory fees; and impairment charges.

Impairment in the carrying value of long-lived assets could adversely affect our business, financial condition and results of operations.

We have a significant amount of long-lived assets on our Consolidated Balance Sheets. Under generally accepted accounting principles, long-lived assets must be reviewed for impairment whenever adverse events or changes in circumstances indicate a possible impairment. We are required to perform impairment tests on our assets whenever events or changes in circumstances lead to a reduction of the estimated useful life or estimated future cash flows that would indicate that the carrying amount may not be recoverable or whenever management's plans change with respect to those assets. If business conditions or other factors cause profitability and cash flows to decline, we may be required to record non-cash impairment charges.

Events and conditions that could result in impairment in the value of our long-lived assets include: the impact of a downturn in the global economy, competition, advances in technology, adverse changes in the regulatory environment, and

other factors leading to a reduction in expected long-term sales or profitability, or a significant decline in the trading price of our common stock or market capitalization, lower future cash flows, slower industry growth rates and other changes in the industries in which we or our customers operate.

Our operating results have been and may continue to be affected by fluctuations in our costs of production, and, if we cannot pass increases in our costs of production to our customers, our financial condition, results of operations and cash flows may be negatively affected.

Our operations require a reliable supply of equipment, replacement parts and metallurgical coal. If the cost to produce coke and provide logistics services, including cost of supplies, equipment, metallurgical coal or labor, experience significant price inflation and we cannot pass such increases in our costs of production to our customers, our profit margins may be reduced and our financial condition, results of operations and cash flows may be adversely affected.

We may incur costs and liabilities resulting from claims for damages to property or injury to persons arising from our operations, and such costs and liabilities could have a material and adverse effect on our financial condition or results of operations.

Our success depends, in part, on the quality, efficacy and safety of our products and services. If our operations do not meet applicable safety standards, or our products or services are found to be unsafe, our relationships with customers could suffer and we could lose business or become subject to liability or claims. In addition, our cokemaking and logistics operations have inherent safety risks that may give rise to events resulting in death, injury, or property loss to employees, customers, or unaffiliated third parties. Depending upon the nature and severity of such events, we could be exposed to significant financial loss, reputational damage, potential civil or criminal government or other regulatory enforcement actions, or private litigation, the settlement or outcome of which could have a material and adverse effect on our financial condition or results of operations.

New or more stringent greenhouse gas emission standards designed to address climate change and physical effects attributed to climate change may adversely affect our operations and impose significant costs on our business and our customers and suppliers.

There is increasing regulatory attention concerning the issue of climate change and the impact of GHGs, particularly from fossil fuels, which are integral to our cokemaking and logistics businesses. Our business and operations, as well as the business and operations of our key suppliers and customers, may become subject to legislation or regulation intended to limit GHG emissions, the use of fossil fuels or the effects of climate change or may be impacted by the increasing drive towards a lower carbon economy in an effort to limit the impacts of climate change. It is not possible to foresee the details of such legislation or regulations or changes in the economy or their resulting effects on our business. Because our coking process is dependent on coal as a raw material and the coking process generates carbon dioxide, we are limited in our ability to reduce our GHG emissions and could be affected by future regulation of GHGs, although we are evaluating the feasibility of reducing our GHG emissions profile. Any new regulations, legislation or taxes that affect other industries that use coal or other fossil fuels processed through our terminals could reduce throughput and utilization of our logistics assets. Future legislation or regulation regarding climate change and GHG emissions could impose significant costs on our business and our customers and suppliers due to increased energy, capital equipment, emissions controls, environmental monitoring and reporting and other costs in order to comply with these laws and regulations. Failure to comply with these regulations could result in fines to our company and could affect our business, financial condition and results of operations. Additionally, our suppliers may face cost increases to comply with any new legislation or regulations leading to higher costs to us for goods or services.

Climate change may cause changes in weather patterns and increase the frequency or severity of weather events and flooding. An increase in severe weather events and flooding may adversely impact us, our operations, and our ability to procure raw materials and manufacture and transport our products and could result in an adverse effect on our business, financial condition and results of operations. Extreme weather conditions may increase our costs, temporarily impact our production capabilities or cause damage to our facilities. For example, our terminals are located near bodies of water and may be impacted by flooding or hurricanes, disrupting our or our customers' ability to move products. Our coke plants are also generally located near bodies of water and may be impacted by the effects of climate change. Additionally, extreme cold could prevent coal delivery and unloading at our coke plants, impeding operation, or create a more hazardous outdoor working environment for our employees. Severe weather may also adversely impact our suppliers and our customers and their ability to purchase and transport our products.

Investor interest in climate change, fossil fuels, and sustainability could adversely affect our business and our stock price.

Climate change and sustainability have increasingly become important topics to investors and the community at large. As such, there have been recent efforts aimed at the investment community to encourage the divestment of shares of companies associated with energy, coal and/or fossil fuels, as well as to pressure lenders and other financial services companies to limit or curtail business relations with coal and fossil fuel companies. If these efforts are successful, our stock price and our ability to access capital markets may be negatively impacted. Members of the investment community are also increasing their focus on sustainability practices, including management of GHGs and climate change. As a result, we may face increasing pressure regarding our sustainability disclosures and practices.

The COVID-19 pandemic and other possible pandemics and similar outbreaks may disrupt our operations and continue to disrupt our customers' and suppliers' operations, which could continue to adversely impact our cash flows, financial position and results of operations.

In December 2019, COVID-19, a novel strain of coronavirus surfaced in Wuhan, China. Since then, in 2020, COVID-19 spread to other countries including the U.S. and became a global pandemic. Efforts to contain the spread of COVID-19 including social distancing, travel bans and quarantines, have had negative impacts on the U.S. and global economy. The pandemic and response to the pandemic continues to evolve, and any preventative or protective actions that governments or we may take in respect of the pandemic could result in periods of significant business disruption. While our facilities have continued to operate during the COVID-19 pandemic due to our inclusion in the Critical Manufacturing Sector as defined by the U.S. Department of Homeland Security, COVID-19 has had, and may continue to have, a negative impact on our business and results of operations due to the impacts of the COVID-19 pandemic on our customers and suppliers. For example, in 2020, certain of our steelmaking and logistics customers were adversely impacted by the idling of manufacturing plants and closed international ports, respectively, as a result of the COVID-19 pandemic. In an effort to assist certain of our steelmaking customers impacted by the COVID-19 pandemic, we implemented volume relief measures by providing near-term coke supply relief for such customers in exchange for extending of certain contracts. In addition, the progression of and global response to COVID-19 increases the risk of delays in construction activities related to our capital projects. The extent of such delays and other effects of COVID-19 on our anticipated investments to upgrade or enhance existing operations and to meet environmental and operational regulations is unknown, but could impact or delay the timing of anticipated benefits on capital projects. The extent to which COVID-19 impacts our results of operations, and our customers' and suppliers' results of operations, are out of our control and will depend on future developments that are highly uncertain and cannot be predicted, including the severity and duration of the pandemic and actions taken to contain it or mitigate its effects, as well as the effectiveness of vaccine rollout plans, the public's perception of the safety of the vaccines and their willingness to take the vaccines. As a result, the ultimate financial impact to SunCoke of the COVID-19 global pandemic cannot be reasonably estimated at this time, but could materially and adversely affect our business, financial position and results of operations.

Risks Related to Our Cokemaking Business

If a substantial portion of our agreements to supply coke, electricity, and/or steam are modified or terminated, our cash flows, financial position, permit compliance or results of operations may be adversely affected if we are not able to replace such agreements, or if we are not able to enter into new agreements at the same level of profitability.

We make substantially all of our coke, electricity and steam sales under long-term agreements. If a substantial portion of these agreements are modified or terminated or if force majeure is exercised, our results of operations may be adversely affected if we are not able to replace such agreements, or if we are not able to enter into new agreements at the same level of profitability. The profitability of our long-term coke, energy and steam sales agreements depends on a variety of factors that vary from agreement to agreement and fluctuate during the agreement term. We may not be able to obtain long-term agreements at favorable prices, compared either to market conditions or to our cost structure. Price changes provided in long-term supply agreements may not reflect actual increases in production costs. As a result, such cost increases may reduce profit margins on our long-term coke and energy sales agreements. In addition, contractual provisions for adjustment or renegotiation of prices and other provisions may increase our exposure to short-term price volatility.

From time to time, we discuss the extension of existing agreements and enter into new long-term agreements for the supply of coke, steam, and energy to our customers, but these negotiations may not be successful and these customers may not continue to purchase coke, steam, or electricity from us under long-term agreements. In addition, declarations of bankruptcy by customers can result in changes in our contracts with less favorable terms. If any one or more of these customers were to become financially distressed and unable to pay us, significantly reduce their purchases of coke, steam, or electricity from us, or if we were unable to sell coke or electricity to them on terms as favorable to us as the terms under our

current agreements, our cash flows, financial position, permit compliance or results of operations may be materially and adversely affected.

Further, because of certain technological design constraints, we do not have the ability to shut down our cokemaking operations if we do not have adequate customer demand. If a customer refuses to take or pay for our coke, we must continue to operate our coke ovens even though we may not be able to sell our coke immediately and may incur significant additional costs for natural gas to maintain the temperature inside our coke oven batteries and fees under our rail contracts to account for reductions in inbound coal or outbound coke shipments at our plants, which may have a material and adverse effect on our cash flows, financial position or results of operations.

Excess capacity in the global steel industry, and/or increased exports of coke from producing countries, may weaken our customers' demand for our coke and could materially and adversely affect our future revenues and profitability.

In some countries steelmaking capacity exceeds demand for steel products. Rather than reducing employment by matching production capacity to consumption, steel manufacturers in these countries (often with local government assistance or subsidies in various forms) may export steel at prices that are significantly below their home market prices and that may not reflect their costs of production or capital. Our steelmaking customers may decrease the prices they charge for steel, or take other action, as the supply of steel increases. The profitability and financial position of our steelmaking customers may be adversely affected, causing such customers to reduce their demand for our coke and making it more likely that they may seek to renegotiate their contracts with us or fail to pay for the coke they are required to take under our contracts. In addition, future increases in exports of coke from China and/or other coke-producing countries also may reduce our customers' demand for coke capacity. Such reduced demand for our coke could adversely affect the certainty of our long-term relationships with our customers depress coke prices, and limit our ability to enter into new, or renew existing, commercial arrangements with our customers, as well as our ability to sell excess capacity in the spot market, and could materially and adversely affect our future revenues and profitability.

Certain provisions in our long-term coke agreements may result in economic penalties to us, or may result in termination of our coke sales agreements for failure to meet minimum volume requirements, coal-to-coke yields or other required specifications, and certain provisions in these agreements and our energy sales agreements may permit our customers to suspend performance.

Our agreements for the supply of coke, energy and/or steam, contain provisions requiring us to supply minimum volumes of our products to our customers. To the extent we do not meet these minimum volumes, we are generally required under the terms of our coke sales agreements to procure replacement supply to our customers at the applicable contract price or potentially be subject to cover damages for any shortfall. If future shortfalls occur, we will work with our customer to identify possible other supply sources while we implement operating improvements at the facility, but we may not be successful in identifying alternative supplies and may be subject to paying the contract price for any shortfall or to cover damages, either of which could adversely affect our future revenues and profitability. Our coke sales agreements also contain provisions requiring us to deliver coke that meets certain quality thresholds. Failure to meet these specifications could result in economic penalties, including price adjustments, the rejection of deliveries or termination of our agreements. To the extent that we do not meet the coal-to-coke yield standard in an agreement, we are responsible for the cost of the excess coal used in the cokemaking process.

Our coke and energy sales agreements contain force majeure provisions allowing temporary suspension of performance by our customers for the duration of specified events beyond the control of our customers. Declaration of force majeure, coupled with a lengthy suspension of performance under one or more coke or energy sales agreements, may seriously and adversely affect our cash flows, financial position and results of operations.

Failure to maintain effective quality control systems at our cokemaking facilities could have a material adverse effect on our results of operations.

The quality of our coke is critical to the success of our business. For instance, our coke sales agreements contain provisions requiring us to deliver coke that meets certain quality thresholds. If our coke fails to meet such specifications, we could be subject to significant contractual damages or contract terminations, and our sales could be negatively affected. The quality of our coke depends significantly on the effectiveness of our quality control systems, which, in turn, depends on a number of factors, including the design of our quality control systems, our quality-training program, our laboratories and our ability to ensure that our employees adhere to our quality control policies and guidelines. Any significant failure or deterioration of our quality control systems could have a material adverse effect on our results of operations.

Disruptions to our supply of coal and coal mixing services may reduce the amount of coke we produce and deliver, and if we are not able to cover the shortfall in coal supply or obtain replacement mixing services from other providers, our results of operations and profitability could be adversely affected.

Substantially all of the metallurgical coal used to produce coke at our cokemaking facilities is purchased from third-parties under one-year contracts, except for the Jewell facility, which purchases a substantial portion of its metallurgical coal under a five-year contract with prices reset annually. We cannot assure that there will continue to be an ample supply of metallurgical coal available or that these facilities will be supplied without any significant disruption in coke production, as economic, environmental, and other conditions outside of our control may reduce our ability to source sufficient amounts of coal for our forecasted operational needs. If we are not able to make up the shortfalls resulting from such supply failures through purchases of coal from other sources, the failure of our coal suppliers to meet their supply commitments could materially and adversely impact our results of operations and, ultimately, impact the structural integrity of our coke oven batteries.

At our Granite City and Haverhill cokemaking facilities, we rely on third-parties to mix coals that we have purchased into coal mixes that we use to produce coke. We have entered into long-term agreements with coal mixing service providers that are coterminous with our coke sales agreements. However, there are limited alternative providers of coal mixing services and any disruptions from our current service providers could materially and adversely impact our results of operations. In addition, if our rail transportation agreements are terminated, we may have to pay higher rates to access rail lines or make alternative transportation arrangements.

Limitations on the availability and reliability of transportation, and increases in transportation costs, particularly rail systems, could materially and adversely affect our ability to obtain a supply of coal and deliver coke to our customers.

Our ability to obtain coal depends primarily on third-party rail systems and to a lesser extent river barges. If we are unable to obtain rail or other transportation services, or are unable to do so on a cost-effective basis, our results of operations could be adversely affected. Alternative transportation and delivery systems are generally inadequate and not suitable to handle the quantity of our shipments or to ensure timely delivery. The loss of access to rail capacity could create temporary disruption until the access is restored, significantly impairing our ability to receive coal and resulting in materially decreased revenues. Our ability to open new cokemaking facilities may also be affected by the availability and cost of rail or other transportation systems available for servicing these facilities.

Our coke production obligations at our Jewell cokemaking facility and one half of our Haverhill cokemaking facility require us to deliver coke to certain customers via railcar. We have entered into long-term rail transportation agreements to meet these obligations. Disruption of these transportation services because of weather-related problems, including those related to climate change, mechanical difficulties, train derailments, infrastructure damage, strikes, lock-outs, lack of fuel or maintenance items, fuel costs, transportation delays, accidents, terrorism, domestic catastrophe or other events could temporarily, or over the long-term, impair our ability to produce coke, and therefore, could materially and adversely affect our business and results of operations.

If we are unable to effectively protect our intellectual property, third parties may use our technology, which would impair our ability to compete in our markets.

Our future success will depend in part on our ability to obtain and maintain meaningful patent protection for certain of our technologies and products throughout the world. The degree of future protection for our proprietary rights is uncertain. We rely on patents to protect a significant part of our intellectual property portfolio and to enhance our competitive position. However, our presently pending or future patent applications may not issue as patents, and any patent previously issued to us or our subsidiaries may be challenged, invalidated, held unenforceable or circumvented. Furthermore, the claims in patents that have been issued to us or our subsidiaries or that may be issued to us in the future may not be sufficiently broad to prevent third parties from using cokemaking technologies and heat recovery processes similar to ours. In addition, the laws of various foreign countries in which we plan to compete may not protect our intellectual property to the same extent as do the laws of the United States. If we fail to obtain adequate patent protection for our proprietary technology, our ability to be commercially competitive may be materially impaired.

We are subject to certain political or country risks due to the Vitória, Brazil cokemaking facility that could adversely affect our financial results.

The Vitória cokemaking facility is owned by ArcelorMittal Brazil. We earn income from the Vitória, Brazil operations through licensing and operating fees earned at the Brazilian cokemaking facility payable to us under long-term agreements with ArcelorMittal Brazil. These revenues depend on continuing operations and, in some cases, certain minimum production levels being achieved at the Vitória cokemaking facility. In the past, the Brazilian economy has been

characterized by frequent and occasionally extensive intervention by the Brazilian government and unstable economic cycles. The Brazilian government has changed in the past, and may change monetary, taxation, credit, tariff and other policies to influence Brazil's economy in the future. If the operations at the Vitória cokemaking facility are interrupted or if certain minimum production levels are not achieved, we will not be able to earn the same licensing and operating fees as we are currently earning, which could have an adverse effect on our financial position, results of operations and cash flows.

Additionally, the Vitória, Brazil operations require us to comply with a number of U.S. and international laws and regulations, including those involving anti-bribery, anti-corruption and anti-fraud. In particular, our international operations are subject to U.S. and foreign anti-corruption laws and regulations, including the regulations imposed by the Foreign Corrupt Practices Act ("FCPA"), which generally prohibits issuers and their strategic or local partners, agents or representatives, which we refer to as our intermediaries (even if those intermediaries are not themselves subject to the FCPA or other similar laws), from making improper payments to foreign officials for the purpose of obtaining or keeping business or obtaining an improper business benefit.

We take precautions to comply with these laws. However, these precautions may not protect us against liability, particularly as a result of actions by our intermediaries through whom we have exposure under these anti-bribery, anti-corruption and anti-fraud laws even though we may have limited or no ability to control such intermediaries. Any violations of such laws could be punishable by criminal fines, imprisonment, civil penalties, disgorgement of profits, injunctions and exclusion from government contracts, as well as other remedial measures. Investigations of alleged violations can be very expensive, disruptive and damaging to our reputation and could negatively impact our stock price. Failure by us or our intermediaries to comply with the foregoing or other anti-bribery, anti-corruption and anti-fraud laws could adversely impact our results of operations, financial position, and cash flows, damage our reputation and negatively impact our stock price.

Risks Related to Our Logistics Business

The growth and success of our logistics business depends upon our ability to find and contract for adequate throughput volumes, and an extended decline in demand for coal could affect the customers for our logistics business adversely. As a consequence, the operating results and cash flows of our logistics business could be materially and adversely affected.

The financial results of our logistics business segment are significantly affected by the demand for both thermal coal and metallurgical coal. An extended decline in our customers' demand for either thermal or metallurgical coals, including as a result of legislation or regulations promoting renewable energy or limiting carbon emissions from the energy sector, could result in a reduced need for the coal mixing, terminalling and transloading services we offer, thus reducing throughput and utilization of our logistics assets. Demand for such coals may fluctuate due to factors beyond our control:

- **Thermal coal demand:** may be impacted by changes in the energy consumption pattern of industrial consumers, electricity generators and residential users, as well as weather conditions and extreme temperatures. The amount of thermal coal consumed for electric power generation is affected primarily by the overall demand for electricity, the availability, quality and price of competing fuels for power generation, and governmental regulation. For example, over the past few years, production of natural gas in the U.S. has increased dramatically, which has generally resulted in lower natural-gas prices. As a result of sustained low natural gas prices, some coal-fuel generation plants have been displaced by natural-gas fueled generation plants. In addition, state and federal mandates and market demand for increased use of electricity from renewable energy sources, or mandates for the retrofitting of existing coal-fired generators with pollution control systems, also could adversely impact the demand for thermal coal. Finally, unusually warm winter weather may reduce the commercial and residential needs for heat and electricity which, in turn, may reduce the demand for thermal coal; and
- **Metallurgical coal demand:** may be impacted adversely by economic downturns resulting in decreased demand for steel and an overall decline in steel production. A decline in blast furnace production of steel may reduce the demand for furnace coke, an intermediate product made from metallurgical coal. Decreased demand for metallurgical coal also may result from increased steel industry utilization of processes that do not use, or reduce the need for, furnace coke, such as electric arc furnaces, or blast furnace injection of pulverized coal or natural gas.

Additionally, fluctuations in the market price of coal can greatly affect production rates and investments by third-parties in the development of new and existing coal reserves. Mining activity may decrease as spot coal prices decrease. We have no control over the level of mining activity by coal producers, which may be affected by prevailing and projected coal prices, demand for hydrocarbons, the level of coal reserves, geological considerations, governmental regulation and the availability and cost of capital. A material decrease in coal mining production in the areas of operation for our logistics

business, whether as a result of depressed commodity prices or otherwise, could result in a decline in the volume of coal processed through our logistics facilities, which would reduce our revenues and operating income.

Decreased demand for thermal or metallurgical coals, and extended or substantial price declines for coal could adversely affect our operating results for future periods and our ability to generate cash flows necessary to improve productivity and expand operations. The cash flows associated with our logistics business may decline unless we are able to secure new volumes of coal or other dry bulk products, by attracting additional customers to these operations. Future growth and profitability of our logistics business segment will depend, in part, upon whether we can contract for additional coal and other bulk commodity volumes at a rate greater than that of any decline in volumes from existing customers. Accordingly, decreased demand for coal, or other bulk commodities, or a decrease in the market price of coal, or other bulk commodities, could have a material adverse effect on the results of operations or financial condition of our logistics business.

The geographic location of the Convent Marine Terminal could expose us to potential significant liabilities, including operational hazards and unforeseen business interruptions, that could substantially and adversely affect our future financial performance.

CMT is located in the Gulf Coast region, and its operations are subject to operational hazards and unforeseen interruptions, including interruptions from hurricanes, floods, or other potential effects of climate change, which have historically impacted the region with some regularity. If any of these events were to occur, we could incur substantial losses because of personal injury or loss of life, severe damage to and destruction of property and equipment, and pollution or other environmental damage resulting in curtailment or suspension of our related operations.

Risks Related to Indebtedness

We face material debt maturities which may adversely affect our consolidated financial position.

Over the next five years, we have \$127 million of total consolidated debt maturing. See Note 12 to the consolidated financial statements. We may not be able to refinance this debt, or may be forced to do so on terms substantially less favorable than our currently outstanding debt. We may be forced to delay or not make capital expenditures, which may adversely affect our competitive position and financial results.

Our indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations under our credit facilities and other debt documents.

Subject to the limits contained in our credit agreements and our other debt instruments, we may be able to incur additional debt from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes. If we do so, the risks related to our level of debt could intensify. Specifically, a higher level of debt could have important consequences, including:

- making it more difficult for us to satisfy our obligations with respect to the notes and our other debt;
- limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements;
- requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for the payment of dividends, working capital, capital expenditures, acquisitions and other general corporate purposes;
- increasing our vulnerability to general adverse economic and industry conditions;
- exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under the credit facilities, are at variable rates of interest;
- limiting our flexibility in planning for and reacting to changes in the industry in which we compete;
- placing us at a competitive disadvantage to other, less leveraged competitors; and
- increasing our cost of borrowing.

In addition, the credit agreement governing our credit facilities contains restrictive covenants that limit our ability to engage in activities (such as incurring additional debt) that may be in our long-term best interest. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all our debt. In the event of an acceleration of all our debt, we may not have sufficient cash on hand to repay the indebtedness in full. Such event could materially adversely affect our business, financial condition and results of operations.

Our level of indebtedness may increase, reducing our financial flexibility.

In the future, we may incur significant indebtedness in order to make future acquisitions or to develop or expand our facilities. Our level of indebtedness could affect our operations in several ways, including the following:

- a significant portion of our cash flows could be used to service our indebtedness;
- a high level of debt would increase our vulnerability to general adverse economic and industry conditions;
- the covenants contained in the agreements governing our outstanding indebtedness will limit our ability to borrow additional funds, dispose of assets, pay distributions and make certain investments;
- a high level of debt may place us at a competitive disadvantage compared to our competitors that are less leveraged, and therefore may be able to take advantage of opportunities that our indebtedness would prevent us from pursuing;
- our debt covenants may also affect our flexibility in planning for, and reacting to, changes in the economy and our industry; and
- a high level of debt may impair our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, distributions or for general corporate or other purposes.

A high level of indebtedness increases the risk that we may default on our debt obligations. Our ability to meet our debt obligations and to reduce our level of indebtedness depends on our future performance. General economic conditions and financial, business and other factors affect our operations and our future performance. Many of these factors are beyond our control. We may not be able to generate sufficient cash flows to pay the interest on our debt, and future working capital, borrowings or equity financing may not be available to pay or refinance such debt. Factors that will affect our ability to raise cash through an offering of our common stock or a refinancing of our debt include financial market conditions, the value of our assets and our performance at the time we need capital.

Risks Related to Our Legacy Coal Mining Business

Our former coal mining operations were subject to governmental regulations pertaining to employee health and safety and mandated benefits for retired coal miners. Following the divestiture of our coal mining operations, compliance with such regulations has continued to impose significant costs on our business.

Our former coal mining operations were subject to strict regulation by federal, state and local authorities with respect to environmental matters such as reclamation, and to matters such as employee health and safety and mandated benefits for retired coal miners. Even after divestiture of our coal mining business, compliance with these reclamation and benefits requirements has continued to impose significant costs on us. As a former coal mine operator, federal law requires us to secure payment of federal black lung benefits to claimants who were employees, and to contribute to a trust fund for payment of benefits and medical expenses to claimants who last worked in the coal industry before January 1, 1970. At December 31, 2021, our liabilities for coal workers' black lung benefits totaled \$63.3 million. Our business could be materially and adversely harmed if these liabilities, including the number and award size of claims, were increased. See "Item 1. Business-Legal and Regulatory Requirements-Other Regulatory Requirements."

General Risks

Sustained uncertainty in financial markets, or unfavorable economic conditions in the industries in which our customers operate, may lead to a reduction in the demand for our products and services, and adversely impact our cash flows, financial position or results of operations.

Sustained volatility and disruption in worldwide capital and credit markets in the U.S. and globally could restrict our ability to access the capital market at a time when we would like, or need, to raise capital for our business including for potential acquisitions, or other growth opportunities.

Deteriorating or unfavorable economic conditions in the industries in which our customers operate, such as steelmaking and electric power generation, may lead to reduced demand for steel products, coal, and other bulk commodities which, in turn, could adversely affect the demand for our products and services and negatively impact the revenues, margins and profitability of our business.

Labor disputes with the unionized portion of our workforce could affect us adversely. Union represented labor creates an increased risk of work stoppages and higher labor costs.

We rely, at one or more of our facilities, on unionized labor, and there is always the possibility that we may be unable to reach agreement on terms and conditions of employment or renewal of a collective bargaining agreement. When collective bargaining agreements expire or terminate, we may not be able to negotiate new agreements on the same or more favorable terms as the current agreements, or at all, and without production interruptions, including labor stoppages. If we are unable to negotiate the renewal of a collective bargaining agreement before its expiration date, our operations and our profitability could be adversely affected. A prolonged labor dispute, which may include a work stoppage, could adversely affect our ability to satisfy our customers' orders and, as a result, adversely affect our operations, or the stability of production and reduce our future revenues, or profitability. It is also possible that, in the future, additional employee groups may choose to be represented by a labor union.

Our ability to operate our company effectively could be impaired if we fail to attract and retain key personnel.

We have implemented recruitment, training and retention efforts to optimally staff our operations. Our ability to operate our business and implement our strategies depends in part on the efforts of our executive officers and other key employees. In addition, our future success will depend on, among other factors, our ability to attract and retain other qualified personnel. The loss of the services of any of our executive officers or other key employees or the inability to attract or retain other qualified personnel in the future could have a material adverse effect on our business or business prospects. With respect to our represented employees, we may be adversely impacted by the loss of employees who retire or obtain other employment during a layoff or a work stoppage.

We currently are, and likely will be, subject to litigation, the disposition of which could have a material adverse effect on our cash flows, financial position or results of operations.

The nature of our operations exposes us to possible litigation claims in the future, including disputes relating to our operations and commercial and contractual arrangements. Although we make every effort to avoid litigation, these matters are not totally within our control. We will contest these matters vigorously and have made insurance claims where appropriate, but because of the uncertain nature of litigation and coverage decisions, we cannot predict the outcome of these matters. Litigation is very costly, and the costs associated with prosecuting and defending litigation matters could have a material adverse effect on our financial condition and profitability. In addition, our profitability or cash flow in a particular period could be affected by an adverse ruling in any litigation currently pending in the courts or by litigation that may be filed against us in the future. We are also subject to significant environmental and other government regulation, which sometimes results in various administrative proceedings. For additional information, see "Item 3. Legal Proceedings."

Security breaches and other information systems failures could disrupt our operations, compromise the integrity of our data, expose us to liability, cause increased expenses and cause our reputation to suffer, any or all of which could have a material and adverse effect on our business or financial position.

Our business is dependent on financial, accounting and other data processing systems and other communications and information systems, including our enterprise resource planning tools. We process a large number of transactions on a daily basis and rely upon the proper functioning of computer systems. If a key system were to fail or experience unscheduled downtime for any reason, our operations and financial results could be affected adversely. Our systems could be damaged or interrupted by a security breach, terrorist attack, fire, flood, power loss, telecommunications failure or similar event. Our disaster recovery plans may not entirely prevent delays or other complications that could arise from an information systems failure. Our business interruption insurance may not compensate us adequately for losses that may occur.

In the ordinary course of our business, we collect and store sensitive data in our data centers, on our networks, and in our cloud vendors. In addition, we rely on third party service providers, for support of our information technology systems, including the maintenance and integrity of proprietary business information and other confidential company information and data relating to customers, suppliers and employees. The secure processing, maintenance and transmission of this information is critical to our operations and business strategy. We have instituted data security measures for confidential company information and data stored on electronic and computing devices, whether owned or leased by us or a third party vendor. However, despite such measures, there are risks associated with customer, vendor, and other third-party access and our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to: employee error or malfeasance, failure of third parties to meet contractual, regulatory and other obligations to us, or other disruptions.

Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings,

liability under laws that protect the privacy of personal information, and regulatory penalties, disrupt our operations, and damage our reputation, which could materially and adversely affect our business and financial position.

We are exposed to, and may be adversely affected by, interruptions to our computer and information technology systems and sophisticated cyber-attacks.

We rely on our information technology systems and networks in connection with many of our business activities. Some of these networks and systems are managed by third-party service providers and are not under our direct control. Our operations routinely involve receiving, storing, processing and transmitting sensitive information pertaining to our business, customers, dealers, suppliers, employees and other sensitive matters. Cyber-attacks could materially disrupt operational systems; result in loss of trade secrets or other proprietary or competitively sensitive information; compromise personally identifiable information regarding customers or employees; and jeopardize the security of our facilities. A cyber-attack could be caused by malicious outsiders using sophisticated methods to circumvent firewalls, encryption and other security defenses. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Information technology security threats, including security breaches, computer malware and other cyber-attacks are increasing in both frequency and sophistication and could create financial liability, subject us to legal or regulatory sanctions or damage our reputation with customers, dealers, suppliers and other stakeholders. We continuously seek to maintain a robust program of information security and controls, but a cyber-attack could have a material adverse effect on our competitive position, reputation, results of operations, financial condition and cash flows. As cyber-attacks continue to evolve, we may be required to expend additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities.

We are or may become subject to privacy and data protection laws, rules and directives relating to the processing of personal data in the countries where we operate.

The growth of cyber-attacks has resulted in an evolving legal landscape which imposes costs that are likely to increase over time. For example, new laws and regulations governing data privacy and the unauthorized disclosure of confidential information, including the European Union General Data Protection Regulation and recent California legislation (which, among other things, provides for a private right of action), pose increasingly complex compliance challenges and could potentially elevate our costs over time. Any failure by us to comply with such laws and regulations could result in penalties and liabilities. It is also possible under certain legislation that if we acquire a company that has violated or is not in compliance with applicable data protection laws, we may incur significant liabilities and penalties as a result.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

We own the following real property:

- Approximately 1,700 acres in Vansant (Buchanan County), Virginia and McDowell County, West Virginia, on which the Jewell cokemaking facility is located, along with the offices, warehouse and support buildings for our Jewell coke affiliates as well as other general property holdings and unoccupied land.
- Approximately 400 acres in Franklin Furnace (Scioto County), Ohio, at and around the area where the Haverhill cokemaking facility (both the first and second phases) is located.
- Approximately 45 acres in Granite City (Madison County), Illinois, adjacent to the U.S. Steel Granite City Works facility, on which the Granite City cokemaking facility is located. Upon the earlier of ceasing production at the facility or the end of 2044, U.S. Steel has the right to repurchase the property, including the facility, at the fair market value of the land. Alternatively, U.S. Steel may require us to demolish and remove the facility and remediate the site to original condition upon exercise of its option to repurchase the land.
- Approximately 250 acres in Middletown (Butler County), Ohio near Cliff's Middletown Works facility, on which the Middletown cokemaking facility is located.
- Approximately 180 acres in Ceredo (Wayne County), West Virginia on which KRT has two terminals for its mixing and/or handling services along the Ohio and Big Sandy Rivers.
- Approximately 175 acres in Convent (St. James Parish), Louisiana, on which CMT is located.

We lease the following real property:

- Approximately 90 acres of land located in East Chicago (Lake County), Indiana, on which the Indiana Harbor cokemaking facility is located and the coal handling and/or mixing facilities (Lake Terminal) that service the Indiana Harbor cokemaking facility. The leased property is inside ArcelorMittal's Indiana Harbor Works facility and is part of an enterprise zone. As lessee of the property, we are responsible for restoring the leased property to a safe and orderly condition.
- Approximately 295 acres of land located in Buchanan County, Virginia, at and around the area where our DRT coal handling terminal is located.
- Approximately 30 acres in Belle (Kanawha County), West Virginia, on which KRT has a terminal for its mixing and/or handling services along the Kanawha River.
- Our corporate headquarters is located in leased office space in Lisle, Illinois under a 9 year lease that commenced in 2021.

While the Company completed the disposal of its coal mining business in April 2016, we continue to have rights to small parcels of land, mineral rights and coal mining rights for approximately 5 thousand acres of land in Buchanan and Russell Counties, Virginia. These agreements convey mining rights to us in exchange for payment of certain immaterial royalties and/or fixed fees.

Item 3. Legal Proceedings

The information presented in Note 13 to our consolidated financial statements within this Annual Report on Form 10-K is incorporated herein by reference.

Many legal and administrative proceedings are pending or may be brought against us arising out of our current and past operations, including matters related to commercial and tax disputes, product liability, employment claims, personal injury claims, premises-liability claims, allegations of exposures to toxic substances and general environmental claims. Although the ultimate outcome of these proceedings cannot be ascertained at this time, it is reasonably possible that some of them could be resolved unfavorably to us. Our management believes that any liabilities that may arise from such matters would not be material in relation to our business or our consolidated financial position, results of operations or cash flows at December 31, 2021.

Item 4. Mine Safety Disclosures

While the Company divested substantially all of its remaining coal mining assets in April 2016, the Company remains responsible for reclamation of certain legacy coal mining locations that are subject to Mine Safety and Health Administration ("MSHA") regulatory purview and the Company continues to own certain logistics assets that are regulated by MSHA. The information concerning mine safety violations and other regulatory matters that we are required to report in accordance with Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.014) is included in Exhibit 95.1 to this Annual Report on Form 10-K.

PART II

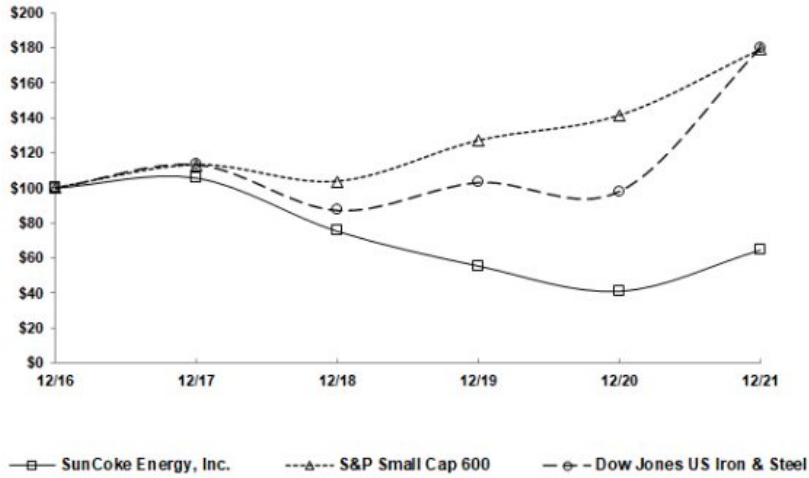
Item 5. Market for Registrant’s Common Equity, Related Stockholders Matters and Issuer Purchases of Equity Securities

Market Information

Shares of our common stock trade under the stock trading symbol “SXC” on the NYSE. The graph below matches the Company’s cumulative 5-Year total shareholder return on common stock with the cumulative total returns of the S&P Small Cap 600 index and the Dow Jones U.S. Iron & Steel index. The graph tracks the performance of a \$100 investment in our common stock and in each index (with the reinvestment of all dividends) from December 31, 2016 to December 31, 2021.

In selecting the indices for comparison, we considered market capitalization and industry or line-of-business. The S&P Small Cap 600 is a broad equity market index comprised of companies of between \$450 million and \$2.1 billion. The Company is a part of this index. The Dow Jones U.S. Iron & Steel index is comprised of both U.S.-based steel and metals manufacturing and coal and iron ore mining companies. While we do not manufacture steel, we do produce coke, an essential ingredient in the blast furnace production of steel. In addition, we have logistics operations. Accordingly, we believe the Dow Jones U.S. Iron & Steel index is appropriate for comparison purposes.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among SunCoke Energy, Inc., the S&P Small Cap 600 Index
and the Dow Jones US Iron & Steel Index



Holders

As of February 18, 2022, we had a total of 98,516,420 issued shares and 83,111,938 outstanding shares of our common stock and had 8,693 holders of record of our common stock.

Dividends

Our Board of Directors declared the following dividends during 2021 and through February 24, 2022:

<u>Date Declared</u>	<u>Record Date</u>	<u>Dividend Per Share</u>	<u>Payment Date</u>
February 4, 2021	February 19, 2021	\$0.0600	March 1, 2021
April 28, 2021	May 19, 2021	\$0.0600	June 1, 2021
July 26, 2021	August 18, 2021	\$0.0600	September 1, 2021
November 1, 2021	November 18, 2021	\$0.0600	December 1, 2021
February 1, 2022	February 17, 2022	\$0.0600	March 1, 2022

Our payment of dividends in the future, if any, will be determined by our Board of Directors and will depend on business conditions, our financial condition, earnings, liquidity and capital requirements, covenants in our debt agreements and other factors. Any dividend program may be canceled, suspended, terminated or modified at any time at the discretion of the Board of Directors.

Company's Share Repurchase Program

On October 28, 2019, the Company's Board of Directors authorized a program to repurchase outstanding shares of the Company's common stock, \$0.01 par value, from time to time in open market transactions at prevailing market prices, in privately negotiated transactions, or by other means in accordance with federal securities laws, for a total aggregate cost to the Company not to exceed \$100.0 million. There have been no share repurchases since the first quarter of 2020 as the Company temporarily suspended additional repurchases, leaving \$96.3 million available under the authorized repurchase program as of December 31, 2021.

Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

This Annual Report on Form 10-K contains certain forward-looking statements of expected future developments, as defined in the Private Securities Litigation Reform Act of 1995. This discussion contains forward-looking statements about our business, operations and industry that involve risks and uncertainties, such as statements regarding our plans, objectives, expectations and intentions. Our future results and financial condition may differ materially from those we currently anticipate as a result of the factors we describe under “Cautionary Statement Concerning Forward-Looking Statements” and “Risk Factors.”

Among other things, such risks and uncertainties include the impact of the COVID-19 pandemic on SunCoke’s results of operations, revenues, earnings and cash flows; SunCoke’s balance sheet and liquidity throughout and following the COVID-19 pandemic; SunCoke’s prospects for financial performance and achievement of strategic objectives following the COVID-19 pandemic; and the general impact on our industry and on the U.S. and global economy resulting from COVID-19 and actions by domestic and foreign governments and others in response thereto.

This Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) is based on financial data derived from the financial statements prepared in accordance with United States (“U.S.”) generally accepted accounting principles (“GAAP”) and certain other financial data that is prepared using a non-GAAP measure. For a reconciliation of the non-GAAP measure to the most comparable GAAP component, see Note 20 to our consolidated financial statements.

Our MD&A is provided in addition to the accompanying consolidated financial statements and notes to assist readers in understanding our results of operations, financial condition and cash flows. Our results of operations include reference to our business operations and market conditions, which are further described in Part I of this document.

2021 Overview

Our consolidated results of operations in 2021 were as follows:

	Year Ended December 31, 2021	
	(Dollars in millions)	
Net income	\$	48.8
Net cash provided by operating activities	\$	233.1
Adjusted EBITDA ⁽¹⁾	\$	275.4

(1) See Note 20 in our consolidated financial statements for both the definition of Adjusted EBITDA and the reconciliation from GAAP to the non-GAAP measurement.

The Company successfully delivered against our key objectives in 2021. Our entry into and participation in the export and foundry coke markets, in addition to successful execution on our contracted coke sales, enabled our Domestic Coke facilities to operate at full capacity. This strong Domestic Coke performance along with higher volumes, price realization, and the addition of a new product, iron ore, in our Logistics segment drove record Adjusted EBITDA performance in 2021. Our long-term, take-or-pay coke contracts continue to provide stability to our coke operations, which now also include a new five year take-or-pay contract with Algoma Steel beginning in 2022, with average sales of approximately 150 thousand tons of blast furnace coke per year.

We returned meaningful capital to our shareholders through the declaration and payment of a \$0.06 per share dividend during each quarter of 2021. Additionally, we executed a debt refinancing, discussed in further detail below, which allowed us to achieve annual interest rate savings of approximately \$17 million and extend our debt maturities significantly. We also reduced total debt by approximately \$64 million in 2021.

Items Impacting Comparability

- **2021 Debt Refinancing.** During the second quarter of 2021, the Company refinanced its debt obligations. The Company issued \$500.0 million of 4.875 percent 2029 Senior Notes, amended and extended the maturity of its Revolving Facility to June 2026 and reduced the Revolving Facility capacity by \$50.0 million to \$350.0 million. The Company used the proceeds of the 2029 Senior Notes along with borrowings under the Company’s Revolving Facility to purchase and redeem all of the 7.500 percent 2025 Senior Notes. As a result of the debt

refinancing and revolver amendment, the year ended December 31, 2021 included a loss on extinguishment of debt on the Consolidated Statement of Operations of \$31.9 million, which consisted of the premium paid of \$22.0 million and the write-off of unamortized debt issuance costs of \$6.9 million and the remaining original issue discount of \$3.0 million. See Note 12 to our consolidated financial statements for further discussion of the debt refinancing.

- **2020 Customer Contract Amendments.** As a result of the market challenges presented by the COVID-19 global pandemic, during 2020 SunCoke executed contract amendments with its steelmaking customers to provide near-term coke supply relief in exchange for extending certain contracts. These customer contract amendments reduced customer contract volumes in 2020 by approximately 500 thousand tons of coke, which reduced 2020 Adjusted EBITDA by approximately \$20 million, net of cost savings.

Consolidated Results of Operations

The following section includes year-over-year analysis of consolidated results of operations for the year ended December 31, 2021 as compared to the year ended December 31, 2020. See "Analysis of Segment Results" later in this section for further details of these results. Refer to Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2020 Annual Report on Form 10-K for the year-over-year analysis of consolidated results of operations for the year ended December 31, 2020 as compared to the year ended December 31, 2019.

	Years Ended December 31,		Incr (Decr)
	2021	2020	
	(Dollars in millions)		
Revenues			
Sales and other operating revenue	\$ 1,456.0	\$ 1,333.0	\$
Costs and operating expenses			
Cost of products sold and operating expenses	1,118.8	1,048.2	
Selling, general and administrative expenses	61.8	81.4	
Depreciation and amortization expense	133.9	133.7	
Total costs and operating expenses	<u>1,314.5</u>	<u>1,263.3</u>	
Operating income	141.5	69.7	
Interest expense, net	42.5	56.3	
Loss (gain) on extinguishment of debt, net	31.9	(5.7)	
Income before income tax expense	67.1	19.1	
Income tax expense	18.3	10.3	
Net income	<u>48.8</u>	<u>8.8</u>	
Less: Net income attributable to noncontrolling interests	5.4	5.1	
Net income attributable to SunCoke Energy, Inc.	<u>\$ 43.4</u>	<u>\$ 3.7</u>	<u>\$</u>

Sales and Other Operating Revenue and Costs of Products Sold and Operating Expenses. Sales and other operating revenue and costs of products sold and operating expenses increased in 2021 as compared to 2020 primarily due to higher volumes in our Domestic Coke segment, partially offset by the pass-through of lower coal prices. Higher volumes and favorable pricing in our Logistics segment also increased sales and other operating revenues in 2021 as compared to 2020.

Selling, General and Administrative Expenses. The decrease in selling, general and administrative expense primarily reflects lower legacy costs, which decreased \$11.3 million in 2021 compared to 2020 as a result of valuation adjustments in both years primarily driven by changes in the discount rates on certain legacy liabilities. Additionally, 2021 benefited from the absence of research and development costs related to foundry coke production of \$3.9 million, the absence of \$2.5 million of restructuring costs, and the absence of costs to resolve certain legal matters incurred during the prior year. These benefits were partially offset by higher employee related costs.

Depreciation and Amortization Expense. Depreciation and amortization expense was reasonably consistent with the prior year.

Interest Expense, net. Interest expense, net benefited from lower interest rates as a result of the debt refinancing that occurred during the second quarter of 2021 and lower average debt balances on the revolving facility.

Income Taxes. Income tax expense, net during 2021 reflects the impacts of certain changes in state tax laws, resulting in a state tax benefit of \$1.3 million. During 2020, income tax expense, net reflects the revaluation of certain deferred tax assets due to lower apportioned state tax rates, which resulted in deferred income tax expense of \$6.5 million, partly offset by a \$1.5 million benefit as result of the Coronavirus Aid, Relief, and Economic Security Act. Excluding these discrete items, SunCoke's effective tax rate has remained reasonably consistent. See Note 5 to our consolidated financial statements.

Noncontrolling Interest. Net income attributable to noncontrolling interest represents a 14.8 percent third-party interest in our Indiana Harbor cokemaking facility and fluctuates with the financial performance of that facility.

Results of Reportable Business Segments

We report our business results through three segments:

- Domestic Coke consists of our Jewell facility, located in Vansant, Virginia, our Indiana Harbor facility, located in East Chicago, Indiana, our Haverhill facility, located in Franklin Furnace, Ohio, our Granite City facility located in Granite City, Illinois, and our Middletown facility located in Middletown, Ohio.
- Brazil Coke consists of operations in Vitória, Brazil, where we operate the ArcelorMittal Brazil cokemaking facility.
- Logistics consists of Convent Marine Terminal ("CMT"), located in Convent, Louisiana, Kanawha River Terminal ("KRT"), located in Ceredo and Belle, West Virginia, SunCoke Lake Terminal ("Lake Terminal"), located in East Chicago, Indiana, and Dismal River Terminal ("DRT"), located in Vansant, Virginia. Lake Terminal and DRT are located adjacent to our Indiana Harbor and Jewell cokemaking facilities, respectively.

The operations of each of our segments are described in Part I of this document.

Corporate expenses that can be identified with a segment have been included in determining segment results. The remainder is included in Corporate and Other, including activity from our legacy coal mining business.

Management believes Adjusted EBITDA is an important measure of operating performance and uses it as the primary basis for the chief operating decision maker to evaluate the performance of each of our reportable segments. Adjusted EBITDA should not be considered a substitute for the reported results prepared in accordance with GAAP. See Note 20 to our consolidated financial statements.

Segment Operating Data

The following table sets forth financial and operating data by segment for the years ended December 31, 2021 and 2020:

	Years Ended December 31,		Increase (Decrease)
	2021	2020	
(Dollars in millions, except per ton amounts)			
Sales and other operating revenue:			
Domestic Coke	\$ 1,354.5	\$ 1,265.4	\$ 89.1
Brazil Coke	36.6	31.6	5.0
Logistics	64.9	36.0	28.9
Logistics intersegment sales	27.1	22.1	5.0
Elimination of intersegment sales	(27.1)	(22.1)	(5.0)
Total sales and other operating revenue	<u>\$ 1,456.0</u>	<u>\$ 1,333.0</u>	<u>\$ 123.0</u>
Adjusted EBITDA⁽¹⁾:			
Domestic Coke	\$ 243.4	\$ 217.0	\$ 26.4
Brazil Coke	17.2	13.5	3.7
Logistics	43.5	17.3	26.2
Corporate and Other, including legacy costs, net ⁽²⁾	(28.7)	(41.9)	13.2
Adjusted EBITDA	<u>\$ 275.4</u>	<u>\$ 205.9</u>	<u>\$ 69.5</u>
Coke Operating Data:			
Domestic Coke capacity utilization (%)	101	91	10
Domestic Coke production volumes (thousands of tons)	4,162	3,840	322
Domestic Coke sales volumes (thousands of tons)	4,183	3,789	394
Domestic Coke Adjusted EBITDA per ton ⁽³⁾	\$ 58.19	\$ 57.27	\$ 0.92
Brazilian Coke production—operated facility (thousands of tons)	1,685	1,396	289
Logistics Operating Data:			
Tons handled (thousands of tons) ⁽⁴⁾	19,933	14,678	5,255

(1) See Note 20 in our consolidated financial statements for both the definition of Adjusted EBITDA and the reconciliation from GAAP to the non-GAAP measurement for the years ended December 31, 2021, 2020 and 2019.

(2) Corporate and Other includes the activity from our legacy coal mining business, which incurred Adjusted EBITDA losses of \$1.9 million and \$13.2 million for the years ended December 31, 2021 and 2020, respectively. Additionally, Corporate and Other includes foundry related research and development costs of \$3.9 million during 2020.

(3) Reflects Domestic Coke Adjusted EBITDA divided by Domestic Coke sales volumes.

(4) Reflects inbound tons handled during the period.

Analysis of Segment Results

Historically, SunCoke's analysis of our Domestic Coke segment has aligned with the pass-through nature of our long-term, take-or-pay contracts, including analysis of the prices of coal passed through and the reimbursement of operating maintenance spending as compared to prior year periods. Beginning in 2021, our Domestic Coke business has expanded into the export coke market and the foundry coke market. These sales do not contain the same pass-through provisions as our long-term, take-or-pay contracts. Therefore, the analysis of our Domestic Coke results has evolved to allow for the inclusion of these sales. The impact of fluctuating coal prices, including the value of coal-to-coke yield gains and losses, and indexed operating and maintenance reimbursement rates are now presented as price variances along with the impact of export and foundry sales prices as compared to prior period sales prices.

Domestic Coke

The following table explains year-over-year changes in our Domestic Coke segment's sales and other operating revenues and Adjusted EBITDA results:

	Sales and other operating revenue		Adjusted EBITDA	
	2021 vs 2020		2021 vs 2020	
	(Dollars in millions)			
Beginning	\$	1,265.4	\$	217.0
Volume ⁽¹⁾		123.4		29.4
Price ⁽²⁾		(47.0)		2.3
Operating and maintenance costs ⁽³⁾		N/A		(15.9)
Energy and other ⁽⁴⁾		12.7		10.6
Ending	\$	1,354.5	\$	243.4

- (1) Volumes improved in 2021 due to the absence of volume relief provided to our customers in exchange for contract extensions in 2020 as well as our successful entry into and participation in the foundry and export coke markets.
- (2) The pass through of lower coal prices on our long-term, take-or-pay agreements resulted in lower revenues. Under recovery of coal costs at our Jewell cokemaking facility decreased Adjusted EBITDA \$11.1 million in 2021 as compared to 2020, the impact of which was more than offset by favorable margins on our foundry coke and export coke sales.
- (3) Operating and maintenance costs across the fleet returned to a normalized level during 2021. Costs were minimized during 2020 in conjunction with the volume relief discussed above.
- (4) Energy and other increased primarily due to favorable energy pricing and higher volumes, which increased with our return to operating our facilities at full capacity in 2021.

Logistics

The following table explains year-over-year changes in our Logistics segment's sales and other operating revenues and Adjusted EBITDA results:

	Sales and other operating revenue, inclusive of intersegment sales		Adjusted EBITDA	
	2021 vs 2020		2021 vs 2020	
	(Dollars in millions)			
Beginning	\$	58.1	\$	17.3
Transloading volumes ⁽¹⁾		20.4		17.8
Price/margin impact of mix in transloading services ⁽²⁾		5.0		5.0
Other ⁽³⁾		8.5		3.4
Ending	\$	92.0	\$	43.5

- (1) Volumes improved as a result of the improved export coal market as well as the handling of iron ore.
- (2) Revenues and Adjusted EBITDA increased as a result of favorable pricing at CMT driven by the strong export coal market.

- (3) Other increased as a result of favorable ancillary revenue, which was a result of higher volumes as well as minimal costs incurred in 2021 associated with high water levels at CMT due to abnormal weather patterns.

Brazil Coke

Sales and other operating revenue increased \$5.0 million, or 16 percent, to \$36.6 million in 2021 compared to \$31.6 million in 2020. Adjusted EBITDA increased \$3.7 million, or 27 percent, to \$17.2 million in 2021 compared to \$13.5 million in 2020. The improvements as compared to the prior year reflect higher volumes as well as production bonuses for meeting certain volume targets during the current year.

Corporate and Other

Corporate and Other expenses, which include costs related to our legacy coal mining business, decreased \$13.2 million, or 32 percent, to \$28.7 million in 2021 as compared to \$41.9 million in 2020. This improvement was driven by the absence of foundry related research and development costs of \$3.9 million and valuation adjustments as a result of changes in discount rates on certain legacy liabilities, which decreased legacy cost approximately \$11.3 million as compared to the prior year. These cost savings were partly offset by higher employee related costs.

Liquidity and Capital Resources

Our primary liquidity needs are to fund working capital, fund investments, service our debt, maintain cash reserves and replace partially or fully depreciated assets and other capital expenditures. Our sources of liquidity include cash generated from operations, borrowings under our Revolving Facility and, from time to time, debt and equity offerings. We believe our current resources are sufficient to meet our working capital requirements for our current business for at least the next 12 months and thereafter for the foreseeable future. As of December 31, 2021, we had \$63.8 million of cash and cash equivalents and \$228.8 million of borrowing availability under our Revolving Facility.

We may, from time to time, seek to retire or purchase additional amounts of our outstanding equity and/or debt securities through cash purchases and/or exchanges for other securities, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material. Refer to further liquidity discussion below as well as to Note 12 to our consolidated financial statements and "Part I - Item 5 - Market for Registrant's Common Equity, Related Stockholders Matters and Issuer Purchases of Equity Securities."

During the first quarter of 2020, the U.S. Department of Labor's Division of Coal Mine Workers' Compensation ("DCMWC") requested SunCoke provide additional collateral of approximately \$32 million to secure certain of its black lung obligations. SunCoke exercised its right to appeal the DCMWC's determination and provided additional information supporting the Company's position in May 2020 and February 2021. If the Company's appeal is unsuccessful, the Company may be required to provide additional collateral to receive its self-insurance reauthorization from the DCMWC, which could potentially reduce the Company's liquidity. See further discussion in Note 13 to our consolidated financial statements.

Cash Flow Summary

The following table sets forth a summary of the net cash provided by (used in) operating, investing and financing activities for the years ended December 31, 2021 and 2020:

	Years Ended December 31,	
	2021	2020
	(Dollars in millions)	
Net cash provided by operating activities	\$ 233.1	\$ 157.8
Net cash used in investing activities	(99.3)	(75.3)
Net cash used in financing activities	(118.4)	(131.2)
Net increase (decrease) in cash and cash equivalents	<u>\$ 15.4</u>	<u>\$ (48.7)</u>

Cash Provided by Operating Activities

Net cash provided by operating activities increased by \$75.3 million to \$233.1 million in 2021 as compared to 2020, reflecting higher operating results in both our coke and logistics businesses as well as lower interest payments of \$11.8 million, net of capitalized interest, primarily as a result of lower interest rates in connection with the debt refinancing during the second quarter of 2021. Additionally, operating activities reflect certain income tax refunds received during the current year in connection with the CARES act.

Cash Used in Investing Activities

Net cash used in investing activities increased \$24.0 million to \$99.3 million in 2021 as compared to 2020 driven by higher capital spending. Ongoing capital expenditures, as defined in Capital Requirements and Expenditures below, have returned to a more normalized level in 2021 as compared to 2020. Restrictions during 2020 related to the COVID-19 global pandemic resulted in a reduction of capital project work and related spending in the prior year.

Cash Used in Financing Activities

Net cash used in financing activities decreased \$12.8 million to \$118.4 million in 2021 as compared to \$131.2 million in 2020. In 2021, the Company refinanced its debt, further described in Note 6 of our consolidated financial statements, with no significant impact on total debt balances. In conjunction with this refinancing, the Company paid a premium of \$22.0 million, included in repayment of long-term debt on the consolidated statement of cash flows, as well as \$12.0 million of debt issuance costs. The Company also made net repayments on its debt of \$63.5 million and made dividend payments of \$20.1 million during 2021.

In 2020, the Company repurchased \$62.7 million face value of outstanding 2025 Senior Notes for \$55.9 million of cash payment. Additionally, the Company made net repayments of \$55.0 million on the Revolving Facility, which was partially offset by \$10.0 million of financing obligation proceeds. The Company paid dividends to stockholders of \$19.9 million and repurchased shares for total cash payments of \$7.0 million under the repurchase program discussed in "Item 5. Market for Registrant's Common Equity, Related Stockholders Matters and Issuer Purchases of Equity Securities."

Dividends

In addition to the \$20.1 million in dividends paid to our shareholders during 2021, on February 1, 2022, SunCoke's Board of Directors declared a cash dividend of \$0.06 per share of the Company's common stock. This dividend will be paid on March 1, 2022, to stockholders of record of February 17, 2022. See further discussion in "Item 5. Market for Registrant's Common Equity, Related Stockholders Matters and Issuer Purchases of Equity Securities."

Covenants

As of December 31, 2021, we were in compliance with all applicable debt covenants. We do not anticipate a violation of these covenants nor do we anticipate that any of these covenants will restrict our operations or our ability to obtain additional financing. See Note 12 to the consolidated financial statements for details on debt covenants.

Credit Rating

In June 2021, S&P Global Ratings reaffirmed our corporate credit rating of BB- (stable). In June 2021, Moody's Investors Service reaffirmed our corporate credit rating of B1 and stable outlook.

Contractual Obligations

As of December 31, 2021 significant contractual obligations related to debt were \$627.0 million of principal borrowings and \$195.0 million of related interest, which will be repaid through 2029. Projected interest costs on variable rate instruments were calculated using market rates at December 31, 2021. See Note 12 to our consolidated financial statements. We also have contractual obligations for leases, including land, office space, equipment, railcars and locomotives. See Note 14 to our consolidated financial statements.

Capital Requirements and Expenditures

Our operations are capital intensive, requiring significant investment to upgrade or enhance existing operations and to meet environmental and operational regulations. The level of future capital expenditures will depend on various factors, including market conditions and customer requirements, and may differ from current or anticipated levels. Material changes in capital expenditure levels may impact financial results, including but not limited to the amount of depreciation, interest expense and repair and maintenance expense.

Our capital requirements have consisted, and are expected to consist, primarily of:

- Ongoing capital expenditures required to maintain equipment reliability, the integrity and safety of our coke ovens and steam generators and to comply with environmental regulations. Ongoing capital expenditures are made to replace partially or fully depreciated assets in order to maintain the existing operating capacity of the assets and/or to extend their useful lives and also include new equipment that improves the efficiency, reliability or effectiveness of existing assets. Ongoing capital expenditures do not include normal repairs and maintenance expenses, which are expensed as incurred;

- Expansion capital expenditures to acquire and/or construct complementary assets to grow our business and to expand existing facilities as well as capital expenditures made to enable the renewal of a coke sales agreement and/or logistics service agreement and on which we expect to earn a reasonable return; and
- Environmental remediation project expenditures required to implement design changes to ensure that our existing facilities operate in accordance with existing environmental permits.

The following table summarizes our capital expenditures:

	Years Ended December 31,	
	2021	2020
	(Dollars in millions)	
Ongoing capital	\$ 87.6	\$ 59.5
Expansion capital ⁽¹⁾	11.0	14.4
Total capital expenditures ⁽²⁾	\$ 98.6	\$ 73.9

(1) Includes capital spending in connection with the foundry cokemaking growth project, including \$0.5 million and \$0.2 million of interest capitalized for the years ended December 31, 2021 and 2020, respectively.

(2) Reflects actual cash payments during the periods presented for our capital requirements.

Critical Accounting Policies

A summary of our significant accounting policies is included in Note 2 to the consolidated financial statements. Our management believes that the application of these policies on a consistent basis enables us to provide the users of our financial statements with useful and reliable information about our operating results and financial condition. The preparation of our consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent assets and liabilities. Significant items that are subject to such estimates and assumptions consist of: (1) black lung benefit obligations and (2) accounting for impairments of goodwill and long-lived assets. Although our management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results may differ to some extent from the estimates on which our consolidated financial statements have been prepared at any point in time. Despite these inherent limitations, our management believes the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and consolidated financial statements and footnotes provide a meaningful and fair perspective of our financial condition.

Black Lung Benefit Liabilities

The Company has obligations related to coal workers’ pneumoconiosis, or black lung, benefits to certain of its former coal miners and their dependents further described in Note 13.

Our independent actuarial consultants calculate the present value of the estimated black lung liability annually based on actuarial models utilizing our population of former coal miners, historical payout patterns of both the Company and the industry, actuarial mortality rates, medical costs, death benefits, dependents, discount rates and the current federally mandated payout rates. The estimated liability may be impacted by future changes in the statutory mechanisms, modifications by court decisions and changes in filing patterns driven by perceptions of success by claimants and their advisors, the impact of which cannot be estimated.

The following table summarizes discount rates utilized, active claims and the total black lung liabilities:

	December 31,	
	2021	2020
Discount rate ⁽¹⁾	2.4 %	2.0 %
Active claims	332	309
Total black lung liability (dollars in millions) ⁽²⁾	\$ 63.3	\$ 64.6

(1) The discount rate is determined based on a portfolio of high-quality corporate bonds with maturities that are consistent with the estimated duration of our black lung obligations. A decrease of 25 basis points in the discount rate would have increased black lung expense by \$1.4 million in 2021.

(2) The current portion of the black lung liability was \$5.4 million and \$4.6 million at December 31, 2021 and 2020, respectively, and was included in accrued liabilities on the Consolidated Balance Sheets.

The following table summarizes annual black lung payments and expense:

	Years Ended December 31,					
	2021		2020		2019	
	(Dollars in millions)					
Payments	\$	4.4	\$	6.0	\$	5.2
Expense ⁽¹⁾	\$	3.1	\$	15.4	\$	10.9

- (1) Expenses incurred in excess of annual accretion of the black lung liability in 2020 and 2019 primarily reflect the impact of changes in discount rates as well as increases in expected future claims as a result of higher refiling and approval rate assumptions.

Accounting for Impairments

Goodwill

Goodwill, which represents the excess of the purchase price over the fair value of net assets acquired, is assessed for impairment as of October 1 of each year, or when events occur or circumstances change that would, more likely than not, reduce the fair value of a reporting unit to below its carrying value.

Prior to 2020, a significant portion of our logistics business was from long-term, take-or-pay contracts with Murray American Coal, Inc. ("Murray") and Foresight Energy LLC ("Foresight"), which were adversely impacted by declining coal export prices and domestic demand. Murray filed for Chapter 11 bankruptcy on October 29, 2019. Foresight engaged outside counsel and financial advisors to assess restructuring options during 2019 and subsequently filed for Chapter 11 bankruptcy on March 10, 2020. Both Murray and Foresight's contracts with CMT were subsequently rejected by the bankruptcy courts.

The Company concluded the impact of the events discussed above could more likely than not reduce the fair value of the Logistics reporting unit below its carrying value, requiring SunCoke to perform its annual goodwill test as of September 30, 2019. The fair value of the Logistics reporting unit, which was determined based on a discounted cash flow analysis, did not exceed the carrying value of the reporting unit. Key assumptions in our goodwill impairment test included reduced forecasted volumes and reduced rates from Foresight, no further business from Murray, incremental merchant business and a discount rate of 12 percent, representing the estimated weighted average cost of capital for this business line. As a result, the Company recorded a \$73.5 million non-cash, pretax impairment charge to the Logistics segment on the Consolidated Statements of Operations during 2019, which represents a full impairment of the Logistics goodwill balance. The Company's total goodwill balance at both December 31, 2021 and 2020 was \$3.4 million. Please see Note 8 to our consolidated financial statements.

Long-lived Assets

Long-lived assets are comprised of properties, plants and equipment as well as our long-lived intangible assets, comprised primarily of customer contracts, customer relationships, and permits.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. A long-lived asset, or group of assets, is considered to be impaired when the undiscounted net cash flows expected to be generated by the asset are less than its carrying amount. Such estimated future cash flows are highly subjective and are based on numerous assumptions about future operations and market conditions. The impairment recognized is the amount by which the carrying amount exceeds the fair market value of the impaired asset, or group of assets. It is also difficult to precisely estimate fair market value because quoted market prices for our long-lived assets may not be readily available. Therefore, fair market value is generally based on the present values of estimated future cash flows using discount rates commensurate with the risks associated with the assets being reviewed for impairment. No impairments on long-lived assets were recorded in 2021 or 2020. Please see Note 8 to our consolidated financial statements for further discussion on long-lived assets.

As a result of our logistics customers' events discussed above, CMT's long-lived assets, including customer contracts, customer relationships, permits and properties, plant and equipment, were also assessed for impairment as of September 30, 2019. The Company re-evaluated its projections for throughput volumes, pricing and customer performance against the existing long-term, take-or-pay contracts. The resulting undiscounted cash flows were lower than the carrying value of the asset group. Therefore, the Company assessed the fair value of the asset group to measure the amount of impairment. The fair value of the CMT long-lived assets was determined to be \$112.1 million based on discounted cash flows, asset replacement cost and adjustments for capacity utilization, which are considered Level 3 inputs in the fair value hierarchy as defined in Note 18 to our consolidated financial statements. Key assumptions in our discounted cash flows

included reduced forecasted volumes and reduced rates from Foresight, no further business from Murray, incremental merchant business and a discount rate of 11 percent, representing the estimated weighted average cost of capital for this asset group. As a result, during 2019, the Company recorded a total non-cash, pre-tax long-lived asset impairment charge of \$173.9 million included in long-lived asset and goodwill impairment on the Consolidated Statements of Operations, all of which was attributable to the Logistics segment. The charge included an impairment of CMT's long-lived intangible assets of \$113.3 million and of CMT's property, plant and equipment of \$60.6 million.

Recent Accounting Standards

See Note 2 to our consolidated financial statements.

Non-GAAP Financial Measures

In addition to the GAAP results provided in the Annual Report on Form 10-K, we have provided a non-GAAP financial measure, Adjusted EBITDA. Our management, as well as certain investors, uses this non-GAAP measure to analyze our current and expected future financial performance. This measure is not in accordance with, or a substitute for, GAAP and may be different from, or inconsistent with, non-GAAP financial measures used by other companies. See Note 20 in our consolidated financial statements for both the definition of Adjusted EBITDA and the reconciliation from GAAP to the non-GAAP measurement for 2021, 2020 and 2019.

Guarantor Financial and Non-Financial Disclosures

The Company has an existing shelf registration statement, which was filed on November 8, 2019, upon the expiration of the prior shelf registration statement, for the offering of debt and/or securities on a delayed or continuous basis and is presenting these guarantor financial and non-financial disclosures in connection therewith. The following information has been prepared and presented pursuant to amended SEC Rule 3-10 of Regulation S-X and new SEC Rule 13-01 of Regulation S-X, which were adopted by the SEC on March 2, 2020.

For purposes of the following information, SunCoke Energy, Inc. is referred to as "Issuer." All 100 percent owned subsidiaries of the Company are expected to serve as guarantors of obligations ("Guarantor Subsidiaries") included in the shelf registration statement, other than the Indiana Harbor partnership and certain of the Company's corporate financing, international and legacy coal mining subsidiaries ("Non-Guarantors"). These guarantees will be full and unconditional (subject, in the case of the Guarantor Subsidiaries, to customary release provisions as described below) and joint and several.

The guarantee of a Guarantor Subsidiary will terminate upon:

- a sale or other disposition of the Guarantor Subsidiary or of all or substantially all of its assets;
- a sale of the majority of the capital stock of a Guarantor Subsidiary to a third-party, after which the Guarantor Subsidiary is no longer a "Restricted Subsidiary" in accordance with the indenture governing the notes;
- the liquidation or dissolution of a Guarantor Subsidiary so long as no "Default" or "Event of Default", as defined under the indenture governing the notes, has occurred as a result thereof;
- the designation of a Guarantor Subsidiary as an "unrestricted subsidiary" in accordance with the indenture governing the notes;
- the requirements for defeasance or discharge of the indenture governing the notes having been satisfied; or
- the release, other than the discharge through payments by a Guarantor Subsidiary, from other indebtedness that resulted in the obligation of the Guarantor Subsidiary under the indenture governing the notes.

The following tables present summarized financial information for the Issuer and the Guarantor Subsidiaries on a combined basis after intercompany balances and transactions between the Issuer and Guarantor Subsidiaries have been eliminated and excluding investment in and equity in earnings from the Non-Guarantor Subsidiaries

Statements of Operations

	Issuer and Guarantor Subsidiaries	
	Year Ended December 31, 2021	
	(Dollars in millions)	
Revenues	\$	1,080.7
Costs and operating expenses		961.2
Operating income		119.5
Net income	\$	23.4

Balance Sheet

	Issuer and Guarantor Subsidiaries	
	December 31, 2021	
	(Dollars in millions)	
Assets:		
Cash	\$	10.9
Current receivables from Non-Guarantor subsidiaries		25.7
Other current assets		175.2
Properties, plants and equipment, net		1,158.2
Other non-current assets		65.4
Total assets	\$	1,435.4
Liabilities:		
Current liabilities	\$	143.2
Long-term debt and financing obligation		610.4
Long-term payable to Non-Guarantor subsidiaries		200.0
Other long-term liabilities		251.6
Total liabilities	\$	1,205.2

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

We have made forward-looking statements in this Annual Report on Form 10-K, including, among others, in the sections entitled “Business,” “Risk Factors,” “Quantitative and Qualitative Disclosures About Market Risk” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Forward-looking statements include all statements that are not historical facts and may be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “continue,” “may,” “will,” “should” or the negative of these terms or similar expressions. Such forward-looking statements are based on management’s beliefs and assumptions and on information currently available. Forward-looking statements include, but are not limited to, the information concerning our expectations regarding the future impact of COVID-19 and the related economic conditions on our business, financial condition and results of operations, possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance, the effects of competition, the anticipated expansion into the foundry coke market and the effects of future legislation or regulations. In addition, statements in this Annual Report on Form 10-K concerning future dividend declarations are subject to approval by our Board of Directors and will be based upon circumstances then existing. Forward-looking statements are not guarantees of future performance, but are based upon the current knowledge, beliefs and expectations of SunCoke management, and upon assumptions by SunCoke concerning future conditions, any or all of which ultimately may prove to be inaccurate.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements. We do not have any intention or obligation to update any forward-looking statement (or its associated cautionary language), whether as a result of new information or future events, after the date of this Annual Report on Form 10-K, except as required by applicable law.

The risk factors discussed in “Risk Factors” could cause our results to differ materially from those expressed in the forward-looking statements made in this Annual Report on Form 10-K. There also may be other risks that are currently unknown to us or that we are unable to predict at this time. Such risks and uncertainties include, without limitation:

- the potential operating and financial impacts on our operations, or those of our customers and suppliers, and the general impact on our industry and on the U.S. and global economy, resulting from COVID-19 or any other widespread contagion, including actions by foreign and domestic governments and others to contain the spread, or mitigate the severity, thereof;
- volatility and cyclical downturns in the steel industry and in other industries in which our customers and/or suppliers operate;
- changes in the marketplace that may affect our cokemaking business, including the supply and demand for our coke products, as well as increased imports of coke from foreign producers;
- volatility, cyclical downturns and other change in the business climate and market for coal, affecting customers or potential customers for our logistics business;
- changes in the marketplace that may affect our logistics business, including the supply and demand for thermal and metallurgical coal;
- severe financial hardship or bankruptcy of one or more of our major customers, or the occurrence of a customer default or other event affecting our ability to collect payments from our customers;
- our ability to repair aging coke ovens to maintain operational performance;
- age of, and changes in the reliability, efficiency and capacity of the various equipment and operating facilities used in our cokemaking operations, and in the operations of our subsidiaries major customers, business partners and/or suppliers;
- changes in the expected operating levels of our assets;
- changes in the level of capital expenditures or operating expenses, including any changes in the level of environmental capital, operating or remediation expenditures;
- changes in levels of production, production capacity, pricing and/or margins for coal and coke;
- changes in product specifications for the coke that we produce or the coals we mix, store and transport;
- our ability to meet minimum volume requirements, coal-to-coke yield standards and coke quality standards in our coke sales agreements;

- variation in availability, quality and supply of metallurgical coal used in the cokemaking process, including as a result of non-performance by our suppliers;
- effects of geologic conditions, weather, natural disasters and other inherent risks beyond our control;
- effects of adverse events relating to the operation of our facilities and to the transportation and storage of hazardous materials or regulated media (including equipment malfunction, explosions, fires, spills, impoundment failure and the effects of severe weather conditions);
- the existence of hazardous substances or other environmental contamination on property owned or used by us;
- required permits and other regulatory approvals and compliance with contractual obligations and/or bonding requirements in connection with our cokemaking, logistics operations, and/or former coal mining activities;
- the availability of future permits authorizing the disposition of certain mining waste and the management of reclamation areas;
- risks related to environmental compliance;
- our ability to comply with applicable federal, state or local laws and regulations, including, but not limited to, those relating to environmental matters;
- risks related to labor relations and workplace safety;
- availability of skilled employees for our cokemaking, and/or logistics operations, and other workplace factors;
- our ability to service our outstanding indebtedness;
- our indebtedness and certain covenants in our debt documents;
- our ability to comply with the covenants and restrictions imposed by our financing arrangements;
- changes in the availability and cost of equity and debt financing;
- impacts on our liquidity and ability to raise capital as a result of changes in the credit ratings assigned to our indebtedness;
- competition from alternative steelmaking and other technologies that have the potential to reduce or eliminate the use of coke;
- our dependence on, relationships with, and other conditions affecting our customers and/or suppliers;
- consolidation of major customers;
- nonperformance or force majeure by, or disputes with, or changes in contract terms with, major customers, suppliers, dealers, distributors or other business partners;
- effects of adverse events relating to the business or commercial operations of our customers and/or suppliers;
- changes in credit terms required by our suppliers;
- our ability to secure new coal supply agreements or to renew existing coal supply agreements;
- effects of railroad, barge, truck and other transportation performance and costs, including any transportation disruptions;
- our ability to enter into new, or renew existing, long-term agreements upon favorable terms for the sale of coke, steam, or electric power, or for handling services of coal and other aggregates (including transportation, storage and mixing);
- our ability to enter into new, or renew existing, agreements upon favorable terms for logistics services;
- our ability to successfully implement domestic and/or international growth strategies;
- our ability to identify acquisitions, execute them under favorable terms, and integrate them into our existing business operations;
- our ability to realize expected benefits from investments and acquisitions;
- our ability to enter into joint ventures and other similar arrangements under favorable terms;

- our ability to consummate assets sales, other divestitures and strategic restructuring in a timely manner upon favorable terms, and/or realize the anticipated benefits from such actions;
- our ability to consummate investments under favorable terms, including with respect to existing cokemaking facilities, which may utilize by-product technology, and integrate them into our existing businesses and have them perform at anticipated levels;
- our ability to develop, design, permit, construct, start up, or operate new cokemaking facilities in the U.S. or in foreign countries;
- disruption in our information technology infrastructure and/or loss of our ability to securely store, maintain, or transmit data due to security breach by hackers, employee error or malfeasance, terrorist attack, power loss, telecommunications failure or other events;
- the accuracy of our estimates of reclamation and other environmental obligations;
- risks related to obligations under mineral leases retained by us in connection with the divestment of our legacy coal mining business;
- risks related to the ability of the assignee(s) to perform in compliance with applicable requirements under mineral leases assigned in connection with the divestment of our legacy coal mining business;
- proposed or final changes in existing, or new, statutes, regulations, rules, governmental policies and taxes, or their interpretations, including those relating to environmental matters and taxes;
- proposed or final changes in accounting and/or tax methodologies, laws, regulations, rules, or policies, or their interpretations, including those affecting inventories, leases, post-employment benefits, income, or other matters;
- changes in federal, state, or local tax laws or regulations, including the interpretations thereof;
- claims of noncompliance with any statutory or regulatory requirements;
- changes in insurance markets impacting cost, level and/or types of coverage available, and the financial ability of our insurers to meet their obligations;
- inadequate protection of our intellectual property rights;
- volatility in foreign currency exchange rates affecting the markets and geographic regions in which we conduct business; and
- historical consolidated financial data may not be reliable indicators of future results.

The factors identified above are believed to be important factors, but not necessarily all of the important factors, that could cause actual results to differ materially from those expressed in any forward-looking statement made by us. Other factors not discussed herein also could have material adverse effects on us. All forward-looking statements included in this Annual Report on Form 10-K are expressly qualified in their entirety by the foregoing cautionary statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Our primary areas of market risk include changes in: (1) the price of coal, which is the key raw material for our cokemaking business; (2) interest rates; and (3) foreign currency exchange rates. We do not enter into any market risk sensitive instruments for trading purposes.

Price of coal

Although we have not previously done so, we may enter into derivative financial instruments from time to time in the future to economically manage our exposure related to these market risks.

For our Domestic Coke segment, the largest component of the price of our coke is coal cost. However, under long-term, take-or-pay coke sales agreements at our Domestic Coke cokemaking facilities, coal costs are a pass-through component of the coke price, provided that we are able to realize certain targeted coal-to-coke yields. As such, when targeted coal-to-coke yields are achieved, the price of coal is not a significant determining factor in the profitability of these facilities. The coal component of the Jewell coke price has historically been fixed annually for each calendar year based on the weighted-average contract price of third-party coal purchases at our Haverhill facility applicable to Cliffs Steel coke sales. Beginning in 2022, Jewell coal purchases will be passed through at actual cost rather than at the price of Haverhill's coal, consistent with our other long-term, take-or-pay agreements. Additionally, we are subject to market risk for the price of coals used to produce any tonnage in excess of those tons contracted in our long-term, take-or-pay coke sales agreements, specifically as it relates to the export and foundry coke markets. Export coke sales are based on coal market pricing at the time of sale, and do not contain the same pass-through provisions as our long-term, take-or-pay agreements. Our foundry coke prices are largely set at the time we negotiate our coal purchases.

The provisions of our coke sales agreements require us to meet minimum production levels and generally require us to secure replacement coke supplies at the prevailing market price if we do not meet contractual minimum volumes. Because market prices for coke are generally highly correlated to market prices for metallurgical coal, to the extent any of our facilities are unable to produce their contractual minimum volumes, we are subject to market risk related to the procurement of replacement supplies.

Interest rates

We are exposed to changes in interest rates as a result of borrowing activities with variable interest rates and interest earned on our cash balances. During the years ended December 31, 2021 and 2020, the daily average outstanding balance on borrowings with variable interest rates was \$102.8 million and \$147.9 million, respectively. Assuming a 50 basis point change in LIBOR, interest expense would have been impacted by \$0.5 million and \$0.7 million in 2021 and 2020, respectively. At December 31, 2021, we had outstanding borrowings with variable interest rates of \$115.0 million under the Revolving Facility.

At December 31, 2021 and 2020, we had cash and cash equivalents of \$63.8 million and \$48.4 million, respectively, which accrue interest at various rates. Assuming a 50 basis point change in the rate of interest associated with our cash and cash equivalents, interest income would have been impacted by \$0.3 million and \$0.5 million for the years ended December 31, 2021 and 2020, respectively.

Foreign currency

Because we operate outside the U.S., we are subject to risk resulting from changes in the Brazilian real currency exchange rates. The currency exchange rates are influenced by a variety of economic factors including local inflation, growth, interest rates and governmental actions, as well as other factors. Revenues and expenses of our foreign operations are translated at average exchange rates during the period and balance sheet accounts are translated at period-end exchange rates. Balance sheet translation adjustments are excluded from the results of operations and are recorded in equity as a component of accumulated other comprehensive loss. If the currency exchange rates had changed by 10 percent, we estimate the impact to our net income in 2021 and 2020 would have been approximately \$0.5 million and \$0.3 million.

Item 8. Financial Statements and Supplementary Data

INDEX TO FINANCIAL STATEMENTS

	Page
Report of Independent Registered Public Accounting Firm	48
Consolidated Statements of Operations for the Years Ended December 31, 2021, 2020 and 2019	50
Consolidated Statements of Comprehensive Income (Loss) for the Years Ended December 31, 2021, 2020 and 2019	51
Consolidated Balance Sheets at December 31, 2021 and 2020	52
Consolidated Statements of Cash Flows for the Years Ended December 31, 2021, 2020 and 2019	53
Consolidated Statements of Equity for the Years Ended December 31, 2021, 2020 and 2019	54
Notes to Consolidated Financial Statements	56
1. General and Basis of Presentation	56
2. Summary of Significant Accounting Policies	57
3. Acquisitions and Divestitures	59
4. Customer Concentrations	60
5. Income Taxes	60
6. Inventories	62
7. Properties, Plants, and Equipment	63
8. Intangible Assets	63
9. Asset Retirement Obligations	64
10. Retirement Benefit Plans	65
11. Accrued Liabilities	67
12. Debt and Financing Obligations	67
13. Commitments and Contingent Liabilities	69
14. Leases	71
15. Accumulated Other Comprehensive Loss	72
16. Share-Based Compensation	73
17. Earnings Per Share	77
18. Fair Value Measurements	77
19. Revenue From Contracts with Customers	78
20. Business Segment Information	79

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
SunCoke Energy, Inc.:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of SunCoke Energy, Inc. and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. 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 Company 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 audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated 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 consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of the Company's estimated black lung benefit liability

As discussed in Note 13 to the consolidated financial statements, the Company has obligations related to coal workers' pneumoconiosis, or black lung, benefits to certain former coal miners and their dependents. As of December 31, 2021, the Company's black lung benefit liability was \$63.3 million. The Company, with the assistance of an external expert, estimated the liability using an actuarial model with several assumptions.

We identified the evaluation of the Company's estimated black lung benefit liability as a critical audit matter. There was a high degree of subjective auditor judgment in evaluating the actuarial model and key assumptions in the actuarial model. The actuarial model included internally-developed assumptions related to expected claim filing patterns and expected claimant success rates. There was limited market information from which to develop these assumptions, and therefore subjective auditor judgment was required to evaluate the relevance and reliability of internally-developed information.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's process to estimate the black lung benefit liability, including controls related to the development of assumptions related to the expected claim filing patterns and claimant success rates. We evaluated the Company's assumptions related to expected claim filing patterns and the claimant success rates by comparing the assumptions to industry filing patterns and claimant success rates. We performed sensitivity analyses over the expected claim filing patterns and claimant success rate assumptions to assess their impact on the Company's estimated black lung liability. We compared the Company's historical black lung payment estimates to actual payments to assess the accuracy of previous estimates related to its black lung benefit liability. In addition, we involved actuarial professionals with specialized skills and knowledge who assisted in evaluating the expected claim filing patterns and expected claimant success rates assumptions used by the Company to estimate its black lung benefit liability by comparing the assumptions to industry standards.

/s/ KPMG LLP

We have served as the Company's auditor since 2015.

Chicago, Illinois
February 24, 2022

SunCoke Energy, Inc.
Consolidated Statements of Operations

	Years Ended December 31,		
	2021	2020	2019
	(Dollars and shares in millions, except per share amounts)		
Revenues			
Sales and other operating revenue	\$ 1,456.0	\$ 1,333.0	\$ 1,600.3
Costs and operating expenses			
Cost of products sold and operating expenses	1,118.8	1,048.2	1,277.6
Selling, general and administrative expenses	61.8	81.4	75.8
Depreciation and amortization expense	133.9	133.7	143.8
Long-lived asset and goodwill impairment	—	—	247.4
Total costs and operating expenses	<u>1,314.5</u>	<u>1,263.3</u>	<u>1,744.6</u>
Operating income (loss)	141.5	69.7	(144.3)
Interest expense, net	42.5	56.3	60.3
Loss (gain) on extinguishment of debt, net	31.9	(5.7)	(1.5)
Income (loss) before income tax expense (benefit)	<u>67.1</u>	<u>19.1</u>	<u>(203.1)</u>
Income tax expense (benefit)	<u>18.3</u>	<u>10.3</u>	<u>(54.7)</u>
Net income (loss)	48.8	8.8	(148.4)
Less: Net income attributable to noncontrolling interests	5.4	5.1	3.9
Net income (loss) attributable to SunCoke Energy, Inc.	<u>\$ 43.4</u>	<u>\$ 3.7</u>	<u>\$ (152.3)</u>
Earnings (loss) attributable to SunCoke Energy, Inc. per common share:			
Basic	\$ 0.52	\$ 0.04	\$ (1.98)
Diluted	\$ 0.52	\$ 0.04	\$ (1.98)
Weighted average number of common shares outstanding:			
Basic	83.0	83.0	76.8
Diluted	83.7	83.2	76.8

(See Accompanying Notes)

SunCoke Energy, Inc.
Consolidated Statements of Comprehensive Income (Loss)

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Net income (loss)	\$ 48.8	\$ 8.8	\$ (148.4)
Other comprehensive income (loss):			
Reclassifications of actuarial loss amortization and prior service benefit to earnings (net of related tax benefit of \$0.1 million in 2021 and zero for 2020 and 2019)	0.3	0.1	—
Retirement benefit plans funded status adjustment (net of related tax (expense) benefit of \$(0.3) million, \$0.4 million and \$0.3 million, respectively)	1.0	(1.6)	(0.7)
Currency translation adjustment	(0.9)	(1.2)	(0.6)
Comprehensive income (loss)	49.2	6.1	(149.7)
Less: Comprehensive income attributable to noncontrolling interests	5.4	5.1	3.9
Comprehensive income (loss) attributable to SunCoke Energy, Inc.	<u>\$ 43.8</u>	<u>\$ 1.0</u>	<u>\$ (153.6)</u>

(See Accompanying Notes)

SunCoke Energy, Inc.
Consolidated Balance Sheets

	December 31,	
	2021	2020
	(Dollars in millions, except par value amounts)	
Assets		
Cash and cash equivalents	\$ 63.8	\$ 48.4
Receivables, net	77.6	46.3
Inventories	127.0	126.6
Income tax receivable	—	5.5
Other current assets	3.5	2.9
Total current assets	271.9	229.7
Properties, plants and equipment (net of accumulated depreciation of \$1,160.1 and \$1,032.9 at December 31, 2021 and 2020, respectively)	1,287.9	1,328.0
Intangible assets, net	35.2	37.2
Deferred charges and other assets	20.4	18.5
Total assets	\$ 1,615.4	\$ 1,613.4
Liabilities and Equity		
Accounts payable	\$ 126.0	\$ 104.1
Accrued liabilities	53.0	49.8
Current portion of financing obligation	3.2	3.0
Interest payable	—	2.0
Total current liabilities	182.2	158.9
Long-term debt and financing obligation	610.4	673.9
Accrual for black lung benefits	57.9	60.0
Retirement benefit liabilities	21.8	24.7
Deferred income taxes	169.0	159.3
Asset retirement obligations	11.6	11.4
Other deferred credits and liabilities	27.1	24.3
Total liabilities	1,080.0	1,112.5
Equity		
Preferred stock, \$0.01 par value. Authorized 50,000,000 shares; no issued shares at both December 31, 2021 and 2020	—	—
Common stock, \$0.01 par value. Authorized 300,000,000 shares; issued 98,496,809 and 98,177,941 shares at December 31, 2021 and 2020, respectively	1.0	1.0
Treasury stock, 15,404,482 shares at both December 31, 2021 and 2020	(184.0)	(184.0)
Additional paid-in capital	721.2	715.7
Accumulated other comprehensive loss	(16.7)	(17.1)
Retained deficit	(23.4)	(46.6)
Total SunCoke Energy, Inc. stockholders' equity	498.1	469.0
Noncontrolling interests	37.3	31.9
Total equity	535.4	500.9
Total liabilities and equity	\$ 1,615.4	\$ 1,613.4

(See Accompanying Notes)

SunCoke Energy, Inc.
Consolidated Statements of Cash Flows

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Cash Flows from Operating Activities:			
Net income (loss)	\$ 48.8	\$ 8.8	\$ (148.4)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Long-lived asset and goodwill impairment	—	—	247.4
Depreciation and amortization expense	133.9	133.7	143.8
Deferred income tax expense (benefit)	9.3	12.1	(63.1)
Share-based compensation expense	6.1	3.8	4.5
Loss (gain) on extinguishment of debt, net	31.9	(5.7)	(1.5)
Changes in working capital pertaining to operating activities:			
Receivables, net	(31.3)	13.2	15.9
Inventories	(1.1)	21.8	(36.6)
Accounts payable	29.5	(38.0)	23.5
Accrued liabilities	2.8	2.5	(2.4)
Interest payable	(2.0)	(0.2)	(1.4)
Income taxes	5.5	(3.3)	(1.5)
Other	(0.3)	9.1	1.7
Net cash provided by operating activities	<u>233.1</u>	<u>157.8</u>	<u>181.9</u>
Cash Flows from Investing Activities:			
Capital expenditures	(98.6)	(73.9)	(110.1)
Other investing activities	(0.7)	(1.4)	0.3
Net cash used in investing activities	<u>(99.3)</u>	<u>(75.3)</u>	<u>(109.8)</u>
Cash Flows from Financing Activities:			
Proceeds from issuance of long-term debt	500.0	—	—
Repayment of long-term debt	(609.3)	(55.9)	(90.5)
Proceeds from revolving facility	690.1	629.9	408.6
Repayment of revolving facility	(663.4)	(684.9)	(370.3)
Proceeds from financing obligation	—	10.0	—
Repayment of financing obligation	(2.9)	(3.0)	(2.9)
Debt issuance costs	(12.0)	—	(2.1)
Dividends paid	(20.1)	(19.9)	(5.1)
Shares repurchased	—	(7.0)	(36.3)
Cash distributions to noncontrolling interests	—	—	(14.2)
Other financing activities	(0.8)	(0.4)	(7.9)
Net cash used in financing activities	<u>(118.4)</u>	<u>(131.2)</u>	<u>(120.7)</u>
Net increase (decrease) in cash and cash equivalents	15.4	(48.7)	(48.6)
Cash and cash equivalents at beginning of year	48.4	97.1	145.7
Cash and cash equivalents at end of year	<u>\$ 63.8</u>	<u>\$ 48.4</u>	<u>\$ 97.1</u>
Supplemental Disclosure of Cash Flow Information			
Interest paid, net of capitalized interest of \$0.5 million, \$0.2 million and \$2.3 million, respectively	\$ 40.0	\$ 51.8	\$ 58.2
Income taxes paid, net of refunds of \$2.9 million, \$3.0 million and \$0.3 million, respectively	\$ 2.9	\$ 1.1	\$ 9.5

(See Accompanying Notes)

SunCoke Energy, Inc.
Consolidated Statements of Equity

	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Deficit)	Total SunCoke Energy, Inc. Equity	Non- controlling Interests	Total Equity
	Shares	Amount	Shares	Amount						
(Dollars in millions)										
At December 31, 2018	72,233,750	\$ 0.7	7,477,657	\$ (140.7)	\$ 488.8	\$ (13.1)	\$ 127.4	\$ 463.1	\$ 219.6	\$ 682.7
Net (loss) income	—	—	—	—	—	—	(152.3)	(152.3)	3.9	(148.4)
Retirement benefit plans funded status adjustment (net of related tax benefit of \$0.3 million)	—	—	—	—	—	(0.7)	—	(0.7)	—	(0.7)
Currency translation adjustment	—	—	—	—	—	(0.6)	—	(0.6)	—	(0.6)
Share-based compensation expense	—	—	—	—	4.5	—	—	4.5	—	4.5
Share issuances, net of shares withheld for taxes	359,988	—	—	—	(1.7)	—	—	(1.7)	—	(1.7)
Share repurchases	—	—	6,305,525	(36.3)	—	—	—	(36.3)	—	(36.3)
Dividends	—	—	—	—	—	—	(5.2)	(5.2)	—	(5.2)
Cash distribution to noncontrolling interest	—	—	—	—	—	—	—	—	(14.2)	(14.2)
Simplification Transaction:										
Share issuances, for the acquisition of Partnership public units	24,818,149	0.3	—	—	182.2	—	—	182.5	(182.5)	—
Share issuances, for the final Partnership distribution	635,502	—	—	—	—	—	—	—	—	—
Transaction costs	—	—	—	—	(5.4)	—	—	(5.4)	—	(5.4)
Deferred tax adjustment	—	—	—	—	43.7	—	—	43.7	—	43.7
At December 31, 2019	<u>98,047,389</u>	<u>\$ 1.0</u>	<u>13,783,182</u>	<u>\$ (177.0)</u>	<u>\$ 712.1</u>	<u>\$ (14.4)</u>	<u>\$ (30.1)</u>	<u>\$ 491.6</u>	<u>\$ 26.8</u>	<u>\$ 518.4</u>

(See Accompanying Notes)

SunCoke Energy, Inc.
Consolidated Statements of Equity

	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total SunCoke Energy, Inc. Equity	Non- controlling Interests	Total Equity
	Shares	Amount	Shares	Amount						
(Dollars in millions)										
At December 31, 2019	98,047,389	1.0	13,783,182	(177.0)	712.1	(14.4)	(30.1)	\$ 491.6	26.8	\$ 518.4
Net income	—	—	—	—	—	—	3.7	3.7	5.1	8.8
Reclassification of prior service cost and actuarial loss amortization to earnings, net of tax	—	—	—	—	—	0.1	—	0.1	—	0.1
Retirement benefit plans funded status adjustment (net of related tax benefit of \$0.4 million)	—	—	—	—	—	(1.6)	—	(1.6)	—	(1.6)
Currency translation adjustment	—	—	—	—	—	(1.2)	—	(1.2)	—	(1.2)
Share-based compensation expense	—	—	—	—	3.8	—	—	3.8	—	3.8
Share issuances, net of shares withheld for taxes	130,552	—	—	—	(0.2)	—	—	(0.2)	—	(0.2)
Share repurchases	—	—	1,621,300	(7.0)	—	—	—	(7.0)	—	(7.0)
Dividends	—	—	—	—	—	—	(20.2)	(20.2)	—	(20.2)
At December 31, 2020	98,177,941	\$ 1.0	15,404,482	\$ (184.0)	\$ 715.7	\$ (17.1)	\$ (46.6)	\$ 469.0	\$ 31.9	\$ 500.9
Net income	—	—	—	—	—	—	43.4	43.4	5.4	48.8
Reclassification of prior service cost and actuarial loss amortization to earnings, net of tax	—	—	—	—	—	0.3	—	0.3	—	0.3
Retirement benefit plans funded status adjustment (net of related tax expense of \$0.3 million)	—	—	—	—	—	1.0	—	1.0	—	1.0
Currency translation adjustment	—	—	—	—	—	(0.9)	—	(0.9)	—	(0.9)
Share-based compensation expense	—	—	—	—	6.1	—	—	6.1	—	6.1
Share issuances, net of shares withheld for taxes	318,868	—	—	—	(0.6)	—	—	(0.6)	—	(0.6)
Dividends	—	—	—	—	—	—	(20.2)	(20.2)	—	(20.2)
At December 31, 2021	98,496,809	\$ 1.0	15,404,482	\$ (184.0)	\$ 721.2	\$ (16.7)	\$ (23.4)	\$ 498.1	\$ 37.3	\$ 535.4

(See Accompanying Notes)

SunCoke Energy, Inc.

Notes to Consolidated Financial Statements

I. General and Basis of Presentation

Description of Business

SunCoke Energy, Inc. ("SunCoke Energy," "SunCoke," "Company," "we," "our" and "us") is the largest independent producer of high-quality coke in the Americas, as measured by tons of coke produced each year, and has more than 60 years of coke production experience. Coke is a principal raw material in the blast furnace steelmaking process and is produced by heating metallurgical coal in a refractory oven, which releases certain volatile components from the coal, thus transforming the coal into coke. Additionally, we own and operate a logistics business, which primarily provides handling and/or mixing services of coal and other aggregates to third-party customers as well as to our own cokemaking facilities.

We have designed, developed, built, own and operate five cokemaking facilities in the United States ("U.S.") with collective nameplate capacity to produce approximately 4.2 million tons of blast furnace coke per year. Additionally, we have designed and operate one cokemaking facility in Brazil under licensing and operating agreements on behalf of ArcelorMittal Brasil S.A. ("ArcelorMittal Brazil"), which has approximately 1.7 million tons of annual cokemaking capacity. In order to further diversify our business and customer base, we have entered the foundry coke market. Foundry coke is a high-quality grade of coke that is used at foundries to melt iron and various metals in cupola furnaces, which is further processed via casting or molding into products used in various industries such as construction, transportation and industrial products. We began producing and selling foundry coke on a commercial scale in 2021. We also began selling blast furnace coke into the export coke market in 2021, utilizing capacity in excess of that reserved for our long-term, take-or-pay agreements.

Our cokemaking ovens utilize efficient, modern heat recovery technology designed to combust the coal's volatile components liberated during the cokemaking process and use the resulting heat to create steam or electricity for sale. This differs from by-product cokemaking, which repurposes the coal's liberated volatile components for other uses. We have constructed the only greenfield cokemaking facilities in the U.S. in over 30 years and are the only North American coke producer that utilizes heat recovery technology in the cokemaking process. We provide steam pursuant to steam supply and purchase agreements with our customers. Electricity is sold into the regional power market or pursuant to energy sales agreements.

Our logistics business provides handling and/or mixing services to steel, coke (including some of our domestic cokemaking facilities), electric utility, coal producing and other manufacturing based customers. The logistics business has terminals in Indiana, West Virginia, Virginia, and Louisiana with collective capacity to mix and/or transload more than 40 million tons of coal and other aggregates annually and has total storage capacity of more than 3 million tons.

Incorporated in Delaware in 2010 and headquartered in Lisle, Illinois, we became a publicly-traded company in 2011, and our stock is listed on the New York Stock Exchange ("NYSE") under the symbol "SXC."

Consolidation and Basis of Presentation

The consolidated financial statements of the Company and its subsidiaries were prepared in accordance with accounting principles generally accepted in the U.S. ("GAAP") and include the assets, liabilities, revenues and expenses of the Company and all subsidiaries where we have a controlling financial interest. Intercompany transactions and balances have been eliminated in consolidation.

Our consolidated financial statements have historically included SunCoke Energy Partners, L.P. (the "Partnership"), which owned our Haverhill, Middletown, and Granite City cokemaking facilities and Convent Marine Terminal ("CMT"), Kanawha River Terminal ("KRT") and SunCoke Lake Terminal ("Lake Terminal"). On June 28, 2019, the Company acquired the outstanding units of the Partnership not already owned by SunCoke, at which time the Partnership became a wholly-owned subsidiary of SunCoke. See Note 3. On January 1, 2020, the Partnership merged with and into SunCoke Energy Partners Finance Corp., which is also a wholly-owned subsidiary of the Company.

Net income attributable to noncontrolling interest represents a 14.8 percent third-party interest in our Indiana Harbor cokemaking facility as well as the common public unitholders' interest in the Partnership prior to the transaction discussed in Note 3.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual amounts could differ from these estimates.

Revenue Recognition

The Company sells coke as well as steam and electricity and also provides mixing and/or handling services of coal and other aggregates. The Company also receives fees for operating the cokemaking plant in Brazil and for the licensing of its proprietary technology for use at this facility as well as reimbursement of substantially all of its operating costs. See Note 19.

Cash Equivalents

The Company considers all highly liquid investments with a remaining maturity of three months or less at the time of purchase to be cash equivalents. These cash equivalents consist principally of money market funds.

Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is determined using the first-in, first-out method, except for the Company's materials and supplies inventory, which are determined using the average-cost method. The Company primarily utilizes the selling prices under its coke supply agreements to record lower of cost or net realizable value inventory adjustments. See Note 6.

Properties, Plants and Equipment

Plants and equipment are depreciated on a straight-line basis over their estimated useful lives. Coke and energy plant, machinery and equipment are generally depreciated over 25 to 30 years. Logistics plant and equipment are generally depreciated over 15 to 35 years. Depreciation and amortization is excluded from cost of products sold and operating expenses and is presented separately on the Consolidated Statements of Operations. Gains and losses on the disposal or retirement of fixed assets are reflected in earnings when the assets are sold or retired. Amounts incurred that extend an asset's useful life, increase its productivity or add production capacity are capitalized. The Company accounts for changes in useful lives, when appropriate, as a change in estimate, with prospective application only. The Company capitalized interest of \$0.5 million, \$0.2 million, and \$2.3 million in 2021, 2020 and 2019, respectively. Direct costs, such as outside labor, materials, internal payroll and benefits costs incurred during capital projects are capitalized; indirect costs are not capitalized. Normal repairs and maintenance costs are expensed as incurred. See Note 7.

Intangible Assets

Intangible assets are primarily comprised of permits. Intangible assets are amortized over their useful lives in a manner that reflects the pattern in which the economic benefit of the intangible asset is consumed. Intangible assets are assessed for impairment when a triggering event occurs. See Note 8.

Impairment of Long-Lived Assets

Long-lived assets, which includes intangible assets and properties, plants and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. A long-lived asset, or group of assets, is considered to be impaired when the undiscounted net cash flows expected to be generated by the asset are less than its carrying amount. Such estimated future cash flows are highly subjective and are based on numerous assumptions about future operations and market conditions. The impairment recognized is the amount by which the carrying amount exceeds the fair market value of the impaired asset, or group of assets. It is also difficult to precisely estimate fair market value because quoted market prices for our long-lived assets may not be readily available. Therefore, fair market value is generally based on the present values of estimated future cash flows using discount rates commensurate with the risks associated with the assets being reviewed for impairment. See Note 8.

Income Taxes

Deferred tax asset and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those differences are projected to be recovered or settled. The Company recognizes uncertain tax positions in its financial statements when minimum recognition threshold and measurement attributes are met in accordance with current accounting guidance. See Note 5.

Black Lung Benefit Liabilities

The Company has obligations related to coal workers' pneumoconiosis, or black lung, benefits of certain of our former coal miners and their dependents. We adjust our liability each year based upon actuarial calculations of our expected future payments for these benefits, including a provision for incurred but not reported losses. See Note 13.

Postretirement Benefit Plan Liabilities

The postretirement benefit plans, which are frozen, are unfunded and the accumulated postretirement benefit obligation is fully recognized on the Consolidated Balance Sheets. Actuarial gains (losses) and prior service costs (benefits) which have not yet been recognized in net income are recognized as a credit (charge) to accumulated other comprehensive income (loss). The credit (charge) to accumulated other comprehensive income (loss), which is reflected net of related tax effects, is subsequently recognized in net income when amortized as a component of postretirement benefit plans expense included in interest expense, net on the Consolidated Statements of Operations. See Note 10.

Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the asset and depreciated over its remaining estimated useful life. When the assumptions used to estimate a recorded asset retirement obligation change, a revision is recorded to both the asset retirement obligation and the asset retirement cost capitalized to the extent remaining useful life exists. The Company's asset retirement obligations primarily relate to costs associated with restoring land to its original state. See Note 9.

Shipping and Handling Costs

Shipping and handling costs are included in cost of products sold and operating expenses on the Consolidated Statements of Operations and are generally passed through to our customers. The Company has elected the practical expedient under Accounting Standards Codification ("ASC") 606, "Revenue from Contracts with Customers," to account for shipping and handling activities as a promise to fulfill the transfer of coke. See Note 19.

Share-Based Compensation

We measure the cost of employee services in exchange for equity instrument awards and cash awards based on the grant-date fair value of the award. Cash awards and the performance metrics of equity awards are remeasured on a quarterly basis. The market metrics of equity awards are not remeasured. The total cost is recognized over the requisite service period. Award forfeitures are accounted for as they occur. The costs of equity awards and cash awards are recorded to additional paid-in capital and accrued liabilities, respectively, on the Consolidated Balance Sheets. See Note 16.

Fair Value Measurements

The Company determines fair value as 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. As required, the Company utilizes valuation techniques that maximize the use of observable inputs (levels 1 and 2) and minimize the use of unobservable inputs (level 3) within the fair value hierarchy included in current accounting guidance. Assets and liabilities are classified within the fair value hierarchy based on the lowest level (least observable) input that is significant to the measurement in its entirety. See Note 18.

Currency Translation

The functional currency of the Company's Brazilian operations is the Brazilian real. The Company's Brazil operations translate its assets and liabilities into U.S. dollars at the current exchange rates in effect at the end of the fiscal period. The gains or losses that result from this process are shown as cumulative translation adjustments within accumulated other comprehensive loss in the Consolidated Balance Sheets. The revenue and expense accounts of foreign operations are translated into U.S. dollars at the average exchange rates during the period.

Recently Adopted Accounting Pronouncements

No accounting pronouncements adopted during the year ended December 31, 2021 had a material impact on the Company's consolidated financial statements.

Labor Concentrations

As of December 31, 2021, we have 848 employees in the U.S. Approximately 41 percent of our domestic employees, principally at our cokemaking operations, are represented by the United Steelworkers union under various

contracts. Additionally, approximately 3 percent of our domestic employees are represented by the International Union of Operating Engineers. Labor agreements at KRT, Lake Terminal, and Indiana Harbor will expire on April 30, 2022, June 30, 2022, and September 1, 2022, respectively. We will negotiate the renewal of these agreements in 2022 and do not anticipate any work stoppages.

As of December 31, 2021, we have 279 employees at the cokemaking facility in Vitória, Brazil, all of whom are represented by a union under a labor agreement. During 2021, the labor agreement at our Vitória, Brazil facility was renewed for an additional year, and it expires on November 30, 2022.

3. Acquisitions and Divestitures

Simplification Transaction

Prior to June 28, 2019, SunCoke owned a 60.4 percent limited partner interest in the Partnership as well as our 2.0 percent general partner interest. The remaining 37.6 percent limited partner interest in the Partnership was held by public unitholders. On June 28, 2019, the Company acquired all 17,727,249 outstanding common units of the Partnership not already owned by SunCoke in exchange for 24,818,149 newly issued SunCoke common shares (the "Simplification Transaction"). Additionally, the final pro-rated quarterly Partnership distribution was settled with 635,502 newly issued SunCoke common shares. Following the completion of the Simplification Transaction, the Partnership became a wholly-owned subsidiary of SunCoke, the Partnership common units ceased to be publicly traded and the Partnership's incentive distribution rights were eliminated.

SunCoke controlled the Partnership both before and after the Simplification Transaction. Therefore, the change in our ownership interest was accounted for as an equity transaction, and no gain or loss was recognized in our Consolidated Statements of Operations for this transaction.

The following table summarizes the non-cash (decreases) increases on our balance sheet related to the Simplification Transaction, reflecting the changes in ownership of the Partnership and a step-up in the tax basis in the underlying assets acquired:

	(Dollars in millions)	
Noncontrolling interest	\$	(182.5)
Deferred income taxes	\$	(43.7)
Common stock	\$	0.3
Additional paid-in capital	\$	225.9

Additionally, the Company incurred transaction costs totaling \$11.0 million, of which \$5.4 million were incurred by SunCoke and were recorded as a reduction to additional paid-in capital on the Consolidated Balance Sheets at December 31, 2019. The remaining transaction costs were incurred by the Partnership, resulting in \$4.9 million of expense included in selling, general and administrative expenses on the Consolidated Statements of Operations for the year ended December 31, 2019. Subsequent to the closing of the Simplification Transaction, SunCoke incurred \$0.3 million of legal and consulting costs, which were included in selling, general and administrative expenses on the Consolidated Statements of Operations for the year ended December 31, 2019.

The following table summarizes the effects of the changes in the Company's ownership interest in the Partnership on SunCoke's equity in 2019. There were no changes in SunCoke's ownership interest in consolidated subsidiaries in 2020 or 2021.

	<u>Years Ended December 31,</u>	
	<u>2019</u>	
Net loss attributable to SunCoke Energy, Inc.	\$	(152.3)
Increase in SunCoke Energy, Inc. equity for the purchase of additional interest in the Partnership		182.5
Changes from net loss attributable to SunCoke Energy, Inc. and transfers to noncontrolling interest	\$	<u>30.2</u>

4. Customer Concentrations

In 2021, the Company sold approximately 3.8 million tons of coke under long-term, take-or-pay contracts to its two primary customers in the U.S.: Cleveland-Cliffs Steel Holding Corporation and Cleveland-Cliffs Steel LLC, subsidiaries of Cleveland-Cliffs Inc. and collectively referred to as "Cliffs Steel," and United States Steel Corporation ("U.S. Steel").

The tables below show sales to the Company's significant customers:

	Year Ended December 31,	
	2021	
	Sales and other operating revenue	Percent of Company sales and other operating revenue
	(Dollars in millions)	
Cliffs Steel ⁽¹⁾⁽³⁾	\$ 994.6	68.3 %
U.S. Steel ⁽²⁾	\$ 210.0	14.4 %

	Years Ended December 31,			
	2020		2019	
	Sales and other operating revenue	Percent of Company sales and other operating revenue	Sales and other operating revenue	Percent of Company sales and other operating revenue
	(Dollars in millions)			
Cliffs Steel / AM USA ⁽¹⁾⁽³⁾	\$ 687.3	51.6 %	\$ 786.4	49.1 %
Cliffs Steel / AK Steel ⁽¹⁾⁽³⁾	\$ 355.8	26.7 %	\$ 433.3	27.1 %
U.S. Steel ⁽²⁾	\$ 208.2	15.6 %	\$ 255.4	16.0 %

(1) Represents revenues included in our Domestic Coke segment.

(2) Represents revenues included in our Domestic Coke and Logistics segments.

(3) In March 2020, Cliffs completed the acquisition of AK Steel Holding Corporation ("AK Steel"), and subsequently changed the name of AK Steel to Cleveland-Cliffs Steel Holding Corporation. In December 2020, Cliffs completed the acquisition of ArcelorMittal USA LLC ("AM USA"), and subsequently changed the name of AM USA to Cleveland-Cliffs Steel LLC. As stated above, subsequent to the acquisitions we collectively refer to these subsidiaries as Cliffs Steel.

The Company generally does not require any collateral with respect to its receivables. At December 31, 2021, the Company's receivables balance was primarily due from Cliffs Steel, US Steel, and ArcelorMittal Brazil with receivables due of \$30.0 million, \$7.3 million and \$7.6 million respectively. At December 31, 2020, the Company's receivables balance was primarily due from Cliffs Steel and U.S. Steel, with receivables due of \$22.9 million and \$6.3 million, respectively. As a result, the Company experiences concentrations of credit risk in its receivables with these customers. These concentrations of credit risk may be affected by changes in economic or other conditions affecting the steel industry.

5. Income Taxes

The components of income (loss) before income tax expense (benefit) are as follows:

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Domestic	\$ 50.4	\$ 6.1	\$ (218.6)
Foreign	16.7	13.0	15.5
Total	\$ 67.1	\$ 19.1	\$ (203.1)

Income tax expense (benefit) consisted of the following:

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Current tax expense (benefit):			
U.S. federal	\$ 0.8	\$ (4.7)	\$ 0.3
State	3.7	(0.3)	3.8
Foreign	4.5	3.2	4.3
Total current tax expense (benefit)	9.0	(1.8)	8.4
Deferred tax expense (benefit):			
U.S. federal	11.0	3.6	(39.3)
State	(1.7)	8.5	(23.8)
Total deferred tax expense (benefit)	9.3	12.1	(63.1)
Total	\$ 18.3	\$ 10.3	\$ (54.7)

The reconciliation of income tax expense (benefit) at the U.S. statutory rate to income tax expense (benefit) is as follows:

	Years Ended December 31,					
	2021		2020		2019	
	(Dollars in millions)					
Income tax expense (benefit) at U.S. statutory rate	\$ 14.1	21.0 %	\$ 4.0	21.0 %	\$ (42.7)	21.0 %
Increase (reduction) in income taxes resulting from:						
Income attributable to noncontrolling interests in partnerships ⁽¹⁾	(1.1)	(1.7)%	(1.1)	(5.6)%	(0.6)	0.3 %
State and other income taxes, net of federal income tax effects ⁽²⁾	1.6	2.4 %	7.8	41.2 %	(15.0)	7.4 %
Impact of CARES Act ⁽³⁾	—	— %	(1.5)	(7.9)%	—	— %
Logistics goodwill impairment	—	— %	—	— %	3.3	(1.7)%
Non-deductible equity compensation	3.4	4.9 %	1.0	5.5 %	2.3	(1.2)%
Return to provision adjustments	(0.1)	(0.1)%	1.2	6.5 %	(0.8)	0.4 %
Change in valuation allowance	0.5	0.8 %	(1.3)	(6.9)%	0.6	(0.3)%
Other	(0.1)	(0.1)%	0.2	0.5 %	(1.8)	1.0 %
Income tax expense (benefit) at effective tax rate	\$ 18.3	27.2 %	\$ 10.3	54.3 %	\$ (54.7)	26.9 %

- (1) No income tax expense is reflected in the Consolidated Statements of Operations for income attributable to noncontrolling interests in our Indiana Harbor cokemaking facility or the Partnership prior to the Simplification Transaction discussed in Note 3.
- (2) Changes in state tax laws during 2021 resulted in a state tax benefit of \$1.3 million, which partially offsets the state tax expense. Additionally, a change in the tax filing status of our Convent Marine Terminal in Louisiana from a taxable partnership to a member of the consolidated return group resulted in lower apportioned state tax rates and the revaluation of certain deferred tax assets, which resulted in \$6.5 million of deferred income tax expense in 2020.
- (3) On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES Act") was enacted. The enactment of the CARES Act allows the Company to carry back net operating losses generated in 2019 to each of the five years preceding 2019. As a result of the CARES Act, SunCoke recorded a tax benefit of \$1.5 million during 2020.

The tax effects of temporary differences that comprise the net deferred income tax liability from operations are as follows:

	December 31,	
	2021	2020
(Dollars in millions)		
Deferred tax assets:		
Retirement benefit liabilities	\$ 5.5	\$ 6.3
Black lung benefit liabilities	14.4	14.8
Share-based compensation	2.6	4.2
Federal tax credit carryforward ⁽¹⁾	17.6	19.9
Foreign tax credit carryforward ⁽²⁾	12.3	19.4
Federal net operating loss ⁽³⁾	—	5.3
State tax credit carryforward, net of federal income tax effects	—	0.3
State net operating loss carryforward, net of federal income tax effects ⁽⁴⁾	12.6	12.9
Other liabilities not yet deductible	10.4	11.5
Total deferred tax assets	75.4	94.6
Less: valuation allowance ⁽⁵⁾	(20.2)	(19.6)
Deferred tax asset, net	55.2	75.0
Deferred tax liabilities:		
Properties, plants and equipment	(151.0)	(152.9)
Investment in partnerships	(73.2)	(81.4)
Total deferred tax liabilities	(224.2)	(234.3)
Net deferred tax liability	\$ (169.0)	\$ (159.3)

(1) Federal tax credit carryforward expires in 2032 through 2034.

(2) Foreign tax credit carryforward expires in 2024 through 2031.

(3) Federal net operating loss does not expire.

(4) State net operating loss carryforward, net of federal income tax effects expires in 2032 through 2040.

(5) Primarily related to net operating loss carryforwards and an \$11.3 million allowance against the foreign tax credit carryforward.

The Company's consolidated federal income tax returns have been examined by the IRS for all years through the year ended December 31, 2014. SunCoke is currently open to examination by the IRS for tax years ended December 31, 2015 and forward.

State and foreign income tax returns are generally subject to examination for a period of three to five years after the filing of the respective returns. The state impact of any amended federal returns remains subject to examination by various states for a period of up to one year after formal notification of such amendments to the states.

There were no uncertain tax positions at December 31, 2021 and 2020, and there were no associated interest or penalties recognized for the years ended December 31, 2021, 2020 or 2019. The Company does not expect that any unrecognized tax benefits pertaining to income tax matters will be required in the next twelve months.

6. Inventories

The Company's inventory consists of metallurgical coal, which is the principal raw material for the Company's cokemaking operations, coke, which is the finished good sold by the Company to its customers, and materials, supplies and other. These components of inventories were as follows:

	December 31,	
	2021	2020
	(Dollars in millions)	
Coal	\$ 63.5	\$ 60.6
Coke	16.6	21.1
Materials, supplies and other	46.9	44.9
Total inventories	<u>\$ 127.0</u>	<u>\$ 126.6</u>

7. Properties, Plants, and Equipment

The components of net properties, plants and equipment were as follows:

	December 31,	
	2021	2020
	(Dollars in millions)	
Coke and energy plant, machinery and equipment	\$ 2,077.3	\$ 2,009.3
Logistics plant, machinery and equipment	170.7	157.3
Land and land improvements	105.5	104.5
Construction-in-progress	50.8	47.4
Other	43.7	42.4
Gross investment, at cost	2,448.0	2,360.9
Less: accumulated depreciation	(1,160.1)	(1,032.9)
Total properties, plants and equipment, net	<u>\$ 1,287.9</u>	<u>\$ 1,328.0</u>

8. Intangible Assets

Intangible assets, net, include goodwill allocated to our Domestic Coke segment of \$3.4 million at both December 31, 2021 and 2020, and other intangibles detailed in the table below, excluding fully amortized intangible assets. There were no changes in the carrying amount of goodwill during the fiscal years ended December 31, 2021 and 2020, respectively.

	Weighted - Average Remaining Amortization Years	December 31, 2021			December 31, 2020		
		Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
		(Dollars in millions)					
Customer relationships	3	6.7	5.0	1.7	6.7	4.5	2.2
Permits	21	31.7	3.1	28.6	31.7	1.7	30.0
Other	29	1.6	0.1	1.5	1.6	—	1.6
Total		<u>\$ 40.0</u>	<u>\$ 8.2</u>	<u>\$ 31.8</u>	<u>\$ 40.0</u>	<u>\$ 6.2</u>	<u>\$ 33.8</u>

The permits above represent the environmental and operational permits required to operate a coal export terminal in accordance with the U.S. Environmental Protection Agency ("EPA") and other regulatory bodies. Intangible assets are amortized over their useful lives in a manner that reflects the pattern in which the economic benefit of the asset is consumed. The permits' useful lives were estimated to be 27 years at acquisition based on the expected useful life of the significant operating equipment at the facility. We have historical experience of renewing and extending similar arrangements at our other facilities and intend to continue to renew our permits as they come up for renewal for the foreseeable future. The

permits were renewed regularly prior to our acquisition of CMT. These permits have an average remaining renewal term of approximately 3.2 years.

Total amortization expense for intangible assets subject to amortization was \$2.0 million, \$2.5 million and \$8.8 million for the years ended December 31, 2021, 2020 and 2019, respectively. Based on the carrying value of finite-lived intangible assets as of December 31, 2021, we estimate amortization expense for each of the next five years as follows:

	(Dollars in millions)	
2022	\$	2.0
2023		2.0
2024		1.9
2025		1.5
2026		1.5
Thereafter		22.9
Total	\$	31.8

2019 Impairment of Goodwill and Long-Lived Assets

Prior to 2020, a significant portion of our logistics business was from long-term, take-or-pay contracts with Murray American Coal, Inc. ("Murray") and Foresight Energy LLC ("Foresight"), which were adversely impacted by declining coal export prices and domestic demand in 2019. Murray filed for Chapter 11 bankruptcy on October 29, 2019. Foresight engaged outside counsel and financial advisors to assess restructuring options during 2019 and subsequently filed for Chapter 11 bankruptcy on March 10, 2020. Both Murray and Foresight's contracts with CMT were subsequently rejected by the bankruptcy courts.

The Company concluded the impact of the events discussed above could more likely than not reduce the fair value of the Logistics reporting unit below its carrying value, requiring SunCoke to perform its annual goodwill test as of September 30, 2019. The fair value of the Logistics reporting unit, which was determined based on a discounted cash flow analysis, did not exceed the carrying value of the reporting unit. Key assumptions in our goodwill impairment test included reduced forecasted volumes and reduced rates from Foresight, no further business from Murray, incremental merchant business and a discount rate of 12 percent, representing the estimated weighted average cost of capital for this business line. As a result, the Company recorded a \$73.5 million non-cash, pre-tax impairment charge to the Logistics segment on the Consolidated Statements of Operations during 2019, which represented a full impairment of the Logistics goodwill balance.

As a result of our logistics customers' events, CMT's long-lived assets, including customer contracts, customer relationships, permits and properties, plant and equipment, were also assessed for impairment as of September 30, 2019. The Company re-evaluated its projections for throughput volumes, pricing and customer performance against the existing long-term, take-or-pay contracts. The resulting undiscounted cash flows were lower than the carrying value of the asset group. Therefore, the Company assessed the fair value of the asset group to measure the amount of impairment. The fair value of the CMT long-lived assets was determined to be \$112.1 million based on discounted cash flows, asset replacement cost and adjustments for capacity utilization, which are considered Level 3 inputs in the fair value hierarchy as defined in Note 18. Key assumptions in our discounted cash flows included reduced forecasted volumes and reduced rates from Foresight, no further business from Murray, incremental merchant business and a discount rate of 11 percent, representing the estimated weighted average cost of capital for this asset group. As a result, during 2019, the Company recorded a total non-cash, pre-tax long-lived asset impairment charge of \$173.9 million included in long-lived asset and goodwill impairment on the Consolidated Statements of Operations, all of which was attributable to the Logistics segment. The charge included an impairment of CMT's long-lived intangible assets of \$113.3 million and of CMT's property, plant and equipment of \$60.6 million.

9. Asset Retirement Obligations

The Company has asset retirement obligations, primarily in the Domestic Coke segment, related to certain contractual obligations. These contractual obligations mostly relate to costs associated with restoring land to its original state, and may require the retirement and removal of long-lived assets from certain cokemaking properties as well as other reclamation obligations related to our former coal mining business. The Federal Surface Mining Control and Reclamation Act of 1977 and similar state statutes require that mine property be restored in accordance with specified standards and an approved reclamation plan. We do not have any unrecorded asset retirement obligations.

The following table provides a reconciliation of changes in the asset retirement obligation from operations during each period:

	Years ended December 31,	
	2021	2020
Asset retirement obligation at beginning of year	\$ 11.4	\$ 15.3
Liabilities settled	(0.1)	(0.1)
Accretion expense ⁽¹⁾	0.9	1.1
Revisions in estimated cash flows ⁽²⁾	0.1	(4.9)
Asset retirement obligation at end of year ⁽³⁾	\$ 12.3	\$ 11.4

- (1) Included in cost of products sold and operating expenses on the Consolidated Statements of Operations.
- (2) Revisions of estimated cash flows in 2020 were primarily due to the identification of more cost efficient demolition methods as well as the timing of projected spending on certain obligations.
- (3) The current portion of asset retirement obligation liabilities, which totaled \$0.7 million and zero at December 31, 2021 and December 31, 2020, respectively, is classified in accrued liabilities on the Consolidated Balance Sheets.

10. Retirement Benefits Plans

Postretirement Health Care and Life Insurance Plans

The Company has plans which provide health care and life insurance benefits for many of its retirees (“postretirement benefit plans”). The postretirement benefit plans are unfunded and the costs are borne by the Company. Effective January 1, 2011, postretirement medical benefits for future retirees were phased out or eliminated for non-mining employees with less than ten years of service.

Postretirement benefit plans expense consisted of the following components:

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Interest cost on benefit obligations	\$ 0.5	\$ 0.7	\$ 1.1
Amortization of:			
Actuarial losses	0.8	0.7	0.6
Prior service benefit	(0.4)	(0.5)	(0.6)
Total expense	\$ 0.9	\$ 0.9	\$ 1.1

Postretirement benefit plans expense is determined using actuarial assumptions as of the beginning of the year or using weighted-average assumptions when curtailments, settlements and/or other events require a plan remeasurement. The following assumptions were used to determine postretirement benefit plans expense:

	December 31,		
	2021	2020	2019
Discount rate	2.00 %	2.90 %	4.00 %

The following amounts were recognized as components of other comprehensive income (loss) before related tax impacts:

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Reclassifications to earnings of:			
Actuarial loss amortization	\$ 0.8	\$ 0.7	\$ 0.6
Prior service benefit amortization	(0.4)	(0.5)	(0.6)
Retirement benefit plan funded status adjustments:			
Actuarial gains (losses)	1.3	(2.0)	(1.0)
	<u>\$ 1.7</u>	<u>\$ (1.8)</u>	<u>\$ (1.0)</u>

The following table sets forth the components of the changes in benefit obligations:

	Years Ended December 31,	
	2021	2020
	(Dollars in millions)	
Benefit obligation at beginning of year	\$ 27.5	\$ 27.4
Interest cost	0.5	0.7
Actuarial (gains) losses	(1.3)	2.0
Benefits paid	(2.3)	(2.6)
Benefit obligation at end of year ⁽¹⁾	<u>\$ 24.4</u>	<u>\$ 27.5</u>

(1) The current portion of retirement benefit liabilities, which totaled \$2.6 million and \$2.8 million at December 31, 2021 and 2020, respectively, is classified in accrued liabilities on the Consolidated Balance Sheets.

The following table sets forth the cumulative amounts not yet recognized in net income (loss):

	Years Ended December 31,	
	2021	2020
	(Dollars in millions)	
Cumulative amounts not yet recognized in net income (loss):		
Actuarial losses	\$ 10.0	\$ 12.1
Prior service benefits	(1.1)	(1.5)
Accumulated other comprehensive loss (before related tax benefit)	<u>\$ 8.9</u>	<u>\$ 10.6</u>

The expected benefit payments through 2031 for the postretirement benefit plan are as follows:

	(Dollars in millions)	
Year ending December 31:		
2022	\$	2.6
2023	\$	2.4
2024	\$	2.3
2025	\$	2.1
2026	\$	1.9
2027 through 2031	\$	7.6

The measurement date for the Company's postretirement benefit plans is December 31. The following discount rates were used to determine the benefit obligation:

Discount rate	December 31,	
	2021	2020
	2.50 %	2.00 %

The health care cost trend assumption used at both December 31, 2021 and 2020 to compute the accumulated postretirement benefit obligation for the postretirement benefit plans was 6.25 percent, which is assumed to decline gradually to 5.00 percent in 2026 and to remain at that level thereafter.

Defined Contribution Plans

The Company has defined contribution plans which provide retirement benefits for certain of its employees. The Company's contributions, which are principally based on the Company's pretax income and the aggregate compensation levels of participating employees and are charged against income as incurred, amounted to \$6.9 million, \$6.6 million and \$6.8 million for the years ended December 31, 2021, 2020 and 2019, respectively.

11. Accrued Liabilities

Accrued liabilities consist of following:

	December 31,	
	2021	2020
	(Dollars in millions)	
Accrued benefits	\$ 21.7	\$ 18.3
Current portion of postretirement benefit obligation	2.6	2.8
Other taxes payable	9.2	9.8
Current portion of black lung liability	5.4	4.6
Accrued legal	4.5	6.4
Other	9.6	7.9
Total accrued liabilities	\$ 53.0	\$ 49.8

12. Debt and Financing Obligations

Total debt and financing obligations consisted of the following:

	December 31,	
	2021	2020
	(Dollars in millions)	
4.875 percent senior notes, due 2029 ("2029 Senior Notes")	\$ 500.0	\$ —
7.500 percent senior notes, due 2025 ("2025 Senior Notes")	—	587.3
\$350.0 revolving credit facility, due 2026 ("Revolving Facility")	115.0	88.3
5.346 percent financing obligation, due 2024	12.0	14.9
Total borrowings	\$ 627.0	\$ 690.5
Original issue discount	—	(3.3)
Debt issuance costs	(13.4)	(10.3)
Total debt and financing obligation	\$ 613.6	\$ 676.9
Less: current portion of long-term debt and financing obligation	3.2	3.0
Total long-term debt and financing obligation	\$ 610.4	\$ 673.9

Issuance of 2029 Senior Notes

On June 22, 2021, the Company issued \$500.0 million aggregate principal amount of senior secured notes with an interest rate of 4.875 percent due in June 2029. The Company received proceeds of \$500.0 million from the issuance and incurred debt issuance costs related to this transaction of \$10.4 million, which are included in long-term debt and financing obligation, net of amortization, on the Consolidated Balance Sheets as of December 31, 2021. The 2029 Senior Notes are the senior secured obligations of the Company. Interest on the 2029 Senior Notes is payable semi-annually in cash in arrears on

June 30 and December 30 of each year, commencing on December 30, 2021. The Company may redeem some or all of the 2029 Senior Notes at its option, in whole or part, at the dates and amounts set forth in the applicable indenture.

The applicable indenture for the 2029 Senior Notes contains covenants that, among other things, limit the Company's ability and, in certain circumstances, the ability of certain of the Company's subsidiaries to (i) borrow money, (ii) create liens on assets, (iii) pay dividends or make other distributions on or repurchase or redeem the Company's capital stock, (iv) prepay, redeem or repurchase certain debt, (v) make loans and investments, (vi) sell assets, (vii) incur liens, (viii) enter into transactions with affiliates, (ix) enter into agreements restricting the ability of subsidiaries to pay dividends and (x) consolidate, merge or sell all or substantially all of the Company's assets.

Purchase and Redemption of 2025 Senior Notes

During the second quarter of 2021, pursuant to the applicable indenture with The Bank of New York Mellon Corporation as trustee ("Trustee"), the Trustee delivered redemption notices to holders of the 2025 Senior Notes, which were the senior unsecured obligations of Finance Corp., a wholly owned subsidiary of the Company. The principal amount of the 2025 Senior Notes redeemed was \$587.3 million, which represented all of the outstanding principal of the 2025 Senior Notes at 100 percent. On June 22, 2021, the proceeds required for redemption, including the applicable premium and accrued interest totaling \$612.1 million, were irrevocably deposited with the Trustee, at which time the 2025 Senior Notes were fully satisfied and discharged, and held by the Trustee until the date of redemption, July 8, 2021. As a result, during the year ended December 31, 2021, the Company recorded a loss on extinguishment of debt on the Consolidated Statement of Operations of \$31.1 million, which consisted of the premium paid of \$22.0 million and the write-off of unamortized debt issuance costs of \$6.1 million and the remaining original issue discount of \$3.0 million.

Revolving Facility

The proceeds of any borrowings made under the Revolving Facility can be used to finance working capital needs, acquisitions, capital expenditures and for other general corporate purposes. The obligations under the credit agreement are guaranteed by certain of the Company's subsidiaries and secured by liens on substantially all of the Company's and the guarantors' assets pursuant to a guarantee and collateral agreement.

On June 22, 2021, in conjunction with the issuance of the 2029 Senior Notes, the Company amended and extended the maturity of its Revolving Facility from August 2024 to June 2026 and reduced its capacity by \$50.0 million to \$350.0 million, resulting in additional debt issuance costs of \$1.6 million, which are included in long-term debt and financing obligation, net of amortization, on the Consolidated Balance Sheets as of December 31, 2021. Additionally, the Company recorded a loss on extinguishment of debt on the Consolidated Statement of Operations of \$0.8 million, representing the write-off of unamortized debt issuance costs, during the twelve months ended December 31, 2021.

As of December 31, 2021, the Revolving Facility had letters of credit outstanding of \$6.2 million and \$115.0 million outstanding balance, leaving \$228.8 million available. Additionally, the Company has certain letters of credit totaling \$17.4 million, which do not reduce the Revolving Facility's available balance. Commitment fees are based on the unused portion of the Revolving Facility at a rate of 0.25 percent.

Borrowings under the Revolving Facility bear interest, at SunCoke's option, at either (i) a rate per annum equal to either the adjusted Eurodollar Rate, which currently is the London Interbank Offered Rate ("LIBOR") plus 2.0 percent or (ii) an alternate base rate ("ABR") plus 1.0 percent. The spread is subject to change based on SunCoke's consolidated leverage ratio, as defined in the credit agreement. The weighted-average interest rate for borrowings outstanding under the Revolving Facility was 2.1 percent during 2021.

Financing Obligation

The Company has a sale-leaseback arrangement related to certain coke and logistics equipment. The arrangement has an initial period of 48 months beginning December 2020, and an early buyout option after 36 months to purchase the equipment at a fixed rate. The arrangement is accounted for as a financing transaction, resulting in a financing obligation on the Consolidated Balance Sheets.

Covenants

Under the terms of the Revolving Facility, the Company is subject to a maximum consolidated leverage ratio of 4.50:1.00 and a minimum consolidated interest coverage ratio of 2.50:1.00. The Company's debt agreements contains other covenants and events of default that are customary for similar agreements and may limit our ability to take various actions including our ability to pay a dividend or repurchase our stock.

If we fail to perform our obligations under these and other covenants, the lenders' credit commitment could be terminated and any outstanding borrowings, together with accrued interest, under the Revolving Facility could be declared immediately due and payable. The Company has a cross default provision that applies to our indebtedness having a principal amount in excess of \$35 million.

As of December 31, 2021, the Company was in compliance with all debt covenants. We do not anticipate violation of these covenants nor do we anticipate that any of these covenants will restrict our operations or our ability to obtain additional financing.

Maturities

As of December 31, 2021, the combined aggregate amount of maturities for long-term borrowings for each of the next five years is as follows:

	(Dollars in millions)	
2022	\$	3.2
2023		3.3
2024		5.5
2025		—
2026		115.0
2027-Thereafter		500.0
Total	\$	<u>627.0</u>

13. Commitments and Contingent Liabilities**Legal Matters**

Between 2005 and 2012, the EPA and the Ohio Environmental Protection Agency (“OEPA”) issued Notices of Violations (“NOVs”), alleging violations of air emission operating permits for our Haverhill and Granite City cokemaking facilities. We worked in a cooperative manner with the EPA, the OEPA and the Illinois Environmental Protection Agency to address the allegations and, in November 2014, entered into a consent decree with these parties in federal district court in the Southern District of Illinois. The consent decree included a civil penalty paid in December 2014, and a commitment to undertake capital projects to improve reliability and enhance environmental performance. The Haverhill project was completed in 2016, but completion of the Granite City project was delayed to June 2019, with SunCoke agreeing to pay an immaterial amount associated with the delay.

Between 2010 and 2016, SunCoke Energy also received certain NOVs, Findings of Violations (“FOVs”), and information requests from the EPA, alleging violations of air operating permit conditions related to our Indiana Harbor cokemaking facility. To reach a settlement of these NOVs and FOVs, we met regularly with the EPA, the Indiana Department of Environmental Management and Cokenergy, LLC., an independent power producer that processes hot flue gas from our Indiana Harbor facility to reduce the sulfur and particulate content and produce steam and electricity. A consent decree among the parties was entered by the federal district court in the Northern District of Indiana during the fourth quarter of 2018. The settlement included a civil penalty paid in the fourth quarter of 2018, and implementation of certain capital projects, completed during the fourth quarter of 2019, to improve reliability and environmental performance of the coke ovens at the facility.

The Company is a party to certain other pending and threatened claims, including matters related to commercial disputes, employment claims, personal injury claims, common law tort claims, and environmental claims. Although the ultimate outcome of these claims cannot be ascertained at this time, it is reasonably possible that some portion of these claims could be resolved unfavorably to the Company. Management of the Company believes that any liability which may arise from these claims would not have a material adverse impact on our consolidated financial statements. SunCoke's threshold

for disclosing material environmental legal proceedings involving a government authority where potential monetary sanctions are involved is \$1 million.

Black Lung Benefit Liabilities

The Company has obligations related to coal workers' pneumoconiosis, or black lung, benefits to certain of its former coal miners and their dependents. Such benefits are provided for under Title IV of the Federal Coal Mine and Safety Act of 1969 and subsequent amendments, as well as for black lung benefits provided in the states of Virginia, Kentucky and West Virginia pursuant to workers' compensation legislation. The Patient Protection and Affordable Care Act ("PPACA"), which was implemented in 2010, amended previous legislation related to coal workers' black lung obligations. PPACA provides for the automatic extension of awarded lifetime benefits to surviving spouses and changes the legal criteria used to assess and award claims.

We adjust our liability each year based upon actuarial calculations of our expected future payments for these benefits. Our independent actuarial consultants calculate the present value of the estimated black lung liability annually based on actuarial models utilizing our population of former coal miners, historical payout patterns of both the Company and the industry, actuarial mortality rates, medical costs, death benefits, dependents, discount rates and the current federally mandated payout rates. The estimated liability may be impacted by future changes in the statutory mechanisms, modifications by court decisions and changes in filing patterns driven by perceptions of success by claimants and their advisors, the impact of which cannot be estimated.

The following table summarizes discount rates utilized, active claims and the total black lung liabilities:

	December 31,	
	2021	2020
Discount rate ⁽¹⁾	2.4 %	2.0 %
Active claims	332	309
Total black lung liability (dollars in millions) ⁽²⁾	\$ 63.3	\$ 64.6

- (1) The discount rate is determined based on a portfolio of high-quality corporate bonds with maturities that are consistent with the estimated duration of our black lung obligations. A decrease of 25 basis points in the discount rate would have increased black lung expense by \$1.4 million in 2021.
- (2) The current portion of the black lung liability was \$5.4 million and \$4.6 million at December 31, 2021 and 2020, respectively, and was included in accrued liabilities on the Consolidated Balance Sheets.

The following table summarizes annual black lung payments and expense:

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Payments	\$ 4.4	\$ 6.0	\$ 5.2
Expense ⁽¹⁾	\$ 3.1	\$ 15.4	\$ 10.9

- (1) Expenses incurred in excess of annual accretion of the black lung liability in 2020 and 2019 primarily reflect the impact of changes in discount rates as well as increases in expected future claims as a result of higher refiling and approval rate assumptions.

On February 1, 2013, SunCoke obtained commercial insurance for black lung claims in excess of a deductible for employees with a last date of employment after that date. Also during 2013, we were reauthorized to continue to self-insure black lung liabilities incurred prior to February 1, 2013 by the U.S. Department of Labor's Division of Coal Mine Workers' Compensation ("DCMWC") in exchange for \$8.4 million of collateral. In July 2019, the DCMWC required that SunCoke, along with a number of other companies, file an application and supporting documentation for reauthorization to self-insure our legacy black lung obligations incurred prior to February 1, 2013. The Company provided the requested information in the fourth quarter of 2019. The DCMWC subsequently notified the Company in a letter dated February 21, 2020 that the Company was reauthorized to self-insure certain of its black lung obligations; however, the reauthorization is contingent upon the Company providing collateral of \$40.4 million to secure certain of its black lung obligations. This proposed collateral requirement is a substantial increase from the \$8.4 million in collateral that the Company currently provides to secure these self-insured black lung obligations. The reauthorization process provided the Company with the right to appeal the security determination. SunCoke exercised its right to appeal the DCMWC's security determination and provided

additional information supporting the Company's position in May 2020 and February 2021. If the Company's appeal is unsuccessful, the Company may be required to provide additional collateral to receive the self-insurance reauthorization from the DCMWC, which could potentially reduce the Company's liquidity.

14. Leases

The Company leases land, office space, equipment, railcars and locomotives. Arrangements are assessed at inception to determine if a lease exists and, with the adoption of ASC 842, "Leases," right-of-use ("ROU") assets and lease liabilities are recognized based on the present value of lease payments over the lease term. Because the Company's leases do not provide an implicit rate of return, the Company uses its incremental borrowing rate at the inception of a lease to calculate the present value of lease payments. Our incremental borrowing rate is determined through market sources for secured borrowings and approximates the interest rate at which we could borrow on a collateralized basis with similar terms and payments in similar economic environments. The Company has elected to apply the short-term lease exception for all asset classes, therefore, excluding all leases with a term of less than 12 months from the balance sheet, and will recognize the lease payments in the period they are incurred. Additionally, the Company elected the practical expedient to account for lease and non-lease components of an arrangement, such as assets and services, as a single lease component for all asset classes on existing leases upon the adoption of ASC 842.

Certain of our long-term leases include one or more options to renew or to terminate, with renewal terms that can extend the lease term from one month to 50 years. The impact of lease renewals or terminations are included in the expected lease term to the extent the Company is reasonably certain to exercise the renewal or termination. The Company's finance leases are immaterial to our consolidated financial statements.

The components of lease expense were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
	(Dollars in millions)	
Operating leases:		
Cost of products sold and operating expenses	\$ 1.9	\$ 1.8
Selling, general and administrative expenses	0.5	0.5
	<u>\$ 2.4</u>	<u>\$ 2.3</u>
Short-term leases:		
Cost of products sold and operating expenses ⁽¹⁾⁽²⁾	6.0	6.4
Total lease expense	<u>\$ 8.4</u>	<u>\$ 8.7</u>

(1) Includes expenses for month-to-month equipment leases, which are classified as short-term as the Company is not reasonably certain to renew the lease term beyond one month.

(2) Includes variable lease expenses, which are immaterial to the consolidated financial statements.

Supplemental balance sheet information related to leases was as follows:

	Financial Statement Classification	December 31, 2021	December 31, 2020
		(Dollars in millions)	
Operating ROU assets	Deferred charges and other assets	\$ 12.9	\$ 10.8
Operating lease liabilities:			
Current operating lease liabilities	Accrued liabilities	\$ 1.9	\$ 2.0
Noncurrent operating lease liabilities	Other deferred credits and liabilities	9.8	8.2
Total operating lease liabilities		<u>\$ 11.7</u>	<u>\$ 10.2</u>

The weighted average remaining lease term and weighted average discount rate were as follows:

	December 31, 2021	December 31, 2020
Weighted average remaining lease term of operating leases	6.7 years	7.3 years
Weighted average discount rate of operating leases	4.2 %	4.7 %

Supplemental cash flow information related to leases was as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
	(Dollars in millions)	
Operating cash flow information:		
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 2.7	\$ 2.3
Non-cash activity:		
ROU assets obtained in exchange for new operating lease liabilities	\$ 3.9	\$ 0.2

Maturities of operating lease liabilities as of December 31, 2021 are as follows:

	(Dollars in millions)	
Year ending December 31:		
2022		\$ 2.2
2023		2.2
2024		2.1
2025		2.0
2026		1.5
2027-Thereafter		3.5
Total lease payments		13.5
Less: imputed interest		1.8
Total lease liabilities		\$ 11.7

15. Accumulated Other Comprehensive Loss

The following tables set forth the changes in the balance of accumulated other comprehensive loss, net of tax, by component:

	Benefit Plans	Currency Translation Adjustments	Total
	(Dollars in millions)		
At December 31, 2019	\$ (6.7)	\$ (7.7)	\$ (14.4)
Other comprehensive income (loss) before reclassifications / adjustments	0.1	(1.2)	(1.1)
Retirement benefit plans funded status adjustment	(1.6)	—	(1.6)
Net current period change in accumulated other comprehensive loss	(1.5)	(1.2)	(2.7)
At December 31, 2020	\$ (8.2)	\$ (8.9)	\$ (17.1)
Other comprehensive income (loss) before reclassifications / adjustments	0.3	(0.9)	(0.6)
Retirement benefit plans funded status adjustment	1.0	—	1.0
Net current period change in accumulated other comprehensive loss	1.3	(0.9)	0.4
At December 31, 2021	\$ (6.9)	\$ (9.8)	\$ (16.7)

The tax benefit associated with the Company's benefit plans as of December 31, 2021 and 2020 was \$2.0 million and \$2.4 million, respectively.

The (decrease) increase in net income due to reclassification adjustments from accumulated other comprehensive income were as follows⁽¹⁾:

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Amortization of benefit plans to net income: ⁽²⁾			
Actuarial loss	\$ (0.8)	\$ (0.6)	\$ (0.6)
Prior service benefit	0.4	0.5	0.6
Total before taxes	(0.4)	(0.1)	—
Income tax	0.1	—	—
Total, net of tax	\$ (0.3)	\$ (0.1)	\$ —

(1) Amounts in parentheses indicate debits to net income.

(2) These accumulated other comprehensive (income) loss components are included in the computation of postretirement benefit plan expense (benefit) and included in interest expense, net on the Consolidated Statements of Operations. See Note 10.

16. Share-Based Compensation

Equity Classified Awards

The SunCoke Energy, Inc. Long-Term Performance Enhancement Plan (“SunCoke LTPEP”) provides for the grant of equity-based awards including stock options and share units, or restricted stock, to the Company’s directors, officers, and other employees, advisors, and consultants who are selected by the plan committee for participation in the SunCoke LTPEP. All awards vest immediately upon a change in control and a qualifying termination of employment as defined by the SunCoke LTPEP. The plan authorizes the issuance of (i) 1,600,000 shares of SunCoke Energy common stock issuable upon the adjustment of Sunoco, Inc. equity awards in connection with the Separation and Distribution Agreement between Sunoco, Inc. and SunCoke and (ii) up to 7,500,000 shares, which reflects the 6,000,000 shares initially authorized under the Plan and an additional 1,500,000 shares to be issued under the Plan pursuant to an amendment effective February 14, 2018, of SunCoke Energy, Inc. common stock pursuant to new awards under the SunCoke LTPEP.

The Company measures the cost of employee services in exchange for an award of equity instruments based on the grant-date fair value of the award. The performance metrics of equity awards are remeasured on a quarterly basis for updates to the probability of achievement. The market metrics of equity awards are not remeasured. The total cost is recognized over the requisite service period. Award forfeitures are accounted for as they occur.

Stock Options

There were no stock options granted by the Company during the years ended December 31, 2021 and 2020, respectively. The Company granted the following stock options during the year ended December 31, 2019, with an exercise price equal to the closing price of our common stock on the date of grant:

Traditional stock options:	Number of Shares	Weighted Average Per Share	
		Exercise Price	Weighted Average Grant Date Fair Value
2019 grant	267,897	\$ 9.87	\$ 4.09

The stock options vest in three equal annual installments beginning one year from the date of grant. The stock options expire ten years from the date of grant.

The Company calculates the value of each employee stock option, estimated on the date of grant, using the Black-Scholes option pricing model. The weighted-average fair value of employee stock options granted during the year ended December 31, 2019 was based on using the following weighted-average assumptions:

	<u>Year Ended December 31,</u>
	<u>2019</u>
Risk free interest rate	2 %
Expected term	6 years
Volatility	53 %
Dividend yield	2 %

The risk-free interest rate assumption is based on the U.S. Treasury yield curve at the date of grant for periods which approximate the expected life of the option. The expected term of the employee options represent the average contractual term adjusted by the average vesting period of each option tranche. We based our expected volatility on our historical volatility over our entire available trading history. The dividend yield assumption is based on the Company's expectation of dividend payouts at the time of grant.

The following table summarizes information with respect to common stock option awards outstanding as of December 31, 2021 and stock option activity during the fiscal year then ended:

	<u>Number of</u>	<u>Weighted</u>	<u>Weighted Average</u>	<u>Aggregate</u>
	<u>Options</u>	<u>Average</u>	<u>Remaining Contractual</u>	<u>Intrinsic Value (millions)</u>
		<u>Exercise Price</u>	<u>Term (years)</u>	
Outstanding at December 31, 2020	3,100,860	\$ 15.02	3.2	\$ 0.1
Exercised	(93,887)	\$ 3.80		
Forfeited	(12,836)	\$ 9.87		
Expired	(906,632)	17.24		
Outstanding at December 31, 2021	<u>2,087,505</u>	<u>\$ 14.59</u>	3.2	\$ 0.1
Exercisable at December 31, 2021	1,999,381	\$ 14.80	2.8	\$ 0.1
Expected to vest at December 31, 2021	88,124	\$ 9.87	7.1	\$ —

Intrinsic value for stock options is defined as the difference between the current market value of our common stock and the exercise price of the stock options. Total intrinsic value of stock options exercised in 2021 was \$0.3 million. In 2020 the amount was immaterial and there were no stock options exercised during 2019.

Restricted Stock Units

The Company granted the following restricted stock units ("RSUs") during the years ended December 31, 2021, 2020 and 2019:

	<u>Number of RSUs</u>	<u>Weighted Average</u>	<u>Grant Date Fair Value</u>
		<u>per Unit</u>	<u>(Dollars in millions)</u>
2021 grants	463,476	\$ 6.72	\$ 3.1
2020 grants	304,332	\$ 6.04	\$ 1.8
2019 grants	136,425	\$ 9.87	\$ 1.3

The RSUs vest in three annual installments beginning one year from the date of grant.

The following table summarizes information with respect to RSUs outstanding as of December 31, 2021 and RSU activity during the fiscal year then ended:

	Number of RSUs		Weighted Average Grant- Date Fair Value per Unit
Nonvested at December 31, 2020	405,987	\$	7.02
Granted	463,476	\$	6.72
Vested	(157,626)	\$	7.45
Forfeited	(143,819)	\$	6.83
Nonvested at December 31, 2021	568,018	\$	6.70

Total grant date fair value of RSUs vested was \$1.2 million, \$0.6 million and \$0.2 million during 2021, 2020 and 2019, respectively.

Performance Share Units

The Company grants performance share units ("PSUs"), which represent the right to receive shares of the Company's common stock, contingent upon the attainment of Company performance and market goals and continued employment.

The Company granted the following PSUs during the years ended December 31, 2021, 2020 and 2019:

	Number of PSUs	Fair Value per Unit	Grant Date Fair Value
			(Dollars in millions)
2021 grant ⁽¹⁾	177,176	\$ 7.60	\$ 1.3
2020 grant ⁽¹⁾	228,248	\$ 6.70	\$ 1.5
2019 grant ⁽¹⁾	227,378	\$ 10.79	\$ 2.5

(1) The service period for the 2021, 2020, and 2019 PSUs ends on December 31, 2023, 2022 and 2021, and the awards will vest during the first quarter of 2024, 2023 and 2022, respectively. The service period for certain retiree eligible participants is accelerated.

The PSU grants were split 50/50 between the Company's three-year cumulative Adjusted EBITDA performance measure and the Company's three-year average pre-tax return on capital ("ROIC") performance measure for its coke and logistics businesses and unallocated corporate expenses. The number of PSUs ultimately awarded will be determined by the Adjusted EBITDA and ROIC performance versus targets and the Company's three-year total shareholder return ("TSR") as compared to the TSR of the companies making up the Nasdaq Iron & Steel Index ("TSR Modifier"). The TSR Modifier can impact the payout (between 75 percent and 125 percent of the 2021 and 2020 awards, and between 25 percent and 125 percent of the 2019 award) of the Company's final performance measure results. The award may vest between zero and 250 percent of the original units granted. The fair value of the PSUs granted is based on the closing price of our common stock on the date of grant as well as a Monte Carlo simulation for the valuation of the TSR Modifier.

The following table summarizes information with respect to unearned PSUs outstanding as of December 31, 2021 and PSU activity during the fiscal year then ended:

	Number of PSUs		Weighted Average Grant- Date Fair Value per Unit
Nonvested at December 31, 2020	685,303	\$	9.76
Granted	177,176	\$	7.60
Performance adjustments	(70,321)		11.74
Vested	(168,854)	\$	11.74
Forfeited	(96,289)	\$	8.42
Nonvested at December 31, 2021	527,015		8.38

Liability Classified Awards

Restricted Stock Units Settled in Cash

During the years ended December 31, 2021, 2020 and 2019, the Company issued 230,056, 263,998 and 147,851 restricted stock units to be settled in cash ("Cash RSUs"), respectively, which vest in three annual installments beginning one year from the grant date. The weighted average grant date fair value of the Cash RSUs granted during the years ended December 31, 2021, 2020 and 2019, was \$6.68, \$6.04 and \$9.66, respectively, and was based on the closing price of our common stock on the day of grant. The Cash RSU liability at December 31, 2021 was adjusted based on the closing price of our common stock on December 31, 2021 of \$6.59 per share.

The Cash RSU liability is adjusted based on the closing price of our common stock at the end of each quarterly period and was \$1.9 million at December 31, 2021 and was \$1.1 million December 31, 2020.

Cash Incentive Award

The Company also granted share-based compensation to eligible participants under the SunCoke Energy, Inc. Long-Term Cash Incentive Plan ("SunCoke LTCIP"), which became effective January 1, 2016. The SunCoke LTCIP is designed to provide for performance-based, cash-settled awards. All awards vest immediately upon a change in control and a qualifying termination of employment as defined by the SunCoke LTCIP.

The Company issued a grant date fair value award of \$2.1 million, \$2.0 million and \$0.6 million during the years ended December 31, 2021, 2020 and 2019, respectively, for which the service periods end on December 31, 2023, 2022 and 2021, respectively, and the awards will vest during the first quarter of 2024, 2023 and 2022, respectively. The service period for certain retiree eligible participants is accelerated. The 2019 award is split 50/50 between the Company's three-year cumulative Adjusted EBITDA performance and the Company's three-year average pre-tax return on capital performance measure for its coke and logistics businesses and unallocated corporate expense, consistent with the PSU awards. The 2021 and 2020 awards are also split 50/50 between the Adjusted EBITDA and ROIC metrics, consistent with the PSU awards, but is not impacted by the TSR modifier. See above for details.

The cash incentive award liability at December 31, 2021 was adjusted based on the Company's three-year cumulative Adjusted EBITDA performance and adjusted average pre-tax return on capital for the Company's coke and logistics businesses and unallocated corporate expenses. The cash incentive award liability was \$4.1 million at December 31, 2021 and \$1.3 million at December 31, 2020.

Summary of Share-Based Compensation Expense

Below is a summary of the compensation expense, unrecognized compensation costs, the period for which the unrecognized compensation cost is expected to be recognized over and the estimated forfeiture rate for each award:

	Years Ended December 31,						December 31, 2021	
	2021	2020	2019	2021	2020	2019	Unrecognized Compensation Cost	Weighted Average Remaining Recognition Period
	Compensation Expense ⁽¹⁾						Net of tax	
	(Dollars in millions)						(Dollars in millions)	(Years)
Equity Awards:								
Stock Options	\$ 0.1	\$ 0.3	\$ 1.1	\$ 0.1	\$ 0.3	\$ 0.9	\$ 0.1	0.2
RSUs	2.3	1.9	1.0	1.8	1.5	0.9	0.3	1.9
PSUs	3.4	1.5	2.2	2.6	1.2	1.8	2.2	1.1
Total equity awards	\$ 5.8	\$ 3.7	\$ 4.3	\$ 4.5	\$ 3.0	\$ 3.6		
Liability Awards:								
Cash RSUs	\$ 1.7	\$ 0.8	\$ 0.9	\$ 1.3	\$ 0.6	\$ 0.7	\$ 1.0	1.8
Cash incentive award	3.4	0.6	0.4	2.6	0.4	0.3	3.4	1.4
Total liability awards	\$ 5.1	\$ 1.4	\$ 1.3	\$ 3.9	\$ 1.0	\$ 1.0		

(1) Compensation expense is recognized by the Company in selling, general and administrative expenses on the Consolidated Statements of Operations.

The Company issued \$0.3 million, \$0.1 million, and \$0.2 million of share-based compensation to the Company's Board of Directors during the years ended December 31, 2021, 2020 and 2019, respectively.

17. Earnings Per Share

Basic earnings per share ("EPS") has been computed by dividing net income (loss) available to SunCoke Energy, Inc. by the weighted average number of shares outstanding during the period. Except where the result would be anti-dilutive, diluted earnings per share has been computed to give effect to share-based compensation awards using the treasury stock method.

The following table sets forth the reconciliation of the weighted-average number of common shares used to compute basic earnings per share to those used to compute diluted EPS:

	Years Ended December 31,		
	2021	2020	2019
	(Shares in millions)		
Weighted-average number of common shares outstanding-basic	83.0	83.0	76.8
Add: effect of dilutive share-based compensation awards	0.7	0.2	—
Weighted-average number of shares-diluted	<u>83.7</u>	<u>83.2</u>	<u>76.8</u>

The following table shows stock options, restricted stock units, and performance stock units that are excluded from the computation of diluted earnings per share as the shares would have been anti-dilutive:

	Years Ended December 31,		
	2021	2020	2019
	(Shares in millions)		
Stock options	2.5	3.2	3.0
Restricted stock units	—	0.2	0.1
Performance stock units	—	0.3	0.4
Total	<u>2.5</u>	<u>3.7</u>	<u>3.5</u>

18. Fair Value Measurements

The Company measures certain financial and non-financial assets and liabilities at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. Fair value disclosures are reflected in a three-level hierarchy, maximizing the use of observable inputs and minimizing the use of unobservable inputs.

The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels are defined as follows:

- Level 1—inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.
- Level 2—inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are 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 of the asset or liability.

Financial Assets and Liabilities Measured at Fair Value on a Recurring Basis

Cash and Cash Equivalents

Certain assets and liabilities are measured at fair value on a recurring basis. The Company's cash and cash equivalents were measured at fair value at December 31, 2021 and December 31, 2020 based on quoted prices in active markets for identical assets. These inputs are classified as Level 1 within the valuation hierarchy.

CMT Contingent Consideration

In connection with the CMT acquisition, the Company entered into a contingent consideration arrangement that required us to make future payments through 2022 to The Cline Group based on future volume over a specified threshold, price and contract renewals. Prior to the termination of the related contract in 2020, the fair value of the contingent consideration was estimated based on a probability-weighted analysis using significant inputs that are not observable in the market, or Level 3 inputs. Due to the change in market and customer conditions in 2019, further described in Note 8, we decreased our forecasted projections, which were classified as Level 3 inputs. The decrease in forecasted projections, as well as a payment made in 2019, resulted in a reduction of the contingent consideration liability, primarily included in other deferred credits and liabilities on the Consolidated Balance Sheets, to zero at December 31, 2019. Changes in fair value were recorded to costs of products sold and operating expenses on the Consolidated Statements of Operations during 2019.

Certain Financial Assets and Liabilities not Measured at Fair Value

At December 31, 2021 and 2020, the fair value of the Company's long-term debt was estimated to be \$625.1 million and \$683.9 million, respectively, compared to a carrying amount of \$627.0 million and \$690.5 million, respectively. These fair values were estimated by management based upon estimates of debt pricing provided by financial institutions which are considered Level 2 inputs.

19. Revenue from Contracts with Customers

Cokemaking

Our coke sales are largely made pursuant to long-term, take-or-pay agreements with Cliffs Steel and U.S. Steel, who are two of the largest blast furnace steelmakers in North America. Additionally, SunCoke entered into a five year take-or-pay agreement with Algoma Steel beginning in 2022, with average sales of approximately 150 thousand tons of blast furnace coke per year, further diversifying our customer base. These agreements require us to produce and deliver the contracted volumes of coke and require our customers to purchase such volumes of coke up to a specified tonnage or pay the contract price for any tonnage they elect not to take. As of December 31, 2021, our coke sales agreements have approximately 14.7 million tons of unsatisfied or partially unsatisfied performance obligations, which are expected to be delivered over a weighted average remaining contract term of approximately six years.

Our coke sales prices include an operating cost component, a coal cost component and a return of capital component. Operating costs under three of our coke sales agreements are fixed subject to an annual adjustment based on an inflation index. Under our other four coke sales agreements, operating costs are passed through to the respective customers subject to an annually negotiated budget, in some cases subject to a cap annually adjusted for inflation, and we share any difference in costs from the budgeted amounts with our customers. Our coke sales agreements contain pass-through provisions for coal and coal procurement costs, subject to meeting contractual coal-to-coke yields. To the extent that the actual coal-to-coke yields are less than the contractual standard, we are responsible for the cost of the excess coal used in the cokemaking process. Conversely, to the extent our actual coal-to-coke yields are higher than the contractual standard, we realize gains. The reimbursement of pass-through operating and coal costs from these coke sales agreements are considered to be variable consideration components included in the cokemaking sales price. The return of capital component for each ton of coke sold to the customer is determined at the time the coke sales agreement is signed and is effective for the term of each sales agreement. This component of our coke sales prices is intended to provide an adequate return on invested capital and may differ based on investment levels and other considerations. The actual return on invested capital at any facility is also impacted by favorable or unfavorable performance on pass-through cost items. Revenues are recognized when performance obligations to our customers are satisfied in an amount that reflects the consideration that we expect to receive in exchange for the coke.

Foundry and Export Coke

Foundry coke sales are generally made under annual agreements with our customers for an agreed upon price and do not contain take-or-pay volume commitments. Export coke sales are generally made on a spot basis at the current market price.

Logistics

In our logistics business, handling and/or mixing services are provided to steel, coke (including some of our domestic cokemaking facilities), electric utility, coal producing and other manufacturing based customers. Materials are transported in numerous ways, including rail, truck, barge or ship. We do not take possession of materials handled, but rather act as intermediaries between our customers and end users, deriving our revenues from services provided on a per ton basis. The handling and mixing services consist primarily of two performance obligations, unloading and loading of materials.

Revenues are recognized when the customer receives the benefits of the services provided, in an amount that reflects the consideration that we will receive in exchange for those services.

Estimated take-or-pay revenue of approximately \$24.3 million from all of our multi-year logistics contracts is expected to be recognized over the next two years for unsatisfied or partially unsatisfied performance obligations as of December 31, 2021.

Energy

Our energy sales are made pursuant to either steam or energy supply and purchase agreements or is sold into the regional power market. Our cokemaking ovens utilize efficient, modern heat recovery technology designed to combust the coal's volatile components liberated during the cokemaking process and use the resulting heat to create steam or electricity for sale. The energy provided under these arrangements results in transfer of control over time. Revenues are recognized over time as energy is delivered to our customers, in an amount based on the terms of each arrangement.

Operating and Licensing Fees

Operating and licensing fees are made pursuant to long-term contracts with ArcelorMittal Brazil, where we operate a Brazilian cokemaking facility. The licensing fees are based upon the level of production required by our customer as well as a fixed annual fee. Operating fees include the full pass-through of the operating costs of the Brazilian facility as well as a per ton fee based on the level of production required by our customer. Revenues are recognized over time as our customers receive and consume the benefits in an amount that corresponds directly with the value provided to the customer to date.

Disaggregated Sales and Other Operating Revenue

The following table provides disaggregated sales and other operating revenue by product or service, excluding intersegment revenues:

	Years Ended December 31,		
	2021	2020	2019
	(Dollars in millions)		
Sales and other operating revenue:			
Cokemaking	\$ 1,293.6	\$ 1,218.9	\$ 1,434.9
Energy	56.1	43.6	51.1
Logistics	64.3	35.5	72.1
Operating and licensing fees	36.6	31.6	38.4
Other	5.4	3.4	3.8
Sales and other operating revenue	\$ 1,456.0	\$ 1,333.0	\$ 1,600.3

Disaggregated sales and other operating revenue by customer is discussed in Note 4.

20. Business Segment Information

The Company reports its business through three segments: Domestic Coke, Brazil Coke and Logistics. The Domestic Coke segment includes the Jewell, Indiana Harbor, Haverhill, Granite City and Middletown cokemaking facilities. Each of these facilities produces coke, and all facilities except Jewell recover waste heat, which is converted to steam or electricity through a similar production process.

The Brazil Coke segment includes the licensing and operating fees payable to us under long-term contracts with ArcelorMittal Brazil, under which we operate a cokemaking facility located in Vitória, Brazil through at least the second quarter of 2023.

Logistics operations are comprised of CMT, KRT, Lake Terminal, which provides services to our Indiana Harbor cokemaking facility, and DRT, which provides services to our Jewell cokemaking facility. Handling and mixing results are presented in the Logistics segment.

Corporate expenses that can be identified with a segment have been included in determining segment results. The remainder is included in Corporate and Other, which also includes activity from our legacy coal mining business.

Segment assets are those assets utilized within a specific segment and exclude taxes.

The following table includes Adjusted EBITDA, as defined below, which is the measure of segment profit or loss reported to the chief operating decision maker for purposes of allocating resources to the segments and assessing their performance:

	Years Ended December 31,		
	2021	2020	2019
(Dollars in millions)			
Sales and other operating revenue:			
Domestic Coke	\$ 1,354.5	\$ 1,265.4	\$ 1,489.1
Brazil Coke	36.6	31.6	38.4
Logistics	64.9	36.0	72.8
Logistics intersegment sales	27.1	22.1	26.3
Elimination of intersegment sales	(27.1)	(22.1)	(26.3)
Total sales and other operating revenue	\$ 1,456.0	\$ 1,333.0	\$ 1,600.3
Adjusted EBITDA:			
Domestic Coke	\$ 243.4	\$ 217.0	\$ 226.7
Brazil Coke	17.2	13.5	16.0
Logistics	43.5	17.3	42.6
Corporate and Other ⁽¹⁾	(28.7)	(41.9)	(37.4)
Total Adjusted EBITDA	\$ 275.4	\$ 205.9	\$ 247.9
Depreciation and amortization expense:			
Domestic Coke	\$ 119.0	\$ 119.1	\$ 120.5
Brazil Coke	0.4	0.5	0.6
Logistics	13.3	12.8	21.4
Corporate and Other	1.2	1.3	1.3
Total depreciation and amortization expense	\$ 133.9	\$ 133.7	\$ 143.8
Capital expenditures:			
Domestic Coke	\$ 83.1	\$ 60.0	\$ 105.2
Brazil Coke	0.3	0.4	0.3
Logistics	14.7	13.5	4.6
Corporate and Other	0.5	—	—
Total capital expenditures	\$ 98.6	\$ 73.9	\$ 110.1

(1) Corporate and Other includes the activity from our legacy coal mining business, which incurred Adjusted EBITDA losses of \$1.9 million, \$13.2 million, and \$11.2 million for the years ended December 31, 2021, 2020 and 2019, respectively. Additionally, Corporate and Other includes foundry related research and development costs of \$3.9 million during 2020.

The following table sets forth the Company's segment assets:

	December 31,	
	2021	2020
(Dollars in millions)		
Segment assets:		
Domestic Coke	\$ 1,370.6	\$ 1,358.9
Brazil Coke	18.0	17.7
Logistics	202.9	199.5
Corporate and Other	23.9	31.8
Segment assets, excluding income tax receivable	1,615.4	1,607.9
Tax receivable	—	5.5
Total assets	\$ 1,615.4	\$ 1,613.4

The Company evaluates the performance of its segments based on segment Adjusted EBITDA, which is defined as earnings before interest, taxes, depreciation and amortization ("EBITDA"), adjusted for any impairments, restructuring costs, gains or losses on extinguishment of debt, changes to our contingent consideration liability related to our acquisition of CMT and/or transaction costs incurred as part of the Simplification Transaction. EBITDA and Adjusted EBITDA do not represent and should not be considered alternatives to net income under GAAP and may not be comparable to other similarly titled measures in other businesses.

Management believes Adjusted EBITDA is an important measure in assessing operating performance. Adjusted EBITDA provides useful information to investors because it highlights trends in our business that may not otherwise be apparent when relying solely on GAAP measures and because it eliminates items that have less bearing on our operating performance. EBITDA and Adjusted EBITDA are not measures calculated in accordance with GAAP, and they should not be considered a substitute for net income, or any other measure of financial performance presented in accordance with GAAP. Additionally, other companies may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Below is the reconciliation of Adjusted EBITDA to net income (loss), which is its most directly comparable financial measure calculated and presented in accordance with GAAP:

	Years Ended December 31,		
	2021	2020	2019
(Dollars in millions)			
Net income (loss) attributable to SunCoke Energy, Inc.	\$ 43.4	\$ 3.7	\$ (152.3)
Add: Net income attributable to noncontrolling interests	5.4	5.1	3.9
Net income (loss)	\$ 48.8	\$ 8.8	\$ (148.4)
Add:			
Long-lived asset and goodwill impairment	—	—	247.4
Depreciation and amortization expense	133.9	133.7	143.8
Interest expense, net	42.5	56.3	60.3
Loss (gain) on extinguishment of debt, net	31.9	(5.7)	(1.5)
Income tax expense (benefit)	18.3	10.3	(54.7)
Contingent consideration adjustments ⁽¹⁾	—	—	(4.2)
Restructuring costs ⁽²⁾	—	2.5	—
Simplification Transaction costs ⁽³⁾	—	—	5.2
Adjusted EBITDA	\$ 275.4	\$ 205.9	\$ 247.9
Subtract: Adjusted EBITDA attributable to noncontrolling interests ⁽⁴⁾	9.3	9.1	40.7
Adjusted EBITDA attributable to SunCoke Energy, Inc.	\$ 266.1	\$ 196.8	\$ 207.2

(1) In connection with the CMT acquisition, the Company entered into a contingent consideration arrangement that requires the Company to make future payments to the seller based on future volume over a specified threshold, price and contract

renewals. Adjustments to the fair value of the contingent consideration were primarily the result of modifications to the volume forecast. This liability was written to zero during the third quarter of 2019, and the related contract was terminated in 2020. See Note 18.

- (2) Charges related to a company-wide restructuring and cost-reduction initiative.
- (3) Costs expensed primarily by the Partnership associated with the Simplification Transaction.
- (4) Reflects noncontrolling interests in Indiana Harbor and the portion of the Partnership owned by public unitholders prior to the Simplification Transaction.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Management's Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, is responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Report on Internal Control over Financial Reporting

Our management, with the participation of our principal executive officer and principal financial officer, is responsible for establishing and maintaining adequate internal control over our financial reporting, as such term is defined under Exchange Act Rule 13a-15(f). Our internal control system was designed to provide reasonable assurance to management regarding the preparation and fair presentation of published financial statements.

In evaluating the effectiveness of our internal control over financial reporting as of December 31, 2021, management used the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control - Integrated Framework* (2013). Based on such evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2021.

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, misstatements, errors, and instances of fraud, if any, within our company have been or will be prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls also can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks that internal controls may become inadequate as a result of changes in conditions, or through the deterioration of the degree of compliance with policies or procedures.

Our independent registered public accounting firm KPMG LLP, issued an attestation report on our internal control over financial reporting, which is contained in Item 8, "Financial Statements and Supplementary Data."

Changes in Internal Control over Financial Reporting

There was no change in the Company's internal control over financial reporting that occurred during the year ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any material impact to our internal controls over financial reporting due to COVID-19. We are continually monitoring and assessing the effects of COVID-19 on our internal controls to minimize the impact to their design and operating effectiveness.

Item 9B. Other Information

None

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required to be disclosed by this item is incorporated herein by reference to our definitive proxy statement for the 2022 Annual Meeting of the Stockholders (the "2022 Proxy Statement"), which we expect to file with the SEC within 120 days after the end of our fiscal year ended December 31, 2021.

Item 11. Executive Compensation

The information required to be disclosed by this item is incorporated herein by reference to our 2022 Proxy Statement, which we expect to file with the SEC within 120 days after the end of our fiscal year ended December 31, 2021.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required to be disclosed by this item is incorporated herein by reference to our 2022 Proxy Statement, which we expect to file with the SEC within 120 days after the end of our fiscal year ended December 31, 2021.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required to be disclosed by this item is incorporated herein by reference to our 2022 Proxy Statement, which we expect to file with the SEC within 120 days after the end of our fiscal year ended December 31, 2021.

Item 14. Principal Accounting Fees and Services

Our independent registered accounting firm is KPMG LLP, Chicago, IL, Auditor Firm ID: 185.

The information required to be disclosed by this item is incorporated herein by reference to our 2022 Proxy Statement, which we expect to file with the SEC within 120 days after the end of our fiscal year ended December 31, 2021.

PART IV

Item 15. Exhibits, Financial Statement Schedules

The following documents are filed as a part of this report:

Consolidated Financial Statements:

1 The consolidated financial statements are set forth under Item 8 of this report.

Financial Statements Schedules:

2 Financial statement schedules are omitted because required information is shown elsewhere in this report, is not necessary or is not applicable.

Exhibits:

3

- 2.3 [Agreement and Plan of Merger dated as of February 4, 2019 by and among SunCoke Energy, Inc., SC Energy Acquisition LLC, SunCoke Energy Partners, L.P., and SunCoke Energy Partners GP LLC. \(incorporated by reference herein to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed on February 5, 2019, File No. 001-35243\)](#)
- 3.1 [Amended and Restated Certificate of Incorporation of the Company \(incorporated by reference herein to Exhibit 3.1 to the Company's Amendment No. 4 to Registration Statement on Form S-1 filed on July 6, 2011, File No. 333-173022\)](#)
- 3.2 [Amended and Restated Bylaws of SunCoke Energy, Inc., effective as of February 1, 2016 \(incorporated by reference herein to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on February 2, 2016, File No. 001-35243\)](#)
- 4.1 [Form of Common Stock Certificate of the Registrant \(incorporated by reference herein to Exhibit 4.1 to the Company's Amendment No. 2 to Registration Statement on Form S-1, filed on June 3, 2011, File No. 333-173022\)](#)
- 4.2 [Description of the Registrant's Securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 \(incorporated by reference herein to Exhibit 4.2 to the Company's Annual Report on Form 10-K, filed on February 25, 2021, File No. 001-35243\)](#)
- 4.3 [Indenture, dated June 22, 2021, by and among SunCoke Energy, Inc., the subsidiary guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee and as notes collateral agent \(incorporated by reference herein to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on June 22, 2021, File No. 001-35243\)](#)
- 4.3.1 [Form of 4.875% Senior Secured Notes due 2029 \(included in Exhibit 4.3\)\(incorporated by reference herein to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed on June 22, 2021, File No. 001-35243\)](#)
- 10.1 [Second Amended and Restated Credit Agreement, dated August 5, 2019 by and among SunCoke Energy, Inc. and SunCoke Energy Partners, L.P. and certain other subsidiaries of SunCoke Energy, Inc., as joint and several borrowers, the several lenders party thereto from time to time and Bank of America, N.A., as administrative agent \(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K \(File No.: 001-35243\), filed on August 7, 2019\).](#)
- 10.2 [First Amendment to the Second Amended and Restated Credit Agreement, dated as of December 31, 2019 by and among SunCoke Energy, Inc. and SunCoke Energy Partners, L.P. and certain other subsidiaries of SunCoke Energy, Inc., as joint and several borrowers, the several lenders party thereto from time to time and Bank of America, N.A., as administrative agent \(incorporated by reference herein to Exhibit 10.2 to the Company's Annual Report on Form 10-K for the annual period ended December 31, 2019, filed on February 20, 2020, File No. 001-35243\)](#)
- 10.2.1 [Borrower Joinder Agreement, dated as of December 31, 2019 by and between SunCoke Energy Partners Finance Corp., SunCoke Energy, Inc., the other borrowers and Bank of America Administrative Agent \(incorporated by reference herein to Exhibit 10.2.1 to the Company's Annual Report on Form 10-K for the annual period ended December 31, 2019, filed on February 20, 2020, File No. 001-35243\)](#)
- 10.3* [Second Amendment to Second Amended and Restated Credit Agreement, dated June 22, 2021 among SunCoke Energy, Inc., the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent \(incorporated by reference herein to Exhibit 4.3 to the Company's Current Report on Form 8-K, filed on June 22, 2021, File No. 001-35243\)](#)
- 10.4** [SunCoke Energy, Inc. Annual Incentive Plan, amended and restated as of December 8, 2021 \(filed herewith\)](#)

10.5**	SunCoke Energy, Inc. Long-Term Performance Enhancement Plan, amended and restated effective as of February 14, 2018 (filed herewith)
10.5.1**	Form of Stock Option Agreement under the SunCoke Energy, Inc. Long-Term Performance Enhancement Plan by and between SunCoke Energy, Inc. and employees of SunCoke Energy, Inc. or one of its Affiliates (incorporated by reference herein to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 filed on April 27, 2016, File No. 001-35243)
10.5.2**	Amendment to Stock Option Agreements under the SunCoke Energy, Inc. Long-Term Performance Enhancement Plan, entered into as of July 18, 2013, applicable to all Stock Option Awards outstanding as of July 18, 2012 (incorporated by reference herein to Exhibit 10.23 to the Company's Annual Report on Form 10-K for the year ended December 31, 2012, filed on February 22, 2013, File No. 001-35243)
10.5.3**	Form of Performance Stock Option Agreement under the SunCoke Energy, Inc. Long-Term Performance Enhancement Plan by and between SunCoke Energy, Inc. and employees of SunCoke Energy, Inc. or one of its Affiliates (incorporated by reference herein to Exhibit 10.5.3 to the Company's Annual Report on Form 10-K, filed on February 16, 2017, File No. 001-35243)
10.5.4**	Form of Stock Settled Restricted Share Unit Agreement under the SunCoke Energy, Inc. Long-Term Performance Enhancement Plan by and between SunCoke Energy, Inc. and employees of SunCoke Energy, Inc. or one of its Affiliates (incorporated by reference herein to Exhibit 10.5.4 to the Company's Annual Report on Form 10-K, filed on February 25, 2021, File No. 001-35243)
10.5.5**	Form of Cash Settled Restricted Share Unit Agreement under the SunCoke Energy, Inc. Long-Term Performance Enhancement Plan by and between SunCoke Energy, Inc. and employees of SunCoke Energy, Inc. or one of its Affiliates (incorporated by reference herein to Exhibit 10.5.5 to the Company's Annual Report on Form 10-K, filed February 25, 2021, File No. 001-35243)
10.5.6**	Form of Performance Share Unit Agreement under the SunCoke Energy, Inc. Long-Term Performance Enhancement Plan by and between SunCoke Energy, Inc. and employees of SunCoke Energy, Inc. or one of its Affiliates (incorporated by reference herein to Exhibit 10.5.6 to the Company's Annual Report on Form 10-K, filed February 25, 2021, File No. 001-35243)
10.6**	SunCoke Energy, Inc. Long-Term Cash Incentive Plan (effective as of January 1, 2016) (incorporated by reference herein to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 filed on April 27, 2016, File No. 001-35243)
10.6.1**	Form of Award Agreement under the SunCoke Energy, Inc. Long-Term Cash Incentive Plan by and between SunCoke Energy, Inc. and employees of SunCoke Energy, Inc. or one of its Affiliates incorporated by reference herein to Exhibit 10.6.1 to the Company's Annual Report on Form 10-K, filed February 25, 2021, File No. 001-35243)
10.7**	SunCoke Energy, Inc. Savings Restoration Plan effective January 1, 2012 (incorporated by reference herein to Exhibit 10.1 to the Company's Form 8-K filed on December 9, 2011, File No. 001-35243)
10.7.1**	Amendment Number One to the SunCoke Energy, Inc. Savings Restoration Plan, effective as of January 1, 2012 (incorporated by reference herein to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 filed on May 2, 2012, File No. 001-35243)
10.7.2**	Second Amendment to the SunCoke Energy, Inc. Savings Restoration Plan, effective as of June 1, 2015 (incorporated by reference herein to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 filed on April 27, 2016, File No. 001-35243)
10.7.3**	Third Amendment to the SunCoke Energy, Inc. Savings Restoration Plan, effective as of January 1, 2016 (incorporated by reference herein to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 filed on April 27, 2016, File No. 001-35243)
10.7.4*	Fourth Amendment to the SunCoke Energy, Inc. Savings Restoration Plan, effective as of January 1, 2017 incorporated by reference herein to Exhibit 10.7.4 to the Company's Annual Report on Form 10-K, filed February 25, 2021, File No. 001-35243)

10.8**	SunCoke Energy, Inc. Special Executive Severance Plan, amended and restated effective as of December 8, 2021 (filed herewith)
10.9**	SunCoke Energy, Inc. Executive Involuntary Severance Plan, amended and restated effective as of December 8, 2021 (filed herewith)
10.10**	SunCoke Energy, Inc. Retainer Stock Plan for Outside Directors, effective as of June 1, 2011 (incorporated by reference herein to Exhibit 10.36 to the Company's Amendment No. 4 to Registration Statement on Form S-1 filed on July 6, 2011, File No. 333-173022)
10.11**	SunCoke Energy, Inc. Amended and Restated Directors' Deferred Compensation Plan, effective as of February 23, 2022 (filed herewith)
10.12**	Form of Indemnification Agreement, individually entered into between SunCoke Energy, Inc. and each director of the Company (incorporated by reference herein to Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2011 filed on November 2, 2011, File No. 001-35243)
10.13†	Amended and Restated Coke Supply Agreement, dated as of October 28, 2003, by and between Jewell Coke Company, L.P., ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.18 to the Company's Amendment No. 4 to Registration Statement on Form S-1 filed on July 6, 2011, File No. 333-173022)
10.13.1†	Amendment No. 1 to Amended and Restated Coke Supply Agreement, dated as of December 5, 2003, by and between Jewell Coke Company, L.P., ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.19 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)
10.13.2†	Letter Agreement, dated as of May 7, 2008, between ArcelorMittal USA Inc., Haverhill North Coke Company, Jewell Coke Company, L.P. and ISG Sparrows Point LLC, serving as (1) Amendment No. 2 to the Amended and Restated Coke Supply Agreement, by and between Jewell Coke Company, L.P., ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) and (2) Amendment No. 2 to the Coke Purchase Agreement, by and between Haverhill North Coke Company, ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.20 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)
10.13.3†	Amendment No. 3 to Amended and Restated Coke Supply Agreement, dated as of January 26, 2011, by and between Jewell Coke Company, L.P., ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.21 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)
10.13.4†	Amendment No. 7 to Coke Supply Agreement, dated July 30, 2020, by and among Jewell Coke Company, L.P., ArcelorMittal Cleveland LLC (f/k/a ArcelorMittal Cleveland Inc.) and ArcelorMittal USA LLC (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020, filed on November 6, 2020, File No. 001-35243)
10.14†	Coke Purchase Agreement, dated as of October 28, 2003, by and between Haverhill North Coke Company, ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.22 to the Company's Amendment No. 4 to Registration Statement on Form S-1 filed on July 6, 2011, File No. 333-173022)
10.14.1†	Amendment No. 1 to Coke Purchase Agreement, dated as of December 5, 2003, by and between Haverhill North Coke Company, ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.23 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)

10.14.2†	Amendment No. 3 to Coke Purchase Agreement, dated as of May 8, 2008, by and between Haverhill North Coke Company, ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.25 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)
10.14.3†	Amendment No. 4 to Coke Purchase Agreement, dated as of January 26, 2011, by and between Haverhill North Coke Company, ArcelorMittal Cleveland Inc. (f/k/a ISG Cleveland Inc.) and ArcelorMittal Indiana Harbor (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.26 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)
10.14.4	Amendment No. 8 to Coke Purchase Agreement, dated July 30, 2020, by and among Haverhill Coke Company (f/k/a Haverhill North Coke Company), ArcelorMittal Cleveland LLC (f/k/a ArcelorMittal Cleveland Inc.) and ArcelorMittal USA LLC (f/k/a ISG Indiana Harbor Inc.) (incorporated by reference herein to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020, filed on November 6, 2020, File No. 001-35243)
10.15†	Coke Purchase Agreement, dated as of August 31, 2009, by and between Haverhill North Coke Company and AK Steel Corporation (incorporated by reference herein to Exhibit 10.27 to the Company's Amendment No. 5 to Registration Statement on Form S-1 filed on July 18, 2011, File No. 333-173022)
10.15.1†	Second Amendment to Coke Purchase Agreement, dated July 7, 2020, between AK Steel Corporation and Haverhill Coke Company LLC (incorporated by reference herein to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020, filed on August 3, 2020, File No. 001-35243)
10.15.2	Third Amendment to Coke Purchase Agreement, dated October 8, 2020, between AK Steel Corporation and Haverhill Coke Company LLC (incorporated by reference herein to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020, filed on November 6, 2020, File No. 001-35243)
10.16†	Amended and Restated Coke Purchase Agreement, dated as of February 19, 1998, by and between Indiana Harbor Coke Company, L.P. and ArcelorMittal USA Inc. (f/k/a Inland Steel Company) (incorporated by reference herein to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013 filed on October 30, 2013, File No. 001-35243)
10.16.1†	Amendment No. 1 to Amended and Restated Coke Purchase Agreement, dated as of November 22, 2000, by and between Indiana Harbor Coke Company, L.P., a subsidiary of the Company, and ArcelorMittal USA Inc. (f/k/a Inland Steel Company) (incorporated by reference herein to Exhibit 10.29 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)
10.16.2†	Amendment No. 2 to Amended and Restated Coke Purchase Agreement, dated as of March 31, 2001, by and between Indiana Harbor Coke Company, L.P. and ArcelorMittal USA Inc. (f/k/a Inland Steel Company) (incorporated by reference herein to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013 filed on October 30, 2013, File No. 001-35243)
10.16.3†	Supplement to Amended and Restated Coke Purchase Agreement, dated as of February 3, 2011, by and between Indiana Harbor Coke Company, L.P. and ArcelorMittal USA Inc. (f/k/a Inland Steel Company) (incorporated by reference herein to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013 filed on October 30, 2013, File No. 001-35243)
10.16.4†	Extension Agreement, dated as of September 5, 2013, by and between Indiana Harbor Coke Company, L.P. and ArcelorMittal USA Inc. (incorporated by reference herein to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013 filed on October 30, 2013, File No. 001-35243)
10.16.5†	Supplement to the ArcelorMittal USA LLC and Indiana Harbor Coke Company, L.P. Coke Purchase Agreement Term Sheet and the ArcelorMittal Cleveland LLC, ArcelorMittal Indiana Harbor LLC and Jewell Coke Company, L.P. Coke Supply Agreement, dated as of September 10, 2014 (incorporated by reference herein to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed on October 28, 2014, File No. 001-35243)

10.17†	Coke Sale and Feed Water Processing Agreement, dated as of February 28, 2008, by and between Gateway Energy & Coke Company, LLC and U.S. Steel Corporation (incorporated by reference herein to Exhibit 10.32 to the Company's Amendment No. 7 to Registration Statement on Form S-1 filed on July 20, 2011, File No. 333-173022)
10.17.1†	Amendment No. 1 to Coke Sale and Feed Water Processing Agreement, dated as of November 1, 2010, by and between Gateway Energy & Coke Company, LLC and U.S. Steel Corporation (incorporated by reference herein to Exhibit 10.33 to the Company's Amendment No. 2 to Registration Statement on Form S-1 filed on June 3, 2011, File No. 333-173022)
10.17.2	Amendment No. 2 to Coke Sale and Feed Water Processing Agreement, dated as of July 6, 2011, by and between Gateway Energy & Coke Company, LLC and U.S. Steel Corporation (incorporated by reference to Exhibit 10.23.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2014 filed on February 24, 2015, File No. 001-35243)
10.17.3†	Amendment No. 3 to Coke Sale and Feed Water Processing Agreement, dated as of January 12, 2015, by and among Gateway Energy & Coke Company, LLC, Gateway Cogeneration Company LLC and U.S. Steel Corporation (incorporated by reference to Exhibit 10.23.3 to the Company's Annual Report on Form 10-K filed on February 24, 2015, File No. 001-35243)
10.18†	Amended and Restated Coke Purchase Agreement, dated as of September 1, 2009, by and between Middletown Coke Company, LLC, a subsidiary of the Company and AK Steel Corporation (incorporated by reference herein to Exhibit 10.34 to the Company's Amendment No. 5 to Registration Statement on Form S-1 filed on July 18, 2011, File No. 333-173022)
10.19	Support Agreement, dated as of February 4, 2019, by and between SunCoke Energy Partners, L.P., and Sun Coal & Coke LLC (incorporated by reference Ex. 10.1) to the Company's Current Report on Form 8-K, filed on February 5, 2019, File No. 001-35243
21.1*	Subsidiaries of the Registrant (filed herewith)
22.1*	List of Issuers and Guarantor Subsidiaries (filed herewith)
23.1*	Consent of KPMG LLP (filed herewith)
24.1*	Powers of Attorney (filed herewith)
31.1*	Certification Pursuant to Exchange Act Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1*	Certification Pursuant to Exchange Act Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code, as Adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
95.1*	Mine Safety Disclosure (filed herewith)
101*	The following financial statements from SunCoke Energy, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021, filed with the Securities and Exchange Commission on February 24, 2022, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Consolidated Statements of Operations, (ii) the Consolidated Statements of Comprehensive Income (Loss), (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Equity, and (vi) the Notes to Consolidated Financial Statements.
104*	The cover page from SunCoke Energy, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021 formatted in iXBRL (Inline eXtensible Business Reporting Language) and contained in Exhibit 101.
*	Provided herewith.
**	Management contract or compensatory plan or arrangement.
†	Certain portions have been omitted pursuant to a confidential treatment request. Omitted information has been separately filed with the Securities and Exchange Commission.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on February 24, 2022.

SUNCOKE ENERGY, INC.

By: /s/ Michael G. Rippey
Michael G. Rippey
President and Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)

Pursuant to the requirements of the Securities Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities indicated on February 24, 2022.

Signature	Title
<u>/s/ Michael G. Rippey</u> Michael G. Rippey	President and Chief Executive Officer (Principal Executive Officer and Principal Financial Officer)
<u>/s/ Bonnie M. Edeus*</u> Bonnie M. Edeus	Vice President, Controller (Principal Accounting Officer)
<u>/s/ Arthur F. Anton*</u> Arthur F. Anton	Chairman of the Board
<u>/s/ Martha Z. Carnes*</u> Martha Z. Carnes	Director
<u>/s/ Ralph M. Della Ratta, Jr.*</u> Ralph M. Della Ratta	Director
<u>/s/ Susan Landahl*</u> Susan Landahl	Director
<u>/s/ Michael W. Lewis*</u> Michael W. Lewis	Director

* Michael G. Rippey, pursuant to powers of attorney duly executed by the above officers and directors of SunCoke Energy, Inc. and filed with the SEC in Washington, D.C., hereby executes this Annual Report on Form 10-K on behalf of each of the persons named above in the capacity set forth opposite his or her name.

/s/ Michael G. Rippey
Michael G. Rippey

February 24, 2022

**SUNCOKE ENERGY, INC.
ANNUAL INCENTIVE PLAN**

ARTICLE I

PURPOSE

SunCoke Energy, Inc. ("**SunCoke**") hereby establishes this SunCoke Energy, Inc. Annual Incentive Plan (the "**AIP**") to govern the annual incentive bonuses paid to Eligible Employees for services on and after January 1, 2022. This document reflects an amendment and restatement approved by the Compensation Committee of the SunCoke Board of Directors (the "**Compensation Committee**") on December 8, 2021.

ARTICLE II

ELIGIBILITY

The AIP applies to "Eligible Employees" of SunCoke, any successor to SunCoke, any subsidiary or affiliate that has adopted the AIP, or a corporation succeeding to the business of SunCoke, or any subsidiary or affiliate, by merger, consolidation or liquidation or purchase of assets or stock or similar transaction. "**Eligible Employees**" means non-union, active employees of SunCoke or its participating affiliates who are engaged in non-temporary, full-time salaried or hourly employment and who are either (i) at a director/general manager level or above or (ii) below the level of director/general manager and whose annual participation in the AIP is approved by the Chief Executive Officer of SunCoke (the "**CEO**") in the CEO's sole discretion. A full-time employee is an employee who is regularly scheduled to work thirty or more hours per week.

ARTICLE III

ADMINISTRATION

The AIP shall be administered by (i) the Compensation Committee in the case of the Eligible Employees who are at a director/general manager level or above, and (ii) the CEO in the case of all other Eligible Employees (in each case, the "**Administrator**"). Each Administrator shall have such duties and powers as may be necessary to discharge its duties under the AIP with respect to the applicable Eligible Employees, including, but not by way of limitation, the following:

- (i) To construe and interpret the AIP in its absolute discretion and to determine all questions arising in the administration, interpretation and application of the AIP (including, without limitation, the discretionary authority set forth herein). Any such actions, determinations or decisions of the Administrator shall be conclusive and binding on applicable Eligible Employees and SunCoke.
- (ii) To prepare and distribute, in such manner as the Administrator determines to be appropriate and in accordance with applicable laws, information explaining the AIP.

(ii) To receive from SunCoke, participating affiliates and Eligible Employees such information as may be necessary for the proper administration of the AIP.

(iv) To appoint or employ individuals to assist in the administration of the AIP and any other agents it deems advisable, including legal counsel.

Unless the Administrator determines otherwise or except as otherwise provided in the AIP, reference to prorated or pro rata within the AIP shall be determined based on a fraction, the denominator of which will be 12, and the numerator of which will be the relevant number of full calendar months.

None of SunCoke, the members of the Compensation Committee, nor the CEO shall be liable for any action taken or not taken or decision made or not made in good faith relating to the AIP or any award thereunder.

ARTICLE IV

BASE AMOUNT

A base amount (“*Base Amount*”) shall be established for each Eligible Employee with respect to the fiscal year of SunCoke for which the applicable Annual Bonus is paid (the “*Applicable Year*”). The Base Amount shall be the product of the Eligible Employee’s (i) annual base salary rate as of December 31 of the Applicable Year, exclusive of benefits, bonuses, equity grants and premium pay, multiplied by (ii) his or her applicable annual guideline percentage as determined by the Administrator for such Applicable Year, taking into account any change in annual guideline percentage that occurs during the Applicable Year, in which case unless otherwise determined by the Administrator, the guideline percentage will be prorated based on the portion of the year that each guideline percentage applied.

ARTICLE V

GENERAL ANNUAL BONUS CALCULATION

For each Applicable Year, the Administrator shall designate in writing (i) other participating affiliates, if any, (ii) the performance goal(s) to be attained for such Applicable Year, (iii) the weighting of each performance goal as a percentage of the Base Amount, (iv) the payout factors for each performance goal, (v) the maximum payout factor for the Individual Performance Factor, and (vi) the maximum Annual Bonus (as a percentage of the Base Amount) that can be paid to an Eligible Employee for the Applicable Year.

At the end of each Applicable Year, each Eligible Employee’s Base Amount will be increased or decreased depending upon the Company Performance Factor and the Individual Performance Factor for the Eligible Employee.

Company Performance Factor. The “*Company Performance Factor*” is a weighted average percentage between 0% and a maximum percentage, determined by the

Administrator after the end of each Applicable Year based on the level of attainment of each performance goal, the weighting of each such goal and the payout factor for each such goal.

Individual Performance Factor. The “*Individual Performance Factor*” is a percentage between 0% and a maximum percentage established by the Administrator that is based on the performance of each Eligible Employee during the Applicable Year. The Individual Performance Factor shall be determined by the Administrator after the end of each Applicable Year, and shall take into consideration the overall performance of the Eligible Employee and his or her contribution to the organization during the Applicable Year.

The Individual Performance Factor is subject to further limitation by the aggregate pool of funds available for distribution to all Eligible Employees under the AIP (the “*Pool*”). The Pool is equal to the product of (i) the sum of the Base Amount of all Eligible Employees multiplied (ii) by the Company Performance Factor.

Subject to the discretion of the Administrator, set forth under **Article VI Administrator Discretion**, the proration provision sets forth under **Article VII Prorations**, and the change in control provisions set forth under **Article IX Change in Control**, the Annual Bonus is to be determined as follows:

The Annual Bonus for each Eligible Employee under the AIP for the Applicable Year is determined by multiplying (i) the product of the Company Performance Factor and the Individual Performance Factor by (ii) the Eligible Employee’s Base Amount. In no event shall the total Annual Bonus paid to any Eligible Employee exceed the maximum amount set by the Administrator for each Applicable Year.

Except as set forth below under **Article VII Prorations**, or as otherwise determined by the Administrator, no Annual Bonus shall be paid to any Eligible Employee whose employment with SunCoke or an affiliate terminates for any reason prior to the Annual Bonus payment date.

ARTICLE VI

ADMINISTRATOR DISCRETION

Notwithstanding anything in the AIP to the contrary, the applicable Administrator may withhold payment of the Annual Bonus or, alternatively, reduce the amount of the Annual Bonus otherwise payable to any Eligible Employee or any group of Eligible Employees who work for business or operating units of SunCoke or any of its affiliates (collectively, an “*Eligible Employee Group*”) if the Administrator in its reasonable discretion determines that such Eligible Employee or Eligible Employee Group has either (i) failed to act in accordance with acceptable performance standards during such Applicable Year, or (ii) acted in a manner detrimental to the interests or reputation of SunCoke or any of its affiliates. Furthermore, the Administrator may, in its reasonable discretion, redistribute the amount of any such withholding or reduction in whole or in part to an Eligible Employee or Eligible Employee Group whom the Administrator reasonably determines has performed in a manner that exceeds expectations during such Applicable Year, subject to the maximum Annual Bonus limitation set by the Administrator.

The Administrator may also increase the Amount of the Annual Bonus otherwise payable to any Eligible Employee or Eligible Employee Group, subject to the maximum Annual Bonus limitation set by the Administrator; provided, however, that the Administrator cannot increase the Pool as determined in **Article V General Annual Bonus Calculation**.

ARTICLE VII

PRORATIONS

New Hires. Any Eligible Employee hired as of January 1st through September 30 shall be eligible for a prorated portion of his or her Annual Bonus for the Applicable Year in which the date of hire occurs. Eligible Employees hired as of October 1st through December 31st shall not be eligible to receive an Annual Bonus for the Applicable Year in which the date of hire occurs.

Termination Due to Death, Permanent Disability, Retirement. The Annual Bonus shall be prorated, as applicable, in the event of an Eligible Employee's termination of employment prior to December 31 of an Applicable Year due to death, permanent disability (as determined under the SunCoke's long term disability program) or Retirement. For the purposes of the AIP:

(i) "**Retirement**" a Participant's termination of employment shall not be deemed to be a "Retirement" unless: (x) such termination is other than for Just Cause; (y) the Participant has attained at least 55 years of age; and (z) the Participant's age, when added to such Participant's years of credited service with SunCoke and its affiliates, equals at least 65 years.

(ii) "**Just Cause**" shall mean (a) the willful and continued failure of the Eligible Employee to substantially perform the Eligible Employee's duties with SunCoke or its affiliates (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Eligible Employee by the applicable Administrator (or the Board of Directors in the case of an Eligible Employee who is an executive officer) that specifically identifies the manner in which it is believed that the Eligible Employee has not substantially performed his or her duties; (b) the Eligible Employee's conviction of a felony; (c) willful misconduct by the Eligible Employee in connection with his or her employment duties or responsibilities to SunCoke or its affiliates (including, but not limited to, dishonest or fraudulent acts); (d) the Eligible Employee's failure to comply in other than an insignificant manner with a policy of SunCoke or any affiliate or (e) the Eligible Employee's gross misconduct that the Administrator determines in good faith adversely and materially affects the business or reputation of SunCoke.

Leave of Absence. The Annual Bonus shall be prorated in the event an Eligible Employee is on an approved leave of absence (other than military leave), and such leave of absence extends for longer than 12 consecutive weeks during the Applicable Year. The prorated portion of the Annual Bonus shall be based on the Eligible Employee's number of full weeks of active (non-leave) employment during the Applicable Year.

Involuntary Termination, other than for Just Cause. In the case of an Eligible Employee whose employment is terminated due to a SunCoke-designated job elimination or reduction in

force, or as the result of a “Qualifying Termination” pursuant to either the SunCoke Energy, Inc. Involuntary Termination Plan, or the SunCoke Energy, Inc. Involuntary Executive Severance Plan:

(i) if the Eligible Employee’s termination of employment occurs prior to April 1 of a calendar year, then such Eligible Employee will be entitled to the annual cash bonus payable for the prior year, to the extent not yet paid;

(ii) if the Eligible Employee’s termination of employment occurs between April 1 and December 31st of a calendar year, then such Eligible Employee will be entitled to a pro rata portion of the target annual cash bonus for which he or she is eligible, adjusted for actual SunCoke performance for the calendar year in which the termination of employment occurs, based on such Eligible Employee’s salary or wages earned through the termination of employment. The applicable pro rata portion will be equal to a fraction, the denominator of which will be 12, and numerator of which will be the number of full calendar months during the calendar year the Eligible Employee worked. Unless otherwise required by the provisions of either the SunCoke Energy, Inc. Involuntary Termination Plan, or the SunCoke Energy, Inc. Involuntary Executive Severance Plan, such prorated bonus will be paid on the customary payout date, which shall be no later than March 15th of the subsequent calendar year.

Other Termination of Employment. Notwithstanding the foregoing, the Administrator may, in its sole discretion, (i) award a prorated Annual Bonus to an Eligible Employee whose termination of employment occurs prior to December 31 of an Applicable Year, or (ii) award a full or prorated Annual Bonus to an Eligible Employee whose termination occurs after December 31st of an Applicable Year but prior to the Annual Bonus payment date (such proration to be determined by the Administrator in its sole discretion).

ARTICLE VIII

PAYMENT OF ANNUAL BONUS

The Annual Bonus will be paid on or before March 15th following the end of each Applicable Year.

ARTICLE IX

CHANGE IN CONTROL

Notwithstanding anything in the AIP to the contrary:

(i) If a Change in Control occurs during an Applicable Year, the Eligible Employees for such Applicable Year shall continue to have at least the same AIP bonus opportunity as in effect immediately prior to the Change in Control, and the AIP shall not be terminated, or amended or administered, so that the Eligible Employee’s Annual Bonus opportunity for such Applicable Year is reduced in any way.

(ii) If, as a result of the Change in Control, one or more of the performance goals in effect for the Applicable Year cannot be reasonably determined, or would be adversely

affected, the Administrator in its discretion shall either (a) replace one or more of such performance goals with performance goals intended to replicate on an equitable basis the performance goal in effect immediately prior to the Change in Control or (b) provide that the then current performance goals shall be deemed met at the target level or if greater, the forecasted full year performance immediately prior to the Change in Control.

(iii) The Total Annual Bonus for each Eligible Employee under the AIP for the Applicable Year in which the Change in Control occurs shall be determined by multiplying (a) the Company Performance Factor by (b) the Eligible Employee's Base Amount.

(iv) For purposes of this Section, "**Change in Control**" shall mean:

(a) The acquisition by any person (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (I) the then outstanding shares of common stock of SunCoke or (II) the combined voting power of the then outstanding voting securities of SunCoke entitled to vote generally in the election of directors; provided, however, that for purposes of this clause (a), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from SunCoke, (B) any acquisition by SunCoke, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by SunCoke or any company controlled by, controlling or under common control with the SunCoke, or (D) any acquisition by any entity pursuant to a transaction that complies with clauses (c)(I), (c)(II) and (c)(III) of this definition.

(b) Individuals who, as of the date that the AIP became effective, constitute the Board of Directors (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the stockholders of SunCoke, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board of Directors.

(c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving SunCoke or any of its Subsidiaries, a sale or other disposition of all or substantially all of the assets of SunCoke or the acquisition of assets or stock of another entity by SunCoke or any of its Subsidiaries, in each case unless, following such business combination:

(I) all or substantially all of the individuals and entities that were the beneficial owners of the then outstanding SunCoke common stock and the then outstanding SunCoke voting securities immediately prior to such business combination

beneficially own, directly or indirectly, more than 50% of the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such business combination (including, without limitation, a corporation that, as a result of such transaction, owns SunCoke or all or substantially all of the assets of SunCoke, either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such business combination of the then outstanding SunCoke common stock and the then outstanding SunCoke voting securities, as the case may be;

(II) no person (excluding any corporation resulting from such business combination or any employee benefit plan (or related trust) of SunCoke or such corporation resulting from such business combination or any of their respective subsidiaries) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such business combination or the combined voting power of the then-outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the business combination; and

(III) at least a majority of the members of the board of directors of the corporation resulting from such business combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board of Directors providing for such business combination; or

(d) Approval by the stockholders of SunCoke of a complete liquidation or dissolution of SunCoke.

ARTICLE X

GENERAL PROVISIONS

Tax Withholding. Suncoke and its affiliates shall have the right to make all payments or distributions pursuant to the AIP to an Eligible Employee, net of any applicable federal, state and local taxes required to be paid or withheld. Suncoke and its affiliates shall have the right to withhold from wages, Annual Bonuses or other amounts otherwise payable to such Eligible Employee such withholding taxes as may be required by law, or to otherwise require the Eligible Employee to pay such withholding taxes.

Recoupment. All Annual Bonuses shall be subject to the terms and conditions of any applicable forfeiture, reduction, recoupment, cancellation or clawback policies, practices or provisions adopted by SunCoke from time to time, and any applicable forfeiture, reduction, recoupment, cancellation or clawback requirements imposed under applicable laws, rules or regulations or any applicable securities exchange listing standards.

Offset. To the extent permitted by law, SunCoke may offset against any payments to be made to an Eligible Employee or his or her beneficiary under the AIP any amounts owing to SunCoke or its affiliates from the Eligible Employee for any reason.

No Individual Rights. No Eligible Employee has a right to be granted any Annual Bonus under the AIP. Suncoke and the Administrator have no obligation for uniformity or similarity of treatment of Eligible Employees under the AIP.

No Right to Continued Employment or Service. Neither the action of SunCoke in establishing the AIP, nor any action taken by SunCoke or the Administrator under the provisions hereof, nor any provision of the AIP shall be construed to constitute an employment contract or as giving any Eligible Employee any right to continue in the employ of, or to continue any other service relationship with, Suncoke or any affiliate or limit in any way the right of Suncoke or any affiliate to terminate an Eligible Employee's employment or service at any time, with or without cause.

No Trust or Fund. The AIP is intended to constitute an "unfunded" bonus program and is not intended to constitute a plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended. Nothing contained herein will require Suncoke or any affiliate to segregate any monies or other property or to create any trusts, or to make any special deposits for any amounts payable to any Eligible Employee. No Eligible Employee will have any rights that are greater than those of a general unsecured creditor of SunCoke.

Choice of Law. The AIP, all Annual Bonuses and all determinations made and actions taken under the AIP, to the extent not otherwise governed by the laws of the United States, will be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law.

Section 409A. The AIP and Annual Bonuses granted under the AIP are intended to be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A") to the maximum extent possible; provided, however, that SunCoke and Administrator makes no representations that Annual Bonuses granted under the AIP shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to Annual Bonuses granted under the Plan and shall not be liable for any penalties or costs to an Eligible Employee Participant resulting from the application of Section 409A to the AIP or any Annual Bonuses granted hereunder.

Successors. The AIP shall be binding upon and inure to the benefit of SunCoke and its successors and assigns.

ARTICLE XI

AMENDMENT AND TERMINATION

Except as provided above under **Article IX Change in Control**, the AIP may be terminated, amended or modified in any respect at any time, and from time to time, with respect to the applicable Eligible Employees, at the Compensation Committee's sole discretion. Following a Change in Control, the AIP may not be terminated, amended or modified with respect to the Applicable Year in which the Change in Control occurs, except as provided above under the heading "Change in Control."

SUNCOKE ENERGY, INC.
LONG-TERM PERFORMANCE ENHANCEMENT PLAN
(Amended and Restated Effective as of February 14, 2018)

**ARTICLE I
AMENDMENT AND RESTATEMENT**

SunCoke Energy, Inc. (the "**Company**") established the SunCoke Energy, Inc. Long-Term Performance Enhancement Plan (the "**Plan**") effective as of July 21, 2011. The Plan was amended and restated effective February 22, 2013, and is hereby further amended and restated effective as of February 14, 2018, subject to approval by the Company's stockholders at the Company's annual meeting on May 3, 2018. Awards granted prior to the effective date of the Plan's amendment and restatement shall be governed by the terms of the Plan as in effect on the grant date of the Award.

**ARTICLE II
PURPOSE**

The purposes of the Plan are to: (a) better align the interests of stockholders and Key Employees by creating a direct linkage between Participants' rewards and stockholders' gains; (b) provide Key Employees with the ability to increase equity ownership in the Company; (c) provide competitive compensation opportunities that can be realized through attainment of performance goals; and (d) provide an incentive to Key Employees for continued service with the Company.

**ARTICLE III
DEFINITIONS**

As used in this Plan, the following terms shall have the meanings set forth below:

3.1 "Affiliate" means any entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Company.

3.2 "Award" means an Option, Restricted Stock, Share Unit or SAR granted pursuant to the terms of the Plan.

3.3 "Board of Directors" means the Board of Directors of the Company.

3.4 "Change in Control" means the occurrence of any of the following events:

(a) The acquisition by any person (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding shares of Common Stock or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors; provided, however, that for purposes of this clause (a), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any company controlled by, controlling or under common control with the Company, or (D) any acquisition by any entity pursuant to a transaction that complies with clauses (c)(i), (c)(ii) and (c)(iii) of this definition.

(b) Individuals who, as of the date that the Plan becomes effective, constitute the Board of Directors (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the stockholders of the Company, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board of Directors.

(c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its Subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets or stock of another entity by the Company or any of its Subsidiaries, in each case unless, following such business combination:

(i) all or substantially all of the individuals and entities that were the beneficial owners of the then outstanding Common Stock and the then outstanding Company voting securities immediately prior to such business combination beneficially own, directly or indirectly, more than 50% of the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such business combination (including, without limitation, a corporation that, as a result of such transaction, owns the Company or all or substantially all of the assets of the Company, either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such business combination of the then outstanding Common Stock and the then outstanding Company voting securities, as the case may be;

(ii) no person (excluding any corporation resulting from such business combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such business combination or any of their respective subsidiaries) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such business combination or the combined voting power of the then- outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the business combination; and

(iii) at least a majority of the members of the board of directors of the corporation resulting from such business combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board of Directors providing for such business combination; or

(d) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

3.5 "Code" means the Internal Revenue Code of 1986, as amended.

3.6 "Committee" means the Compensation Committee of the Board of Directors, as constituted from time to time. The Compensation Committee shall consist of at least two members of the Board of Directors, each of whom shall meet applicable requirements set forth in the pertinent regulations under Section 16 of the Exchange Act.

3.7 "Common Stock" means common stock, par value \$0.01 per share, of the Company.

3.8 "Company" means SunCoke Energy, Inc., a Delaware corporation, or any successor thereto.

3.9 "Exchange Act" means the Securities Exchange Act of 1934, as amended.

3.10 "Fair Market Value" means the closing price of a share of Common Stock on the New York Stock Exchange.

3.11 "Incentive Stock Option" or "ISO" means an option granted under Article V that meets the requirements of Section 422(b) (or any successor provision) of the Code.

3.12 "Incumbent Board" has the meaning provided in Section 3.4(b).

3.13 "Just Cause" means, unless otherwise defined in an Award agreement, as determined by the Committee:

(a) the willful and continued failure of the Participant to perform substantially the Participant's duties with the Company and its Subsidiaries (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Participant by the Board of Directors or the Chief Executive Officer that specifically identifies the manner in which the Board of Directors or the Chief Executive Officer believes that the Participant has not substantially performed the Participant's duties;

(b) indictment of the Participant for a felony in connection with the Participant's employment duties or responsibilities to the Company and its Subsidiaries that is not quashed within six months;

(c) conviction of Participant of a felony;

(d) willful conduct by the Participant in connection with the Participant's employment duties or responsibilities to the Company and its Subsidiaries that is gross misconduct (including, but not limited to, dishonest or fraudulent acts) and places the Company and its Subsidiaries at risk of material injury; or

(e) the Participant's failure to comply with a policy of the Company and its Subsidiaries that places the Company and its Subsidiaries at risk of material injury.

For purposes of this Section 3.13, no act, or failure to act, on the part of the Participant shall be considered "willful" unless it is done, or omitted to be done, by the Participant in bad faith or without reasonable belief that the Participant's action or omission was in the best interests of the Company. In addition, for purposes of this Section 3.13, "injury" shall include, but not be limited to, financial injury and injury to the reputation of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board of Directors or upon the instructions of the Chief Executive Officer or a senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Participant in good faith and in the best interests of the Company.

3.14 "Key Employee" means an employee of the Company or any Subsidiary selected to participate in the Plan. A Key Employee may also include a person who is granted an Award in connection with the hiring of the person prior to the date the person becomes an employee of the Company or any Subsidiary, provided that such Award shall not vest prior to the commencement of employment.

3.15 "Option" has the meaning provided in Section 5.1.

3.16 "Optionee" means the holder of an Option.

3.17 "Participant" means a Key Employee selected to receive an Award under the Plan.

3.18 "Plan" means this SunCoke Energy, Inc. Long-Term Performance Enhancement Plan, as amended from time to time.

3.19 "Qualifying Termination" means, unless otherwise defined in an Award agreement, with respect to the employment of any Participant who is a participant in the SunCoke Energy, Inc. Special



Executive Severance Plan, a "Qualifying Termination" as defined in such plan, and with respect to the employment of any other Participant, the following:

(a) a termination of employment by the Company within 24 months after a Change in Control, other than for Just Cause, death or permanent disability; or

(b) a termination of employment by the Participant within 24 months after a Change in Control for one or more of the following reasons:

(i) the assignment to such Participant of any duties inconsistent in a way significantly adverse to such Participant, with such Participant's positions, duties, responsibilities and status with the Company and its Subsidiaries immediately prior to the Change in Control, or a significant reduction in the duties and responsibilities held by the Participant immediately prior to the Change in Control, in each case except in connection with such Participant's termination of employment by the Company for Just Cause;

(ii) a reduction by the Company in the Participant's combined annual base salary and guideline (target) bonus as in effect immediately prior to the Change in Control; or

(iii) the Company requires the Participant to be based anywhere other than the Participant's present work location or a location within 35 miles from the present location; or the Company requires the Participant to travel on Company business to an extent substantially more burdensome than such Participant's travel obligations during the period of 12 consecutive months immediately preceding the Change in Control;

provided, however, that in the case of any such termination of employment by a Participant under this subparagraph (b), such termination shall not be deemed to be a Qualifying Termination unless (x) Participant has notified the Company in writing describing the occurrence of one or more such events within 60 days of such occurrence, (y) the Company fails to cure such event within 30 days after its receipt of such written notice and (z) the termination of employment occurs within 120 days after the occurrence of such event.

3.20 "Restricted Stock" has the meaning provided in Section 7.1.

3.21 "Share Units" has the meaning provided in Section 6.1.

3.22 "Stock Appreciation Right" or "SAR" has the meaning provided in Section 8.1.

3.23 "Subsidiary" means any corporation, partnership, joint venture, limited liability company or other entity during any period in which at least a 50% voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

ARTICLE IV TERM OF PLAN; ADMINISTRATION; TYPES OF AWARDS; SHARES UNDER AWARDS; AWARD AGREEMENTS

4.1 Term of the Plan. No Awards shall be made under this Plan after February 14, 2028. The Plan and all Awards made under the Plan prior to such date shall remain in effect until such Awards have been satisfied or terminated in accordance with the Plan and the terms of such Awards.

4.2 Administration. The Plan shall be administered by the Committee, which shall have the authority, in its sole discretion and from time to time to, among other things:

(a) designate the Participants;

(b) grant Awards provided in the Plan in such form and amount as the Committee shall determine;

(c) determine the terms and conditions of each Award under the Plan and impose such limitations, restrictions and conditions upon any such Award including performance goals, in each case as the Committee shall deem appropriate; and

(d) interpret the Plan, adopt, amend and rescind rules and regulations relating to the Plan, and make all other determinations and take all other action necessary or advisable for the implementation and administration of the Plan. The decisions and determinations of the Committee on all matters relating to the Plan shall be in its sole discretion and shall be conclusive. No member of the Committee shall be liable for any action taken or not taken or decision made or not made in good faith relating to the Plan or any Award thereunder.

4.3 Types of Awards Under the Plan. Awards under the Plan may be in the form of any one or more of the following:

- (a) Options, as described in Article V;
- (b) Share Units, as described in Article VI;
- (c) Restricted Stock, as described in Article VII; and/or
- (d) SARs, as described in Article VIII.

4.4 Shares Under Awards.

(a) The maximum number of shares of Common Stock that may be delivered to Participants and their beneficiaries under the Plan shall be the sum of (i) the number of shares of Common Stock that may be issuable upon exercise or vesting of any Awards initially granted under the Sunoco Long-Term Incentive Plan and (ii) 7,500,000 (which reflects the shares previously authorized under the Plan and an additional 1,500,000 shares to be issued under the Plan pursuant to this most recent amendment and restatement). The limit set forth in this Section 4.4(a) shall be subject to the provisions of Section 9.7. Shares subject to an Award under the Plan may be authorized and unissued Shares or may be treasury Shares.

(b) During a calendar year, no single Participant who is a Key Employee may be granted:

- (i) Options covering in excess of 1,000,000 shares of Common Stock; or
- (ii) Awards in the form of Share Units or Restricted Stock covering in excess of 750,000 shares of Common Stock in the aggregate (or if such Award is settled in cash, an amount equal to the Fair Market Value of such number of shares of Common Stock on the date on which the Award is settled).

The limits set forth in this Section 4.4(b) shall be subject to the provisions of Section 9.7.

(c) The number of shares of Common Stock delivered by a Participant or beneficiary or withheld by the Company on behalf of any such Participant or beneficiary as full or partial payment of an Award, including the exercise price of an Option or of any required withholding taxes, shall not again be available for issuance pursuant to subsequent Awards, and shall count towards the aggregate number of shares of Common Stock that may be issued under the Plan. Any shares of Common Stock purchased by the Company with proceeds from an Option exercise shall not again be available for issuance pursuant to subsequent Awards, shall count against the aggregate number of shares that may be issued under the Plan and shall not increase the number of shares available under the Plan. If

there is a lapse, forfeiture, expiration, termination or cancellation of any Award for any reason, or if shares of Common Stock are issued under such Award and thereafter are reacquired by the Company pursuant to rights reserved by the Company upon issuance thereof, the shares of Common Stock subject to such Award or reacquired by the Company shall again be available for issuance pursuant to subsequent Awards, and shall not count towards the aggregate number of shares of Common Stock that may be issued under the Plan.

4.5 Award Agreements.

(a) Each Award shall be evidenced by a written Award Agreement specifying the terms and conditions of the Award. In the sole discretion of the Committee, the Award Agreement may condition the grant of an Award upon the Participant's entering into one or more of the following agreements with the Company: (i) an agreement not to compete with the Company which shall become effective as of the date of the grant of the Award and remain in effect for a specified period of time following termination of the Participant's employment with the Company; (ii) an agreement to cancel any employment agreement, fringe benefit or compensation arrangement in effect between the Company and the Participant; and (iii) an agreement to retain the confidentiality of certain information. Such agreements may contain such other terms and conditions as the Committee shall determine. If the Participant shall fail to enter into any such agreement at the request of the Committee, then the Award granted or to be granted to such Participant shall be forfeited and cancelled.

(b) An Award Agreement shall contain a vesting schedule as determined in the sole discretion of the Committee; provided that Options and SARs shall not become exercisable until at least one year following the date of grant, and the restrictions on Restricted Stock and Share Units shall not lapse for at least one year following the date of grant; and provided further that notwithstanding the foregoing, no minimum vesting schedule shall apply to Awards that result in the issuance of up to an aggregate of 5% of the shares of Common Stock reserved and available for issuance under Section 4.4(a).

ARTICLE V OPTIONS

5.1 Award of Options. From time to time, subject to the provisions of the Plan and such other terms and conditions as the Committee may prescribe, the Committee may grant to any Participant, one or more Options to purchase the shares of Common Stock ("**Options**"). Options that are ISOs may be granted only to Key Employees. The grant date for each Option shall be the date of the Committee action to make the Award or, if later, the date selected by the Committee as the date of grant of the Option pursuant to the Plan.

5.2 Option Agreements. The grant of an Option shall be evidenced by a written Option agreement, executed by the Company and the holder of an Option, stating the number of shares subject to the Option, the vesting terms, the treatment of the Option upon a Participant's termination of service, and such other provisions as the Committee may from time to time determine.

5.3 Exercise Price. The per share exercise price of each Option shall be not less than the Fair Market Value on the grant date.

5.4 Term and Exercise. The term and the vesting schedule of each Option shall be determined by the Committee. No Option shall be exercisable after the expiration of its term and the maximum term of any Option shall be ten years.

5.5 Required Terms and Conditions of ISOs. In addition to the foregoing, each ISO granted to a Key Employee shall be subject to the following specific rules:

(a) The aggregate exercise price of a Key Employee's ISOs that become exercisable for the first time during a particular calendar year shall not exceed \$100,000. If this dollar limit is exceeded, the portion of the ISO that does not exceed the applicable limit shall be an ISO and the remainder shall not be an ISO; but in all other respects, the original Option Agreement shall remain in full force and effect.

(b) Notwithstanding anything herein to the contrary, if an ISO is granted to a Key Employee who owns more than 10% of the Common Stock (or stock possessing more than 10% of the total combined voting power of all classes of stock of the Company and its Subsidiaries): (i) the exercise price of the ISO shall be not less than 110% of the Fair Market Value on the ISO's grant date; and (ii) the ISO shall expire, and all rights to purchase Common Stock thereunder shall expire, no later than the fifth anniversary of the ISO's grant date.

(c) No ISOs shall be granted under the Plan after ten years from the earlier of the date the Plan's ISO provisions are adopted or approved by stockholders of the Company.

5.6 Transferability.

(a) No Option may be transferred by the Participant other than by will, by the laws of descent and distribution or, to the extent not inconsistent with the applicable provisions of the Code, pursuant to a domestic relations order under applicable provisions of law, and during the Participant's lifetime the Option may be exercised only by the Participant; provided, however, that, subject to such limits as the Committee may establish, the Committee, in its discretion, may allow the Participant to transfer an Option that is not an ISO for no consideration to, or for the benefit of, an immediate family member or to a bona fide trust for the exclusive benefit of such immediate family member, or a partnership or limited liability company in which immediate family members are the only partners or members. Immediate family members are the Participant's spouse (including common law spouse), siblings, parents, children, step-children, adoptive relations and grandchildren, and shall include the Participant.

(b) A transfer pursuant to Section 5.6(a) may only be effected following advance written notice from the Participant (or Participant's estate) to the Committee describing the terms and conditions of the proposed transfer, and such transfer shall become effective only when recorded in the Company's record of outstanding Options. Any such transfer pursuant to Section 5.6(a) is further conditioned on the Participant and the immediate family member or other transferee agreeing to abide by the Company's Option transfer guidelines. In the discretion of the Committee, the right to transfer an Option pursuant to Section 5.6(a) also will apply to the right to transfer ancillary rights associated with such Option, and to the right to consent to any amendment to the applicable Option agreement.

(c) Subsequent transfers by a transferee pursuant to Section 5.6(a) shall be prohibited except in accordance with the laws of descent and distribution, or by will.

(d) Following any transfer pursuant to this Section 5.6, any transferred Option shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, and the terms "Optionee" or "Participant" shall be deemed to include the transferee; provided, however, that the terms governing exercisability of an Option that apply following any events of termination of employment shall apply based on the employment status of the original Optionee. Neither the Committee nor the Company will have any obligation to inform any transferee of an Option of any expiration, termination, lapse or acceleration of such Option. The Company will have no obligation to register with any federal or state securities commission or agency any Shares issuable or issued under an Option that has been transferred by a Participant under this Section 5.6.

(e) In no event shall a Participant be permitted to transfer an Option to a third party financial institution without approval of the Company's stockholders.

5.7 Dividends/Dividend Equivalents. No dividends or dividend equivalents shall be paid with respect to any shares subject to an Option prior to the exercise of the Option.

5.8 Manner of Payment. Each Option agreement shall set forth the procedure governing the exercise of any portion of the Option granted thereunder, and shall provide that, upon such exercise, the Optionee shall pay to the Company, in full, an amount equal to the product of (a) the exercise price and (b) the number of shares of Common Stock with respect to which Optionee exercises the Option. A Participant may pay the aggregate exercise price through cash payment (including cash received from a broker-dealer to whom the Participant has submitted an exercise notice together with irrevocable instructions to deliver promptly to the Company the amount of sales proceeds from the sale of the shares subject to the Option necessary to pay the exercise price), the delivery of shares of Common Stock owned by the Optionee, or by foregoing delivery of shares of Common Stock subject to the Option, in each case having an aggregate Fair Market Value (as determined as of the date prior to exercise) equal to the aggregate exercise price; provided, however, that any use of shares of Common Stock to satisfy the aggregate exercise price must be in compliance with then applicable accounting rules.

ARTICLE VI SHARE UNITS

6.1 Award of Share Units. The Committee, from time to time, and subject to the provisions of the Plan, may grant to any Participant Awards denominated in shares of Common Stock ("Share Units") that will be settled, subject to the terms and conditions of the Share Units, in an amount in cash, shares of Common Stock or both. At the time it authorizes the grant of any Share Units, the Committee shall condition the vesting of the Share Units upon (a) continued service of the applicable Participant and/or (b) the attainment of performance goals. Settlement of Share Units shall be made either in shares of Common Stock, or in cash, at the sole discretion of the Committee. The medium of payment shall be set forth in the Committee's resolution granting the Share Units and in the Share Unit agreement with the Participant.

6.2 Share Unit Agreements. Share Units granted under the Plan shall be evidenced by written agreements stating the type of Share Units, the number of Share Units granted, the vesting and settlement terms, the form of payment, the treatment of Share Units upon a Participant's termination of service, and such other provisions as the Committee may from time to time determine.

6.3 Dividend Equivalents. Unless otherwise determined by the Committee, this Section 6.3 shall govern the treatment of dividend equivalents. A holder of Share Units will be entitled to receive payment from the Company in an amount equal to each cash dividend the Company would have paid to such holder had he, on the record date for payment of such dividend, been the holder of record of shares of Common Stock equal to the number of outstanding Share Units. The Company shall establish a bookkeeping account on behalf of each Participant in which the dividend equivalents allocated to such shall be credited. The dividend equivalent account will not bear interest. Vesting and payment of dividend equivalents will correspond to the vesting and settlement of the Share Units with respect to which the dividend equivalents relate.

ARTICLE VII RESTRICTED STOCK

7.1 **Award of Restricted Stock.**

(a) The Committee, from time to time, and subject to the provisions of the Plan, may grant to any Participant Awards in the form of actual shares of Common Stock that are subject to restrictions on transfer, the lapse of which restrictions is contingent upon continued service and/or the satisfaction of performance conditions ("**Restricted Stock**"). Until such restrictions lapse, the shares of Restricted Stock shall be held in "book-entry" form in the records of the Company's transfer agent, and no shares will be delivered to the Participant until the applicable restrictions lapse.

7.2 Restricted Stock Agreements. Restricted Stock granted under the Plan shall be evidenced by written agreements stating the number of shares of Restricted Stock granted, the vesting and settlement terms, the treatment of the Award upon a Participant's termination of service, and such other provisions as the Committee may from time to time determine.

7.3 Rights of a Stockholder. Except as provided in this Article and in the applicable Award agreement, a Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a stockholder of the Company holding Common Stock, including, if applicable, the right to vote the shares and the right to receive any cash dividends. Vesting and payment of any cash dividends will correspond to the vesting of the Restricted Stock with respect to which such dividends relate. If so determined by the Committee in the applicable Award agreement, (a) cash dividends on the Common Stock subject to the Restricted Stock Award shall be automatically reinvested in additional Restricted Stock, subject to the vesting of the underlying Restricted Stock, and (b) subject to any adjustment pursuant to Section 9.7, dividends payable in Common Stock shall be paid in the form of Restricted Stock, held subject to the vesting of the underlying Restricted Stock.

ARTICLE VIII SARs

8.1 Award of Options. The Committee, from time to time, and subject to the provisions of the Plan and such other terms and conditions as the Committee may prescribe, may grant to any Participant one or more SARs, which upon exercise entitles the Participant to receive from the Company the number of shares of Common Stock having an aggregate Fair Market Value equal to the excess of the Fair Market Value of one share as of the date on which the SAR is exercised over the exercise price, multiplied by the number of shares with respect to which the SAR is being exercised ("**SAR**"). The grant date for each SAR shall be the date of the Committee action to make the Award or, if later, the date selected by the Committee as the date of grant of the Option pursuant to the Plan.

8.2 SAR Agreements. The grant of an SAR shall be evidenced by a written SAR agreement, executed by the Company and the holder of the SAR, stating the number of shares subject to the SAR, the vesting terms, the treatment of the SAR upon a Participant's termination of service, and such other provisions as the Committee may from time to time determine.

8.3 Exercise Price. The per share exercise price of each SAR shall be not less than the Fair Market Value on the grant date.

8.4 Term and Exercise. The term and the vesting schedule of each SAR shall be determined by the Committee. No SAR shall be exercisable after the expiration of its term and the maximum term of any SAR shall be ten years.

8.5 Dividends/Dividend Equivalents. No dividends or dividend equivalents shall be paid with respect to any SAR.

8.6 Manner of Payment. Each SAR agreement shall set forth the procedure governing the exercise of any portion of the SAR granted thereunder, and shall provide that, upon such exercise, the



Company shall (a) issue the total number of full shares of Common Stock to which the Participant is entitled and cash in an amount equal to the Fair Market Value, as of the date of exercise, of any resulting fractional share, and (b) if the Committee causes the Company to elect to settle all or part of its obligations arising out of the exercise of the SAR in cash, deliver to the Participant an amount in cash equal to the Fair Market Value, as of the date of exercise, of the shares it would otherwise be obligated to deliver.

ARTICLE IX MISCELLANEOUS

9.1 General Restriction. Each Award under the Plan shall be subject to the requirement that if, at any time, the Committee shall determine that: (a) the listing, registration or qualification of the shares of Common Stock subject to the Award upon any securities exchange or under any state or Federal law; (b) the consent or approval of any government regulatory body; or (c) an agreement by the recipient of an Award with respect to the disposition of shares, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the issue or purchase of shares thereunder, then such Award may not be consummated in whole or in part unless such listing, registration, qualification, consent, approval or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee.

9.2 Non-Assignability. Except as otherwise set forth in Section 5.6 of the Plan, Awards shall not be assignable or transferable by the recipient thereof, except by will or by the laws of descent and distribution or to the extent not inconsistent with the applicable provisions of the Code, pursuant to a domestic relations order under applicable provisions of law.

9.3 Right to Terminate Employment. Nothing in the Plan or in any agreement entered into pursuant to the Plan shall confer upon any Participant the right to continue in the employment of the Company, or affect any right which the Company may have to terminate the employment of, or service by, such Participant. If an Affiliate ceases to be an Affiliate as a result of the sale or other disposition by the Company or one of its continuing Affiliates of its ownership interest in the former Affiliate, or otherwise, then individuals who remain employed by such former Affiliate thereafter shall be considered for all purposes under the Plan to have terminated their employment relationship with the Company and its Subsidiaries.

9.4 Non-Uniform Determinations. The Committee's determinations under the Plan (including without limitation, determinations of the persons to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards, and the agreements evidencing same) need not be uniform and may be made by it selectively among persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are similarly situated.

9.5 Rights as a Stockholder; Share Delivery.

(a) Except as otherwise provided in Section 7.3 with respect to Restricted Stock, a Participant receiving an Award under the Plan shall have no rights as a stockholder with respect thereto unless and until shares of Common Stock are issued on behalf of such Participant.

(b) Shares of Common Stock issued pursuant to the settlement of an Award shall be represented by stock certificates or issued on an uncertificated basis, with the ownership of such shares by the Participant evidenced solely by book entry in the records of the Company's transfer agent; provided, however, that upon the written request of the Participant, the Company shall issue, in the name of the Participant, stock certificates representing such shares of Common Stock.

9.6 Leaves of Absence. The Committee shall be entitled to make such rules, regulations and determinations as it deems appropriate under the Plan in respect of any leave of absence taken by the



recipient of any Award. Without limiting the generality of the foregoing, the Committee shall be entitled to determine (a) whether or not any such leave of absence shall constitute a termination of employment within the meaning of the Plan and (b) the impact, if any, of any such leave of absence on Awards under the Plan theretofore made to any recipient who takes such leaves of absence.

9.7 Adjustments.

(a) In the event of a stock dividend, stock split, reverse stock split, share combination, or recapitalization or similar event affecting the capital structure of the Company, the Committee or Board of Directors shall make an equitable and proportionate anti-dilution adjustment. Such mandatory adjustment may include a change in one or more of the following: (i) the aggregate number of shares of Common Stock reserved for issuance and delivery under Section 4.4(a) of the Plan; (ii) the individual limits under Section 4.4(b) of the Plan; (iii) the number of shares or other securities subject to outstanding Awards under the Plan; (iv) the exercise price of outstanding Options; and (v) other similar matters.

(b) In the event of a merger, amalgamation, consolidation, acquisition of property or shares, separation, spinoff, other distribution of stock or property (including any extraordinary cash or stock dividend), reorganization, stock rights offering, liquidation, or similar event affecting the Company or any of its Subsidiaries that is not an event described in Section 9.7(a), the Committee or the Board of Directors may in its discretion make such substitutions or adjustments as it deems appropriate and equitable to (i) the aggregate number and kind of shares or other securities reserved for issuance and delivery under Section 4.4(a) of the Plan; (ii) the individual limits under Section 4.4(b) of the Plan; (iii) the number and kind of shares of Common Stock or other securities subject to outstanding Awards under the Plan; (iv) the exercise price of outstanding Options; and (v) other similar matters, and such adjustments may include, without limitation, (A) the cancellation of outstanding Awards granted under the Plan in exchange for payments of cash, property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Committee or the Board of Directors in its sole discretion (it being understood that in the case of a corporate transaction with respect to which holders of Common Stock receive consideration other than publicly traded equity securities of the ultimate surviving entity, any such determination by the Committee or the Board of Directors that the value of an Option shall for this purpose be deemed to equal the excess, if any, of the value of the consideration being paid for each share of Common Stock pursuant to such corporate transaction over the exercise price of such Option shall conclusively be deemed valid), (B) the substitution of other property (including, without limitation, cash or other securities of the Company and securities of entities other than the Company) for the shares of Common Stock subject to outstanding Awards under the Plan, and (C) arranging for the assumption of Awards granted under the Plan, or replacement of Awards granted under the Plan with new Awards based on other property or other securities (including, without limitation, other securities of the Company and securities of entities other than the Company), by the affected Subsidiary, Affiliate, or division or by the entity that controls such Subsidiary, Affiliate, or division following such transaction as well as any corresponding adjustments to Awards under the Plan that remain based upon Company securities.

9.8 Change in Control. The Committee may provide in any Award agreement for provisions relating to a Change in Control, including, without limitation, the acceleration of the exercisability of, or the lapse of restrictions or deemed satisfaction of goals with respect to, any outstanding Awards.

9.9 Amendment of the Plan; Amendment of Awards.

(a) The Committee may amend, alter, or discontinue the Plan, but no amendment, alteration or discontinuation shall be made which would materially impair the rights of the Participant with respect to a previously granted Award without such Participant's consent, except such an amendment made to comply with applicable law, including without limitation Section 409A of the Code, stock exchange rules



or accounting rules. In addition, no such amendment shall be made without the approval of the Company's stockholders to the extent such approval is required by applicable law or the listing standards of the applicable exchange on which the Common Stock is listed.

(b) The Committee may unilaterally amend the terms of any Award theretofore granted, but no such amendment shall cause an Award, without the Participant's consent, to materially impair the rights of any Participant with respect to an Award, except such an amendment made to cause the Plan or Award to comply with applicable law, stock exchange rules or accounting rules.

(c) Notwithstanding the foregoing and except as described in Section 9.7, there shall be no amendment to the Plan or any outstanding Option agreement or SAR agreement that results in the repricing of Options or SARs without stockholder approval. For this purpose, repricing includes (i) a reduction in the exercise price of an Option or SAR or (ii) the cancellation of an Option or SAR in exchange for cash, Options or SARs with an exercise price less than the exercise price of the cancelled Options or SARs, other Awards or any other consideration provided by the Company.

9.10 Required Taxes. When an amount first becomes includible in the gross income of a Participant for federal, state, local or foreign income or employment or other tax purposes with respect to any Award under the Plan, as a condition to the issuance or delivery of any shares of Common Stock to the Participant in connection therewith, the Company shall require the Participant to pay the Company the minimum amount of the tax required to be withheld, and in the Company's sole discretion, the Company may permit the Participant to pay up to the maximum individual statutory rate of applicable withholding. The Committee in its sole discretion may make available one or more of the following alternatives for the payment of such taxes: (a) in cash; (b) in cash received from a broker-dealer to whom the Participant has submitted notice together with irrevocable instructions to deliver promptly to the Company the amount of sales proceeds from the sale of the shares subject to the Award to pay the withholding taxes; (c) by directing the Company to withhold such number of shares of Common Stock otherwise issuable in connection with the Award having an aggregate Fair Market Value equal to the amount of tax to be withheld; or (d) by delivering previously acquired shares of Common Stock that have an aggregate Fair Market Value equal to the amount to be withheld. The Committee shall have the sole discretion to establish the terms and conditions applicable to any alternative made available for payment of the withholding taxes.

9.11 Section 409A of the Code. It is the intention of the Company that no Award shall be "deferred compensation" subject to Section 409A of the Code, unless and to the extent that the Committee specifically determines otherwise as provided in the immediately following sentence, and the Plan and the terms and conditions of all Awards shall be interpreted accordingly. The terms and conditions governing any Awards that the Committee determines will be subject to Section 409A of the Code, including any rules for elective or mandatory deferral of the delivery of cash or shares pursuant thereto and any rules regarding treatment of such Awards in the event of a Change in Control, shall be set forth in the applicable Award Agreement, and shall comply in all respects with Section 409A of the Code. Notwithstanding any other provision of the Plan to the contrary, with respect to any Award that constitutes a "nonqualified deferred compensation plan" subject to Section 409A of the Code, any payments (whether in cash, shares or other property) to be made with respect to the Award upon the Participant's termination of employment shall be delayed until the first day of the seventh month following the Participant's termination of employment if the Participant is a "specified employee" within the meaning of Section 409A of the Code.

9.12 Governing Law. This Plan shall be construed in accordance with and governed by the laws of the State of Delaware.



**SUNCOKE ENERGY, INC.
SPECIAL EXECUTIVE SEVERANCE PLAN
(Effective as of December 8, 2021)**

SUNCOKE ENERGY, INC.
SPECIAL EXECUTIVE SEVERANCE PLAN

ARTICLE I
DEFINITIONS

1.1. “Annual Compensation” shall mean a Participant’s annual base salary as in effect immediately prior to the Change in Control, or, if greater, immediately prior to the Employment Termination Date, plus the greater of (x) the Participant’s annual guideline (target) bonus as in effect immediately before the Change in Control or, if higher, the Employment Termination Date, or (y) the average annual bonus awarded to the Participant with respect to the three years ending before the Change in Control or, if higher, with respect to the three years ending before the Employment Termination Date.

1.2. “Affiliate” shall mean any entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with SunCoke Energy, Inc.

1.3. “Benefit” or “Benefits” shall mean any or all of the benefits that a Participant is entitled to receive pursuant to Article IV of the Plan.

1.4. “Benefit Extension Period” shall mean, for each Participant, two years.

1.5. “Board of Directors” shall mean the Board of Directors of SunCoke Energy, Inc.

1.6. “Business Combination” shall have the meaning provided herein at Section 1.7(c).

1.7. “Change in Control” shall mean the occurrence of any of the following events:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of either: (i) the then-outstanding shares of common stock of SunCoke Energy, Inc. (the “Outstanding Company Common Stock”) or (ii) the combined voting power of the then-outstanding voting securities of SunCoke Energy, Inc. entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); *provided, however*, that, for purposes of this Section 1.7(a), the following acquisitions shall not constitute a Change in Control:

(A) any acquisition directly from SunCoke Energy, Inc.,

(B) any acquisition by SunCoke Energy, Inc.,

(C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by SunCoke Energy, Inc. or any company controlled by, controlling or under common control with SunCoke Energy, Inc., or

(D) any acquisition by any entity pursuant to a transaction that complies with Sections 1.7(c)(1), (c)(2) and (c)(3) of this definition;

(b) Individuals who, as of the date that the plan becomes effective, constitute the Board of Directors (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board of Directors; *provided, however*, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the shareholders of SunCoke Energy, Inc., was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors;

(c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving SunCoke Energy, Inc. or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of SunCoke Energy, Inc., or the acquisition of assets or stock of another entity by SunCoke Energy, Inc. or any of its subsidiaries (each, a “Business Combination”), in each case unless, following such Business Combination,

(i) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation that, as a result of such transaction, owns SunCoke Energy, Inc. or all or substantially all of the assets of SunCoke Energy, Inc., either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be,

(ii) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of SunCoke Energy, Inc. or such corporation resulting from such Business Combination or any of their respective subsidiaries) beneficially owns, directly or indirectly, twenty percent (20%) or more of, respectively, the then-outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the Business Combination, and

(iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board of Directors providing for such Business Combination; or

(d) Approval by the shareholders of SunCoke Energy, Inc. of a complete liquidation or dissolution of SunCoke Energy, Inc.

1.8. “Chief Executive Officer” shall mean the individual serving as the Chief Executive Officer of SunCoke Energy, Inc. as of the date of reference.

1.9. “Code” shall mean the Internal Revenue Code of 1986, as amended.

1.10. “Committee” shall mean the administrative committee designated pursuant to Article VI of the Plan to administer the Plan in accordance with its terms.

1.11. “Company” shall mean SunCoke Energy, Inc., and any Affiliate.

1.12. “Company Service” shall mean, for purposes of determining Benefits available to any Participant in this Plan, the total aggregate recorded length of such Participant’s service with SunCoke Energy, Inc. or any Affiliate (while it is an Affiliate). Company Service shall commence with the Participant’s initial date of employment with the Company, and shall end with such Participant’s death, retirement, or termination for any reason. Company Service also shall include:

(a) all periods of approved leave of absence (civil, family, medical, military, or Olympic); *provided, however*, that the Participant returns to work within the prescribed time following the leave;

(b) any break in service of thirty (30) days or less; and

(c) any service credited under applicable Company policies with respect to the length of a Participant’s employment by any non-affiliated entity that subsequently becomes an Affiliate or part of the operations of the Company.

1.13. “Disability” shall mean any illness, injury or incapacity of such duration and type as to render a Participant eligible to receive long-term disability benefits under the applicable broad-based long-term disability program of the Company.

1.14. “Compensation Committee” shall mean the compensation committee of the Board of Directors.

1.15. “Employment Termination Date” shall mean the date on which a Participant separates from service as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations issued thereunder.

1.16. “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

1.17. “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

1.18. “Incumbent Board” shall have the meaning provided herein at Section 1.7(b).

1.19. “Involuntary Plan” shall mean the SunCoke Energy, Inc. Executive Involuntary Severance Plan.

1.20. “Just Cause” shall mean:

(a) the willful and continued failure of the Participant to substantially perform the Participant’s duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness or following notice of employment termination by the Participant pursuant to Section 1.26(b)), after a written demand for substantial performance is delivered to the Participant by the Board of Directors or the Chief Executive Officer that specifically identifies the manner in which the Board of Directors or the Chief Executive Officer believes that the Participant has not substantially performed the Participant’s duties, or

(b) the willful engaging by the Participant in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company.

For purposes of this Section 1.20, no act, or failure to act, on the part of the Participant shall be considered “willful” unless it is done, or omitted to be done, by the Participant in bad faith or without reasonable belief that the Participant’s action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Chief Executive Officer or a senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Participant in good faith and in the best interests of the Company.

1.21. “Outstanding Company Common Stock” shall have the meaning provided herein at Section 1.7(a).

1.22. “Outstanding Company Voting Stock” shall have the meaning provided herein at Section 1.7(a).

1.23. “Participant” shall mean any individual officer or executive designated by the Chief Executive Officer of the Company on or before the occurrence of any Change in Control; *provided, however,* that such individual is employed by the Company on or before such Change in Control. For purposes of Section 4.6 of this Plan, each former officer or executive designated by the Chief Executive Officer also shall be a Participant.

1.24. “Person” shall have the meaning provided herein at Section 1.7(a).

1.25. “Plan” shall mean the SunCoke Energy, Inc. Special Executive Severance Plan, as set forth herein, and as the same may from time to time be amended.

1.26. “Qualifying Termination” of the employment of a Participant shall mean any of the following:

(a) a termination of employment by the Company within two (2) years after a Change in Control, other than for Just Cause, death or Disability;

(b) a termination of employment by the Participant within two (2) years after a Change in Control for one or more of the following reasons:

(i) the assignment to such Participant of any duties inconsistent in a way significantly adverse to such Participant, with such Participant’s positions, duties,

responsibilities and status with the Company immediately prior to the Change in Control, or a significant reduction in the duties or responsibilities held by the Participant immediately prior to the Change in Control, or a significant change in the Participant's reporting responsibilities, title or offices as in effect immediately prior to the Change in Control that is adverse to the Participant, in each case except in connection with such Participant's termination of employment by the Company for Just Cause; or

(ii) a material reduction in the Participant's (A) annual base salary or (B) total annual compensation opportunity, from such base salary or total annual compensation opportunity in effect immediately prior to the Change in Control; or

(iii) the Company requires the Participant to be based anywhere other than the Participant's present work location or a location within thirty-five (35) miles from the present location; or the Company requires the Participant to travel on Company business to an extent substantially more burdensome than such Participant's travel obligations during the period of twelve (12) consecutive months immediately preceding the Change in Control; or

(iv) the Company fails to obtain a satisfactory agreement from any successor to assume and perform this Plan, as contemplated by Section 10.11 hereof, or

(v) any other action or inaction that constitutes a material breach by the Company of this Plan with respect to such Participant,

(each of clauses (i) through (v), a "Good Reason Event"); *provided, however*, that in the case of any such termination of employment by the Participant under this subparagraph (b), such termination shall not be deemed to be a Qualifying Termination unless (x) Participant has notified the Company in writing describing the occurrence of one or more Good Reason Events within sixty (60) days of such occurrence, (y) the Company fails to cure such Good Reason Event within thirty (30) days after its receipt of such written notice and (z) the termination of employment occurs within one hundred twenty (120) days after the occurrence of the applicable Good Reason Event.

1.27. "SunCoke Energy, Inc." shall mean SunCoke Energy, Inc., a Delaware corporation, and any successor thereto by merger, consolidation, liquidation or purchase of assets or stock or similar transaction.

ARTICLE II

BACKGROUND, PURPOSE AND TERM OF PLAN

2.1. Background. SunCoke Energy, Inc. maintains this Plan for the purpose of providing severance allowances to Participants whose employment is terminated in connection with or following a Change in Control. This amendment and restatement of the Plan shall be effective as of December 8, 2021.

2.2. Purpose of the Plan. The Plan, as set forth herein, has been adopted by the Board of Directors, or a committee thereof, delegated such responsibility, acting in its sole discretion, in recognition that the possibility of a major transaction or a Change in Control exists and that such

possibility, and the uncertainty and questions which it may raise among management, may result in the departure or distraction of key management personnel to the detriment of the Company. The Board of Directors has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of Participants, as key members of Company's management, to their assigned duties without distraction.

2.3. Term of the Plan. The Plan will continue until such time as the Board of Directors, or a committee thereof, delegated such responsibility, acting in its sole discretion, elects to modify, supersede or terminate it; *provided, however*, that no such action taken after a Change in Control, or before, but in connection with, a Change in Control, may terminate or reduce the benefits or prospective benefits of any individual who is a Participant on the date of the action without the express written consent of the Participant.

ARTICLE III PARTICIPATION AND ELIGIBILITY FOR BENEFITS

3.1. General Requirements. Participants shall be designated in accordance with Section 1.23. Except with respect to the benefits and payments under Section 4.6, in order to receive a Benefit under this Plan, a Participant's employment must have been terminated as a result of a Qualifying Termination.

3.2. Qualifying Termination. The Committee shall determine whether any termination of a Participant is a Qualifying Termination. The Participant shall follow the procedures described in Article IX for presenting his or her claim for Benefits under this Plan.

ARTICLE IV BENEFITS

4.1. Amount of Immediate Cash Benefit; Qualifying Termination. In the event of a termination of employment that would qualify the Participant for Benefits that is a Qualifying Termination, the cash amount to be paid to a Participant eligible to receive Benefits under Section 3.1 hereof shall be paid as provided in Section 5.1 hereof and shall equal the sum of the following:

(a) An amount equal to the Participant's earned vacation (as determined under the Company's applicable vacation policy as in effect at the time of the Change in Control) through his or her Employment Termination Date;

(b) for each Participant, Annual Compensation multiplied by two (2);

(c) In addition to the annual compensation benefit described in Section 4.1(b) hereof, a Participant in this Plan, who is also an "*Eligible Employee*" for purposes of the SunCoke Energy, Inc. Annual Incentive Plan, will be entitled to payment of the following amounts:

(i) Prior Year Bonus. Such Participant whose Employment Termination Date occurs prior to April 1 of a calendar year will be entitled to the annual cash bonus payable pursuant to the SunCoke Energy, Inc. Annual Incentive Plan for the prior year, but only to the extent not yet paid.

(ii) Pro-rated Current Year Bonus. Such Participant whose Employment Termination Date occurs between April 1 and December 31 of a calendar year will be entitled to a one-time portion of the current year target annual cash bonus for which the Participant is eligible pursuant to the SunCoke Energy, Inc. Annual Incentive Plan, pro-rated and adjusted for actual Company performance for the calendar year in which the Employment Termination Date occurs, in accordance with the terms and provisions of the SunCoke Energy, Inc. Annual Incentive Plan, based on such Participant's salary or wages earned through the Employment Termination Date. The applicable pro rata portion will be equal to a fraction, the denominator of which will be 12, and numerator of which will be the number of full calendar months during the calendar year the Participant worked. Subject to Section 5.1 hereof, to the extent applicable, such prorated bonus will be paid on the customary payout date under the SunCoke Energy, Inc. Annual Incentive Plan.

4.2. Executive Severance Benefits. In the event that Benefits are paid under Section 4.1, the Participant shall continue to be entitled, through the end of his/her Benefit Extension Period, to those employee benefits, based upon the amount of coverage or benefits provided at the Change in Control, listed below:

(a) Death benefits in an amount equal to one (1) times the Participant's annual base salary at the Employment Termination Date (*provided, however*, that any supplemental coverages elected under the SunCoke Energy, Inc. Death Benefits Plan (or any similar plan of any of the following: a subsidiary or affiliate which has adopted this Plan; a corporation succeeding to the business of SunCoke Energy, Inc.; and/or any subsidiary or affiliate, by merger, consolidation or liquidation or purchase of assets or stock or similar transaction) will be discontinued under the terms of such plan or plans); and

(b) Medical plan benefits (including dental coverage), with COBRA continuation eligibility beginning as of the end of the Benefit Extension Period.

In each case, when contributions are required of all Executive Resource Employees at the time of the Participant's Employment Termination Date, or thereafter, if required of all other active Executive Resource Employees, the Participant shall continue to be responsible for making the required contributions during the Benefit Extension Period in order to be eligible for the coverage. The difference between the cost for such medical plan benefits under Code Section 4980B and the amount of the necessary contributions that a Participant is required to pay for such coverage as provided above will be paid by the Company and considered imputed income to such Participant. Each Participant is responsible for the payment of income tax due as a result of such imputed income. Each Participant also shall be entitled to reasonable outplacement services during the Benefit Extension Period, at no cost to the Participant (but only to the extent such services are provided no later than the end of the second calendar year following the year of the Participant's Employment Termination Date and are paid for directly by the Company no later than the end of the third calendar year following the year of the Participant's Employment Termination Date), from an experienced third-party vendor selected by the Committee and consistent with vendors used in connection with the SunCoke Energy, Inc. Involuntary Termination Plan immediately before the Change in Control.

4.3. Retirement and Savings Plans. This Plan shall not govern and shall in no way affect the Participant's interest in, or entitlement to benefits under, any of the Company's "qualified" or supplemental retirement plans, and payments received under any such plans shall not affect a Participant's right to any Benefit hereunder.

4.4. Relationship to Involuntary Plan. If a Participant becomes entitled to receive severance benefits under this Plan, the Participant shall not be entitled to any benefits under the Involuntary Plan.

4.5. Effect on Other Benefits. There shall not be drawn from the continued provision by the Company of any of the aforementioned Benefits any implication of continued employment or of continued right to accrual of retirement benefits under the Company's qualified or supplemental retirement plans, nor shall a terminated employee, except as otherwise provided under the terms of the Plan, accrue vacation days, paid holidays, paid sick days or other similar benefits normally associated with employment for any part of the Benefit Extension Period during which benefits are payable under this Plan. A Participant shall have no duty to mitigate with respect to Benefits under this Plan by seeking or accepting alternative employment. Further, the amount of any payment or benefit provided for in this Plan shall not be reduced by any compensation earned by the Participant as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Participant to the Company, or otherwise.

4.6. Legal Fees and Expenses. The Company also shall pay to the Participant (or the Participant's representative) all legal fees and expenses incurred by or with respect to the Participant during his lifetime or within ten (ten) years after his death:

(a) in disputing in good faith any issue relating a Qualifying Termination entitling the Participant to Benefits under this Plan (including any good faith dispute regarding whether or not a Qualifying Termination has occurred); or

(b) in seeking in good faith to obtain or enforce any benefit or right provided by this Plan (or the payment of any Benefits through any trust established to fund Benefits under this Plan).

Such payments shall be made as such fees and expenses are incurred by the Participant (or the Participant's representative), but in no event later than five (5) business days after delivery of the Participant's (or Participant's representative's) written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require. Notwithstanding the foregoing sentence, all such payments shall be made on or before the close of the calendar year following the calendar year in which the expense was incurred. The amount of expenses eligible for reimbursement under this provision in one calendar year may not affect the amount of expenses eligible for reimbursement under this provision in any other calendar year. The Participant (or Participant's representative) shall reimburse the Company for such fees and expenses at such time as a court of competent jurisdiction, or another independent third party having similar authority, determines that the Participant's claim was frivolously brought without reasonable expectation of success on the merits thereof.

4.7. Excise Tax Reduction. If in connection with the Change in Control (i) a Participant would be or is subject to an excise tax under Section 4999 of the Internal Revenue Code (an "Excise Tax") with respect to the Benefits, or any other cash, benefits or other property received,

or any acceleration of vesting of any benefit or award (the “Change in Control Benefits”), and (ii) the total net after-tax amount of the Participant's Change in Control Benefits (after taking into account federal, state and local income and employment taxes and the Excise Tax) is less than the pre-tax Change in Control Benefits reduced to the largest amount that would not trigger the imposition of such Excise Tax, then the Participant's Benefits shall be so reduced so that no Excise Tax is imposed.

Within 15 days after the Participant's termination of employment, a nationally recognized accounting firm selected by the Company shall make a determination as to whether any Excise Tax would be reported with respect to the Change in Control Benefits and, if so, the amount of the Excise Tax, the total net after-tax amount of the Change in Control Benefits (after taking into account federal, state and local income and employment taxes and the Excise Tax) and the amount of reduction to the Change in Control Benefits necessary to avoid such Excise Tax. To the extent permitted by Section 409A of the Internal Revenue Code of 1986, as amended (“Code Section 409A”), the Participant shall determine the particular Change in Control Benefits to be reduced, and the Company shall provide the Participant with such information as is necessary to make such determination. The Company shall be responsible for all fees and expenses connected with the determinations by the accounting firm pursuant to this Section 4. 7. The Participant agrees to notify the Company in the event of any audit or other proceeding by the IRS or any taxing authority in which the IRS or other taxing authority asserts that any Excise Tax should be assessed against the Participant and to cooperate with the Company in contesting any such proposed assessment with respect to such Excise Tax.

ARTICLE V

METHOD AND DURATION OF BENEFIT PAYMENTS

5.1. Method of Payment. Subject to the last sentence of Section 5.1, the cash Benefits to which a Participant is entitled, as determined pursuant to Article IV hereof, shall be paid in a lump sum. Payment shall be made by mailing to the last address provided by the Participant to the Company. In general, subject to the last sentence of this Section 5.1, payment shall be made within fifteen (15) days after the Participant’s Employment Termination Date but in no event later than thirty (30) days thereafter; *provided, however*, that payment of any Benefits under any provision of the Plan that are deferred compensation for purposes of Code Section 409A to any Participant who is a specified employee determined in accordance with Code Section 409A (a “Specified Employee”) to the extent required by Code Section 409A shall be paid in a lump sum on the later of the date such payments are due or the date that is six months after the Participant’s Employee Termination Date. In the event the Company should fail to pay when due the amounts described in Article IV (determined without regard to the payment delay to Specified Employees required by Code Section 409A), the Participant shall also be entitled to receive from the Company an amount representing interest on any unpaid or untimely amounts from the due date (determined without regard to the payment delay to Specified Employees required by Code Section 409A) to the date of payment at a rate equal to the prime rate of Citibank, N.A. as in effect from time to time after such due date. Notwithstanding anything to the contrary contained in this Plan, if (x) a Participant also participates in the Involuntary Plan and (y) the Change in Control does not constitute a “change in the ownership of the corporation,” a “change in effective control of the corporation” or a “change in the ownership of a substantial portion of the assets of the corporation” within the meaning of Section 409A(a)(2)(A)(v) of the Code, then payment of the cash Benefits

provided under Section 4.1(b) of the Plan shall be made in equal monthly installments in accordance with Section 5.1 of the Involuntary Plan and during a number of months equal to the number of months that would apply to such Participant based on Section 1.5(b) of the Involuntary Plan.

5.2. Payments After Death. The Participant's estate shall receive any Benefits due hereunder in the event of the Participant's death prior to the receipt of all such Benefits.

ARTICLE VI ADMINISTRATION

6.1. Appointment of the Committee. The Committee shall consist of three (3) or more persons appointed by the Compensation Committee. Committee members may be, but need not be, employees of SunCoke Energy, Inc. Following a Change in Control, the individuals most recently so appointed to serve as members of the Committee before the Change in Control, or successors whom they approve, shall continue to serve as the Committee.

6.2. Tenure of the Committee. Before a Change in Control, Committee members shall serve at the pleasure of the Compensation Committee and may be discharged, with or without cause, by the Compensation Committee. Committee members may resign at any time on ten (10) days' written notice.

6.3. Authority and Duties. It shall be the duty of the Committee, on the basis of information supplied to it by the Company, to determine the eligibility of each Participant for Benefits under the Plan, to determine the amount of Benefit to which each such Participant may be entitled, and to determine the manner and time of payment of the Benefit consistent with the provisions hereof. In addition, the exercise of discretion by the Committee need not be uniformly applied to similarly situated Participants. The Company shall make such payments as are certified to it by the Committee to be due to Participants. The Committee shall have the full power and authority to construe, interpret and administer the Plan, to correct deficiencies therein, and to supply omissions. Except as provided in Section 9.2, all decisions, actions and interpretations of the Committee shall be final, binding and conclusive upon the parties.

6.4. Action by the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business at a meeting of the Committee. Any action of the Committee may be taken upon the affirmative vote of a majority of the members of the Committee at a meeting, or at the direction of the chairperson, without a meeting by mail, telegraph, telephone or electronic communication device; provided that all of the members of the Committee are informed of their right to vote on the matter before the Committee and of the outcome of the vote thereon.

6.5. Officers of the Committee. The Compensation Committee shall designate one of the members of the Committee to serve as chairperson thereof. The Compensation Committee shall also designate a person to serve as Secretary of the Committee, which person may be, but need not be, a member of the Committee.

6.6. Compensation of the Committee. Members of the Committee shall receive no compensation for their services as such. However, all reasonable expenses of the Committee shall be paid or reimbursed by the Company upon proper documentation. The Company shall indemnify members of the Committee against personal liability for actions taken in good faith in the discharge of their respective duties as members of the Committee and shall provide coverage to them under the Company's Liability Insurance program(s).

6.7. Records, Reporting and Disclosure. The Committee shall keep all individual and group records relating to Participants and former Participants and all other records necessary for the proper operation of the Plan. Such records shall be made available to the Company and to each Participant for examination during business hours except that a Participant shall examine only such records as pertain exclusively to the examining Participant and to the Plan. The Committee shall prepare and shall file as required by law or regulation, all reports, forms, documents and other items required by ERISA, the Internal Revenue Code, and every other relevant statute, each as amended, and all regulations thereunder (except that the Company, as payor of the Benefits, shall prepare and distribute to the proper recipients all forms relating to withholding of income or wage taxes, Social Security taxes, and other amounts which may be similarly reportable).

6.8. Actions of the Chief Executive Officer. Whenever a determination is required of the Chief Executive Officer under the Plan, such determination shall be made solely at the discretion of the Chief Executive Officer. In addition, the exercise of discretion by the Chief Executive Officer need not be uniformly applied to similarly situated Participants and shall be final and binding on each Participant or beneficiary(ies) to whom the determination is directed.

6.9. Bonding. The Committee shall arrange any bonding that may be required by law, but no amount in excess of the amount required by law (if any) shall be required by the Plan.

ARTICLE VII AMENDMENT AND TERMINATION

7.1. Amendment, Suspension and Termination. The Company, acting through the Board of Directors, retains the right, at any time and from time to time, to amend, suspend or terminate the Plan in whole or in part, for any reason, and without either the consent of or the prior notification to any Participant. Notwithstanding the foregoing, no such action that is taken after a Change in Control or before, but in connection with, a Change in Control, may terminate or reduce the benefits or prospective benefits of any Participant on the date of such action without the express written consent of the Participant. No amendment, suspension or termination shall give the Company the right to recover any amount paid to a Participant prior to the date of such action or to cause the cessation and discontinuance of payments of Benefits to any person or persons under the Plan already receiving Benefits. The Board of Directors shall have the right to delegate its authority and powers hereunder, or any portion thereof, to any committee of the Board of Directors, and shall have the right to rescind any such delegation in whole or in part.

**ARTICLE VIII
DUTIES OF THE COMPANY**

8.1. Records. The Company shall supply to the Committee all records and information necessary to the performance of the Committee's duties.

8.2. Payment. The Company shall make payments from its general assets to Participants and shall provide the Benefits described in Article IV hereof in accordance with the terms of the Plan, as directed by the Committee.

**ARTICLE IX
CLAIMS PROCEDURES**

9.1. Application for Benefits. Benefits shall be paid by the Company following an event that qualifies the Participant for Benefits. In the event a Participant believes himself/herself eligible for Benefits under this Plan and Benefit payments have not been initiated by the Company, the Participant may apply for such Benefits by requesting payment of Benefits in writing from the Committee.

9.2. Appeals of Denied Claims for Benefits. In the event that any claim for Benefits is denied in whole or in part, the Participant (or beneficiary, if applicable) whose claim has been so denied shall be notified of such denial in writing by the Committee, within thirty (30) days following submission by the Participant (or beneficiary, if applicable) of such claim to the Committee. The notice advising of the denial shall specify the reason or reasons for denial, make specific reference to pertinent Plan provisions, describe any additional material or information necessary for the claimant to perfect the claim (explaining why such material or information is needed), and shall advise the Participant of the procedure for the appeal of such denial. All appeals shall be made by the following procedure:

(a) The Participant whose claim has been denied shall file with the Committee a notice of desire to appeal the denial. Such notice shall be filed within sixty (60) days of notification by the Committee of the claim denial, shall be made in writing, and shall set forth all of the facts upon which the appeal is based. Appeals not timely filed shall be barred.

(b) The Committee shall, within thirty (30) days of receipt of the Participant's notice of appeal, establish a hearing date on which the Participant may make an oral presentation to the Committee in support of his/her appeal. The Participant shall be given not less than ten (10) days' notice of the date set for the hearing.

(c) The Committee shall consider the merits of the claimant's written and oral presentations, the merits of any facts or evidence in support of the denial of benefits, and such other facts and circumstances as the Committee shall deem relevant. If the claimant elects not to make an oral presentation, such election shall not be deemed adverse to his/her interest, and the Committee shall proceed as set forth below as though an oral presentation of the contents of the claimant's written presentation had been made.



(d) The Committee shall render a determination upon the appealed claim, within sixty (60) days of the hearing date, which determination shall be accompanied by a written statement as to the reasons therefor.

ARTICLE X MISCELLANEOUS

10.1. Nonalienation of Benefits. None of the payments, benefits or rights of any Participant shall be subject to any claim of any creditor, and, in particular, to the fullest extent permitted by law, all such payments, benefits and rights shall be free from attachment, garnishment, trustee's process, or any other legal or equitable process available to any creditor of such Participant. No Participant shall have the right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he/she may expect to receive, contingently or otherwise, under this Plan.

10.2. No Contract of Employment. Neither the establishment of the Plan, nor any modification thereof, nor the creation of any fund, trust or account, nor the payment of any benefits shall be construed as giving any Participant, or any person whosoever, the right to be retained in the service of the Company, and all Participants shall remain subject to discharge to the same extent as if the Plan had never been adopted.

10.3. Severability of Provisions. If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed and enforced as if such provisions had not been included.

10.4. Successors, Heirs, Assigns, and Personal Representatives. This Plan shall be binding upon the heirs, executors, administrators, successors and assigns of the parties, including each Participant, present and future.

10.5. Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

10.6. Gender and Number. Except where otherwise clearly indicated by context, the masculine and the neuter shall include the feminine and the neuter, the singular shall include the plural, and vice-versa.

10.7. Unfunded Plan. The Plan shall not be funded. A Participant's right to receive payment of Benefits hereunder shall be no greater than the right of any unsecured creditor of the Company. The Company may, but shall not be required to, set aside or earmark an amount necessary to provide the Benefits specified herein (including the establishment of trusts). In any event, no Participant shall have any right to, or interest in, any assets of the Company which may be applied by the Company to the payment of Benefits except as may be provided pursuant to the terms of any trust established by the Company to provide Benefits.

10.8. Payments to Incompetent Persons, Etc. Any Benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipting therefor shall be deemed

paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Company, the Committee and all other parties with respect thereto.

10.9. Lost Payees. A Benefit shall be deemed forfeited if the Committee is unable to locate a Participant to whom a Benefit is due. Such Benefit shall be reinstated if application is made by the Participant for the forfeited Benefit while this Plan is in operation.

10.10. Controlling Law. This Plan shall be construed and enforced according to the laws of the State of Delaware to the extent not preempted by federal law, without giving effect to principles of conflicts of law.

10.11. Successor Employer. The Company shall require any successor or assignee, whether direct or indirect, by purchase, merger, consolidation or otherwise, to all or substantially all the business or assets of the Company, expressly and unconditionally to assume and agree to perform the Company's obligations under this Plan, in the same manner and to the same extent that the Company would be required to perform if no such succession or assignment had taken place. In such event, the term "Company" shall mean the Company and any successor or assignee to the business or assets which by reason hereof becomes bound by the terms and provisions of this Plan.

10.12. Code Section 409A. This Plan is intended to comply with the requirements of Code Section 409A or an exemption or exclusion therefrom and, with respect to amounts that are subject to Code Section 409A, shall in all respects be administered in accordance with Code Section 409A; provided, however, that the Company makes no representations that Benefits under the Plan shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to Benefits under the Plan and shall not be liable for any penalties or costs to a Participant resulting from the application of Code Section 409A to Benefits hereunder. Each payment under this Plan shall be treated as a separate payment for purposes of Code Section 409A. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under this Agreement. Notwithstanding anything to the contrary in this Plan, all reimbursements and in-kind benefits provided under this Plan shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that:

(a) any reimbursement is for expenses incurred during the Participant's lifetime (or during a shorter period of time specified in this Plan);

(b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, except, if such benefits consist of the reimbursement of expenses referred to in Section 105(b) of the Code, a maximum, if provided under the terms of the plan providing such medical benefit, may be imposed on the amount of such reimbursements over some or all of the period in which such benefit is to be provided to the Participant as described in Treasury Regulation Section 1.409A-3(i)(iv)(B);

(c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred, provided that the Participant shall have submitted an invoice for such fees and expenses at least ten (10) days

before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; and

(d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

**SUNCOKE ENERGY, INC.
EXECUTIVE INVOLUNTARY SEVERANCE PLAN
(Amended and Restated as of December 8, 2021)**

SUNCOKE ENERGY, INC.
EXECUTIVE INVOLUNTARY SEVERANCE PLAN

ARTICLE I
DEFINITIONS

1.1. “Benefit” or “Benefits” shall mean any or all of the benefits that a Participant is entitled to receive pursuant to Article IV of the Plan.

1.2. “Board of Directors” shall mean the Board of Directors of SunCoke Energy, Inc. or any successor thereto.

1.3. “Change in Control Benefits” shall have the meaning assigned to such term in Section 4.7 hereof.

1.4. “Chief Executive Officer” shall mean the individual serving as the Chief Executive Officer of SunCoke Energy, Inc.

1.5. “Committee” shall mean the administrative committee designated pursuant to Article VI of the Plan to administer the Plan in accordance with its terms.

1.6. “Company” shall mean SunCoke Energy, Inc., a Delaware corporation. The term “Company” shall include any successor to SunCoke Energy, Inc., any subsidiary or affiliate which has adopted the Plan, or a corporation succeeding to the business of SunCoke Energy, Inc., or any subsidiary or affiliate, by merger, consolidation or liquidation or purchase of assets or stock or similar transaction.

1.7. “Company Service” shall mean, for purposes of determining Benefits available to any Participant in this Plan, the total aggregate recorded length of such Participant’s service with: SunCoke Energy, Inc.; any subsidiary or affiliate of SunCoke Energy, Inc. (whether by merger, consolidation or liquidation or purchase of assets or stock or similar transaction) which has adopted the Plan; and/or any corporation succeeding to the business of SunCoke Energy, Inc.

Company Service shall commence with the Participant’s initial date of employment with the Company, and shall end with such Participant’s death, retirement, or termination for any reason. Company Service also shall include:

(a) all periods of approved leave of absence (civil, family, medical, military, or Olympic); *provided, however*, that the Participant returns to work within the prescribed time following the leave;

(b) any break in service of thirty (30) days or less; and

(c) any service credited under applicable Company policies with respect to the length of a Participant’s employment by any non-affiliated entity that is subsequently acquired by, and becomes a part of, the Company’s operations.

1.8. “Compensation Committee” shall mean the Compensation Committee of the Board of Directors.

1.9. “Disability” shall mean any illness, injury or incapacity of such duration and type as to render a Participant eligible to receive long-term disability benefits under the applicable broad-based long-term disability program of the Company.

1.10 “Effective Date” shall have the meaning assigned to such term in Section 2.1 hereof.

1.11. “Employment Termination Date” shall mean the date on which a Participant separates from service as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations issued thereunder.

1.12. “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

1.13. “Excise Tax” shall have the meaning assigned to such term in Section 4.7 hereof.

1.14 “Just Cause” shall mean, as determined by the Committee:

(a) the willful and continued failure of the Participant to substantially perform the Participant’s duties with the Company or its affiliates (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Participant by the Board of Directors or the Chief Executive Officer that specifically identifies the manner in which the Board of Directors or the Chief Executive Officer believes that the Participant has not substantially performed the Participant’s duties,

(b) the Participant’s conviction of a felony;

(c) willful misconduct by the Participant in connection with the Participant’s employment duties or responsibilities to the Company or its affiliates (including, but not limited to, dishonest or fraudulent acts);

(d) the Participant’s failure to comply in other than an insignificant manner with a policy of the Company or any affiliate; or

(e) the Participant’s gross misconduct that the Administrator determines in good faith adversely and materially affects the business or reputation of the Company .

For purposes of this Section 1.14, no act, or failure to act, on the part of the Participant shall be considered “willful” unless it is done, or omitted to be done, by the Participant in bad faith or without reasonable belief that the Participant’s action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Chief Executive Officer or a senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Participant in good faith and in the best interests of the Company.

1.15. “Participant” shall mean any executive so designated by the Chief Executive Officer; *provided, however*, that any such executive who has an employment contract with the Company that

provides severance benefits shall not be eligible to participate in the Plan while such contract is in effect except to the extent specifically provided in the contract.

1.16. “Plan” shall mean the SunCoke Energy, Inc. Executive Involuntary Severance Plan, as set forth herein, and as the same may from time to time be amended.

1.17. “Plan Year” shall mean each fiscal year of the Company during which this Plan is in effect.

1.18. “Salary Continuation Period” shall mean:

(a) six (6) weeks, in the case of a Participant who either has not executed the release described in Section 3.3 hereof, or who has revoked such a previously executed release; or

(b) in the case of a Participant who has executed and not revoked the release described in Section 3.3 hereof:

(i) one hundred four (104) weeks for the Company’s Chief Executive Officer;

(ii) seventy-eight (78) weeks for each Senior Vice President of the Company;

and

(iii) fifty-two (52) weeks for each other Participant.

1.19. “Special Executive Severance Plan” shall mean the SunCoke Energy, Inc. Special Executive Severance Plan

1.20. “Weekly Compensation” shall mean the sum of each of the following items divided by 52:

(a) a Participant’s annual base salary; and

(b) the applicable guideline (target) annual bonus amount in effect on his or her Employment Termination Date.

ARTICLE II

BACKGROUND, PURPOSE AND TERM OF PLAN

2.1. Background. The Company maintains this Plan for the purpose of providing severance allowances to all Participants, whose employment is terminated for reasons other than fault of their own. This amendment and restatement of the Plan shall be effective as of December 8, 2021.

2.2. Purpose of the Plan. In recognition of their past service to the Company, this Plan is intended to alleviate, in part or in full, financial hardships which may be experienced by certain of those employees of the Company whose employment is terminated. In essence, benefits under the Plan are intended to be additional compensation for past services. The amount or kind of benefit to be provided is to be based on the position of the Participant and the Participant’s compensation at his or her Employment Termination Date.

2.3. Term of the Plan. The Plan will continue until such time as the Board of Directors, or a committee thereof, delegated such responsibility, acting in its sole discretion, elects to modify, supersede or terminate it in accordance with the further provisions hereof.

ARTICLE III
PARTICIPATION AND ELIGIBILITY FOR BENEFITS

3.1. General Eligibility Requirement. In order to receive a Benefit under this Plan, a Participant's employment must have been terminated by the Company other than for Just Cause, death or Disability; provided, however, that any Participant who is receiving benefits under the Special Executive Severance Plan shall not also be eligible to receive any Benefit under this Plan.

3.2. Employment by Successor. Notwithstanding anything herein to the contrary, no Benefits shall be due hereunder in connection with the sale or other disposition by the Company of the capital stock or assets of any business unit, division, subsidiary, or other affiliate, if the Participant receives an offer of employment from the purchaser or other acquiror at an annual salary and guideline bonus each at least equal to the annual salary and guideline bonus, respectively, for his or her position with the Company immediately prior to such sale or other disposition.

3.3. Release. Unless the Participant executes a full waiver and release of claims in a form satisfactory to the Company, and notwithstanding anything herein to the contrary as provided in Section 5.2, the Benefits provided hereunder in connection with a termination of employment shall be provided only for the Salary Continuation Period set forth in Section 1.18(a) of this Plan.

ARTICLE IV
BENEFIT

4.1. Amount of Immediate Cash Benefit. The immediate cash amount to be paid to a Participant eligible to receive Benefits under Section 3.1 hereof shall be paid in a lump sum and shall equal the Participant's earned vacation (as determined under the Company's applicable vacation policy as in effect on the Employment Termination Date) through the end of his or her Employment Termination Date.

4.2. Ongoing Benefits.

(a) *Salary Continuation.* A Participant who is eligible to receive Benefits under Section 3.1 shall continue to be entitled, through the end of his/her Salary Continuation Period to his/her Weekly Compensation as in effect on the Employment Termination Date.

(b) *Bonus Available Under SunCoke Energy, Inc. Annual Incentive Plan:* In addition to the salary continuation benefit described in Section 4.2(a) hereof, a Participant in this Plan, who is also an "*Eligible Employee*" for purposes of the SunCoke Energy, Inc. Annual Incentive Plan, will be entitled to payment of the following amounts:

(i) Prior Year Bonus. Such Participant whose Employment Termination Date occurs prior to April 1 of a calendar year will be entitled to the annual cash bonus payable pursuant to the SunCoke Energy, Inc. Annual Incentive Plan for the prior year, but only to the extent not yet paid.

(ii) Pro-rated Current Year Bonus. Such Participant whose Employment Termination Date occurs between April 1 and December 31 of a calendar year will be entitled to a one-time portion of the current year target annual cash bonus for

which the Participant is eligible pursuant to the SunCoke Energy, Inc. Annual Incentive Plan, pro-rated and adjusted for actual Company performance for the calendar year in which the Employment Termination Date occurs, in accordance with the terms and provisions of the SunCoke Energy, Inc. Annual Incentive Plan, based on such Participant's salary or wages earned through the Employment Termination Date. The applicable pro rata portion will be equal to a fraction, the denominator of which will be 12, and numerator of which will be the number of full calendar months during the calendar year the Participant worked. Subject to Section 5.1(b) hereof, to the extent applicable, such prorated bonus will be paid on the customary payout date under the SunCoke Energy, Inc. Annual Incentive Plan.

4.3. Executive Benefits. A Participant who is eligible to receive Benefits under Section 3.1 shall continue to be entitled, through the end of his/her Salary Continuation Period to those employee benefits listed below:

(a) death benefits in an amount equal to one (1) times the Participant's annual base salary at the Employment Termination Date (provided, however, that any supplemental coverages elected under the SunCoke Energy, Inc. Death Benefits Plan (or any similar plan of any of the following: a subsidiary or affiliate which has adopted this Plan; a corporation succeeding to the business of SunCoke Energy, Inc.; and/or any subsidiary or affiliate, by merger, consolidation or liquidation or any purchase of assets or stock or similar transaction) will be discontinued under the terms of such plan or plans); and

(b) medical plan benefits (excluding dental coverage), including COBRA continuation coverage beginning as of the start of the Salary Continuation Period and running concurrently therewith.

In each case, when contributions are required of all other active Participants at the time of the Participant's Employment Termination Date, or thereafter, if required of other Participants, the Participant shall continue to be responsible for making the required contributions during the Salary Continuation Period in order to be eligible for the coverage. The difference between the cost for such medical plan benefits under Code Section 4980B and the amount of the necessary contributions that a Participant is required to pay for such coverage as provided above will be paid by the Company and considered imputed income to such Participant. Each Participant is responsible for the payment of income tax due as a result of such imputed income. The Participant also shall be entitled to reasonable outplacement services as deemed appropriate by the Committee (but only to the extent such services are provided no later than the end of the second calendar year following the year of the Participant's Employment Termination Date and are paid for directly by the Company no later than the end of the third calendar year following the year of the Participant's Employment Termination Date).

4.4. Retirement Plans. This Plan shall not govern and shall in no way affect the Participant's interest in, or entitlement to benefits under, any of the Company's qualified or supplemental retirement plans and any payments received under any such plan shall not affect a Participant's right to any Benefit hereunder.

4.5. Minimum Benefit. Notwithstanding the provisions of Sections 4.2 and 4.3 hereof, the Benefits available under this Plan shall not be less than those determined in accordance with the

provisions of the SunCoke Energy, Inc. Involuntary Termination Plan. If the Participant determines that the benefits under the SunCoke Energy, Inc. Involuntary Termination Plan are more valuable to the Participant than the comparable Benefits set forth in this Plan, then the provisions used to calculate the Benefits available to the Participant under this Plan shall not apply, and the Benefits available to the Participant under this Plan shall be calculated using only the applicable provisions of the SunCoke Energy, Inc. Involuntary Termination Plan. In all events, the timing of payment of benefits shall be determined in accordance with the terms of this Plan.

4.6. Effect on Other Benefits. There shall not be drawn from the continued provision by the Company of any of the aforementioned Benefits any implication of continued employment or of continued right to accrual of retirement benefits under the Company's qualified or supplemental retirement plans, nor shall a Participant accrue vacation days, paid holidays, paid sick days or other similar benefits normally associated with employment for any part of the Salary Continuation Period during which benefits are payable under this Plan.

4.7. Excise Tax Reduction. If in connection with the Change in Control of the Company (as defined in the Special Executive Severance Plan) (i) a Participant would be or is subject to an excise tax under Section 4999 of the Internal Revenue Code (an "Excise Tax") with respect to the Benefits, or any other cash, benefits or other property received, or any acceleration of vesting of any benefit or award (the "Change in Control Benefits"), and (ii) the total net after-tax amount of the Participant's Change in Control Benefits (after taking into account federal, state and local income and employment taxes and the Excise Tax) is less than the pre-tax Change in Control Benefits reduced to the largest amount that would not trigger the imposition of such Excise Tax, then the Participant's Benefits shall be so reduced so that no Excise Tax is imposed. Within 15 days after the Participant's termination of employment, a nationally recognized accounting firm selected by the Company shall make a determination as to whether any Excise Tax would be reported with respect to the Change in Control Benefits and, if so, the amount of the Excise Tax, the total net after-tax amount of the Change in Control Benefits (after taking into account federal, state and local income and employment taxes and the Excise Tax) and the amount of reduction to the Change in Control Benefits necessary to avoid such Excise Tax. To the extent permitted by Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A"), the Participant shall determine the particular Change in Control Benefits to be reduced, and the Company shall provide the Participant with such information as is necessary to make such determination. The Company shall be responsible for all fees and expenses connected with the determinations by the accounting firm pursuant to this Section 4.7. The Participant agrees to notify the Company in the event of any audit or other proceeding by the IRS or any taxing authority in which the IRS or other taxing authority asserts that any Excise Tax should be assessed against the Participant and to cooperate with the Company in contesting any such proposed assessment with respect to such Excise Tax.

ARTICLE V
METHOD AND DURATION OF BENEFIT PAYMENTS

5.1. Method of Payment.

(a) The cash Benefits to which a Participant is entitled, as determined pursuant to Article IV hereof, shall be paid monthly except as otherwise provided in this Article V, and the Salary Continuation Period shall begin the first day of the month following the month in which the Employment Termination Date occurs. If a Participant becomes entitled to cash Benefits determined in accordance with Section 1.18(b), the number of equal monthly payments for such Participant shall be determined by dividing the applicable Salary Continuation Period by four and rounding up to the nearest whole number. Pursuant to Treasury Regulation Section 1.409A-2(b)(2)(iii), for purposes of Treasury Regulation 1.409A-1(b)(4) and all other provisions of the regulations promulgated under Code Section 409A, the Participant's right to the series of monthly payments hereunder at all times shall be treated as a right to a series of separate payments. Payment shall be made by mailing to the last address provided by the Participant to the Company, or by direct deposit into a bank account designated by the Participant in writing to the Company.

(b) Payment of any cash Benefits (that are deferred compensation for purposes of Code Section 409A) to any Participant who is a specified employee under Section 409A of the Code shall be made as follows to the extent required by Code Section 409A. Cash Benefits that are scheduled to be paid for the period which begins on such Participant's Employment Termination Date and ends on the date six months from such Participant's Employment Termination Date, shall not be paid as scheduled, but shall be accumulated and paid in a lump sum on the date six months after the Participant's Employment Termination Date. Simple interest will be paid on cash Benefits delayed hereunder from the date such payments would have been made to the Participant but for this subsection (b), to the date of actual payment, at the interest rate equal to the prime rate of Citibank, N.A. as in effect from time to time after such due date.

5.2. Conditions to Entitlement to Benefit. In order to be eligible to receive full Benefits hereunder (other than Benefits pursuant to Section 1.18(a) or Section 4.1), a Participant shall make himself/herself available to the Company and cooperate in any reasonable manner (so as not to unreasonably interfere with subsequent employment) in providing assistance to the Company after his or her Employment Termination Date in conducting any matters which are pending at such time, and, as provided in Section 3.3, shall execute a release and discharge of the Company from any and all claims, demands or causes of action other than as to amounts or benefits due to the Participant under any plan, program or contract provided by, or entered into with, the Company. Such release and discharge shall be in such form as is prescribed by the Committee and shall be executed and delivered no later than the fiftieth (50th) day following the Participant's Employment Termination Date. In the event that a Participant does not so execute and deliver such release, or in the event that the Participant revokes such release, the Company shall cease payment of any Benefits (other than Benefits pursuant to Section 1.18(a) or Section 4.1) and the Participant shall repay any Benefits (other than Benefits pursuant to Section 1.18(a) or Section 4.1) previously provided to him or her. In addition, no Benefits due hereunder shall be paid to a Participant who is required by Company guidelines to execute an agreement governing the assignment of patents or the disclosure of confidential information unless an executed copy of such agreement is on file with the Company.

5.3. Payments After Death. The Participant's estate shall receive any Benefits due hereunder in the event of the Participant's death prior to the receipt of all such Benefits.

ARTICLE VI ADMINISTRATION

6.1. Appointment of the Committee. The Committee shall consist of three (3) or more persons appointed by the Compensation Committee. Committee members may be, but need not be, employees of the Company.

6.2. Tenure of the Committee. Committee members shall serve at the pleasure of the Compensation Committee and may be discharged, with or without Cause, by the Compensation Committee. Committee members may resign at any time on ten (10) days' written notice.

6.3. Authority and Duties. It shall be the duty of the Committee to determine the eligibility of each Participant for Benefits under the Plan, to determine the amount of Benefit to which each such Participant may be entitled, and to determine the manner and time of payment of the Benefit consistent with the provisions hereof. The Company shall make such payments as are certified to it by the Committee to be due to Participants. The Committee shall have the full power and authority to construe, interpret and administer the Plan, to correct deficiencies therein, to supply omissions and to make factual determinations. Except as provided in Section 9.2, all decisions, actions and interpretations of the Committee shall be final, binding and conclusive upon the parties.

6.4. Action by the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business at a meeting of the Committee. Any action of the Committee may be taken upon the affirmative vote of a majority of the members of the Committee at a meeting, or at the direction of the Chairperson, without a meeting by mail, telegraph, telephone or electronic communication device; provided that all of the members of the Committee are informed of their right to vote on the matter before the Committee and of the outcome of the vote thereon.

6.5. Officers of the Committee. The Compensation Committee shall designate one of the members of the Committee to serve as Chairperson thereof. The Compensation Committee shall also designate a person to serve as Secretary of the Committee, which person may be, but need not be, a member of the Committee.

6.6. Compensation of the Committee. Members of the Committee shall receive no compensation for their services as such. However, all reasonable expenses of the Committee shall be paid or reimbursed by the Company upon proper documentation. The Company shall indemnify members of the Committee against personal liability for actions taken in good faith in the discharge of their respective duties as members of the Committee and shall provide coverage to them under the Company's liability insurance program(s).

6.7. Records, Reporting and Disclosure. The Committee shall keep all individual and group records relating to Participants and former Participants and all other records necessary for the proper operation of the Plan. Such records shall be made available to the Company and to each Participant for examination during business hours except that a Participant shall examine only such records as pertain exclusively to the examining Participant and to the Plan. The Committee shall prepare and shall file as

required by law or regulation all reports, forms, documents and other items required by ERISA, the Internal Revenue Code, and every other relevant statute, each as amended, and all regulations thereunder (except that the Company, as payor of the Benefits, shall prepare and distribute to the proper recipients all forms relating to withholding of income or wage taxes, Social Security taxes, and other amounts which may be similarly reportable).

6.8. Actions of the Chief Executive Officer or the Board of Directors. Whenever a determination is required of the Chief Executive Officer or the Board of Directors under the Plan, such determination shall be made solely at the discretion of the Chief Executive Officer or the Board of Directors, as applicable.

6.9. Bonding. The Committee shall arrange any bonding that may be required by law, but no amount in excess of the amount required by law (if any) shall be required by the Plan.

ARTICLE VII AMENDMENT AND TERMINATION

7.1. Amendment, Suspension and Termination. The Company, acting by or pursuant to a resolution of the Board of Directors, or a committee thereof delegated such responsibility, retains the right, at any time and from time to time, to amend, suspend or terminate the Plan in whole or in part, for any reason, and without either the consent of or the prior notification to any Participant. No such amendment shall give the Company the right to recover any amount paid to a Participant prior to the date of such amendment or to cause the cessation and discontinuance of payments of Benefits to any person or persons under the Plan already receiving Benefits.

ARTICLE VIII DUTIES OF THE COMPANY

8.1. Records. The Company shall supply to the Committee all records and information necessary to the performance of the Committee's duties.

8.2. Payment. The Company shall make payments from its general assets to Participants, and shall provide the Benefits described in Article IV hereof in accordance with the terms of this Plan, as directed by the Committee.

ARTICLE IX CLAIMS PROCEDURES

9.1. Application for Benefits. Benefits shall be paid by the Company following a termination of employment that qualifies the Participant for Benefits. In the event a Participant believes himself/herself eligible for Benefits under this Plan and Benefit payments have not been initiated by the Company, the Participant may apply for such Benefits by requesting payment of Benefits in writing from the Company.

9.2. Appeals of Denied Claims for Benefits. In the event that any claim for benefits is denied in whole or in part, the Participant (or beneficiary, if applicable) whose claim has been so denied

shall be notified of such denial in writing by the Committee, within ninety (90) days following submission by the Participant (or beneficiary, if applicable) of such claim to the Committee (unless the Committee determines that special circumstances require an extension of time for processing the claim, in which case (i) the Committee shall notify in writing the Participant of the extension, the reasons therefor and the expected determination date and (ii) such extension shall not exceed the amount permitted by applicable law or regulation). The notice advising of the denial shall specify the reason or reasons for denial, make specific reference to pertinent Plan provisions, describe any additional material or information necessary for the claimant to perfect the claim (explaining why such material or information is needed), and shall advise the Participant of the procedure for the appeal of such denial. All appeals shall be made by the following procedure:

(a) The Participant whose claim has been denied shall file with the Committee a notice of desire to appeal the denial. Such notice shall be filed within sixty (60) days of notification by the Committee of the claim denial, shall be made in writing, and shall set forth all of the facts upon which the appeal is based. Appeals not timely filed shall be barred.

(b) The Committee shall consider the merits of the claimant's written presentation, the merits of any facts or evidence in support of the denial of benefits, and such other facts and circumstances as the Committee shall deem relevant.

(c) The Committee shall render a determination upon the appealed claim, within sixty (60) days of the Committee's receipt of the Participant's notice of appeal (unless the Committee determines that special circumstances require an extension of time for processing the claim, in which case (i) the Committee shall notify in writing the Participant of the extension, the reasons therefor and the expected determination date and (ii) such extension shall not exceed the amount permitted by applicable law or regulation), which determination shall be accompanied by a written statement as to the reasons therefor. The determination so rendered shall be binding upon all parties and shall not be overturned unless such determination was an abuse of discretion and/or violated the highest applicable legal standard.

ARTICLE X MISCELLANEOUS

10.1. Non-alienation of Benefits. None of the payments, benefits or rights of any Participant shall be subject to any claim of any creditor, and, in particular, to the fullest extent permitted by law, all such payments, benefits and rights shall be free from attachment, garnishment, trustee's process, or any other legal or equitable process available to any creditor of such Participant. No Participant shall have the right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he/she may expect to receive, contingently or otherwise, under this Plan.

10.2. No Contract of Employment. Neither the establishment of the Plan, nor any modification thereof, nor the creation of any fund, trust or account, nor the payment of any Benefits shall be construed as giving any Participant, or any person whosoever, the right to be retained in the service of the Company, and all Participants shall remain subject to discharge to the same extent as if the Plan had never been adopted.

10.3. Severability of Provisions. If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed and enforced as if such provisions had not been included.

10.4. Successors, Heirs, Assigns, and Personal Representatives. This Plan shall be binding upon the heirs, executors, administrators, successors and assigns of the parties, including each Participant, present and future. Unless the Chief Executive Officer directs otherwise, the Company shall require any successor or successors (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, or a division thereof, to acknowledge expressly that this Agreement is binding upon and enforceable against the Company in accordance with the terms hereof, and to become jointly and severally obligated with the Company to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession or successions had taken place.

10.5. Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

10.6. Gender and Number. Except where otherwise clearly indicated by context, the masculine and the neuter shall include the feminine and the neuter, the singular shall include the plural, and vice-versa.

10.7. Unfunded Plan. The Plan shall not be funded. The Company may, but shall not be required to, set aside or earmark an amount necessary to provide the Benefits specified herein (including the establishment of trusts). In any event, no Participant shall have any right to, or interest in, any assets of the Company which may be applied by the Company to the payment of Benefits.

10.8. Payments to Incompetent Persons, Etc. Any Benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipting therefor shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Company, the Committee and all other parties with respect thereto.

10.9. Lost Payees. A Benefit shall be deemed forfeited if the Committee is unable to locate a Participant to whom a Benefit is due. Such Benefit shall be reinstated if application is made by the Participant for the forfeited Benefit while this Plan is in operation.

10.10. Controlling Law. This Plan shall be construed and enforced according to the laws of the State of Delaware to the extent not preempted by Federal law, without giving effect to principles of conflicts of laws.

10.11. Code Section 409A. This Plan is intended to comply with the requirements of Code Section 409A or an exemption or exclusion therefrom and, with respect to amounts that are subject to Code Section 409A, shall in all respects be administered in accordance with Code Section 409A. Each payment under this Plan shall be treated as a separate payment for purposes of Code Section 409A; provided, however, that the Company makes no representations that Benefits under the Plan

shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to Benefits under the Plan and shall not be liable for any penalties or costs to a Participant resulting from the application of Code Section 409A to Benefits hereunder. . In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under this Agreement. Notwithstanding anything to the contrary in this Plan, all reimbursements and in-kind benefits provided under this Plan shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that:

(a) any reimbursement is for expenses incurred during the Participant's lifetime (or during a shorter period of time specified in this Plan);

(b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, except, if such benefits consist of the reimbursement of expenses referred to in Section 105(b) of the Code, a maximum, if provided under the terms of the plan providing such medical benefit, may be imposed on the amount of such reimbursements over some or all of the period in which such benefit is to be provided to the Participant as described in Treasury Regulation Section 1.409A-3(i)(iv)(B);

(c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred, provided that the Participant shall have submitted an invoice for such fees and expenses at least ten (10) days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; and

(d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

SUNCOKE ENERGY, INC.
DIRECTORS' DEFERRED COMPENSATION PLAN
(Amended & Restated as of February 23, 2022)

ARTICLE I
Definitions

As used in this Plan, the following terms shall have the meanings herein specified:

1.1 **Business Combination** - shall have the meaning provided herein at Section 1.2(c).

1.2 **Change in Control** - shall mean the occurrence of any of the following events:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act of 1934, as amended) (a "**Person**") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (1) the then-outstanding shares of common stock of the Company (the "**Outstanding Company Common Stock**") or (2) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "**Outstanding Company Voting Securities**"); *provided, however*, that, for purposes of this Section (a), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any company controlled by, controlling or under common control with the Company, or (D) any acquisition by any entity pursuant to a transaction that complies with Sections (c)(1), (c)(2) and (c)(3) of this definition;

(b) Individuals who, as of the effective date of this Plan, constitute the Board of Directors (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board of Directors; *provided, however*, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors;

(c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each, a "**Business Combination**"), in each case unless, following such Business Combination, (1) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company

Voting Securities, as the case may be, (2) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then-outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the Business Combination, and (3) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board of Directors providing for such Business Combination; or

(d) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

1.3 **Committee** - shall mean the Compensation Committee of the Board of Directors of the Company.

1.4 **Company** - shall mean SunCoke Energy, Inc., a Delaware corporation. The term “**Company**” shall include any successor to SunCoke Energy, Inc., any subsidiary or affiliate which has adopted the Plan, or a corporation succeeding to the business of SunCoke Energy, Inc., or any subsidiary or affiliate by merger, consolidation, liquidation or purchase of assets or stock or similar transaction.

1.5 **Compensation** - shall mean those fees and retainers payable by the Company to a Participant in consideration for his or her service as a Director.

1.6 **Deferred Compensation Account** - shall mean, with respect to any Participant, the total amount of the Company’s liability for payment of voluntary deferred compensation to the Participant under this Plan, including any Dividend Equivalents.

1.7 **Deferred Payment Election Form** - shall mean and refer to the written election by a Participant, in the form prescribed by the Committee, to voluntarily defer the payment of all or a portion of such Participant’s Compensation under this Plan pursuant to Article II hereof.

1.8 **Director** - shall mean a member of the Board of Directors of the Company.

1.9 **Dividend Equivalent** - shall mean the entry in a Deferred Compensation Account of a dividend credit with respect to a Share Unit, each Dividend Equivalent being equal to the dividend paid from time to time on a Share.

1.10 **Incumbent Board** - shall have the meaning provided herein at Section 1.2(b).

1.11 **IRC** - shall mean the Internal Revenue Code of 1986, as amended.

1.12 **Outstanding Company Common Stock** - shall have the meaning provided herein at Section 1.2(a).

1.13 **Outstanding Company Voting Securities** - shall have the meaning provided herein at Section 1.2(a).

1.14 **Participant** - shall mean a Director who has elected to defer the receipt of Compensation in accordance with the terms of this Plan.

1.15 **Person** - shall have the meaning provided herein at Section 1.3(a).

1.16 **Plan** - shall mean this Directors' Deferred Compensation Plan, as it may be amended from time to time, and shall be effective for deferrals of Compensation pursuant to Article III.

1.17 **Separation from Service** - shall mean a "separation from service," as defined under Section 409A of the IRC and Treasury Regulation §1.409A, from the Company and any entity that would be treated as a single employer with the Company under Section 414(b) or 414(c) of the IRC.

1.18 **Share** - shall mean a share of the Company's authorized common stock (\$0.01 par value per share) and any share or shares of stock of the Company hereafter issued or issuable in substitution or exchange for each such share.

1.19 **Share Unit** - shall mean the entry in a Deferred Compensation Account of a credit equal to one Share.

ARTICLE II

Deferral of Directors' Compensation

2.1 Election to Defer.

(a) A Participant may elect to defer all or a portion of the Compensation attributable to services performed by the Participant, by filing a written notice of election with the Committee on the form(s) prescribed by the Committee and in accordance with the terms of this Plan.

(b) Each Participant's deferral election form(s) shall specify:

(1) the percentage of Compensation to be deferred, determined in accordance with Section 2.2;

(2) the form of deferral, being Share Units determined in accordance with Section 3.1;

(3) with respect to the initial deferral election only, the method of payment in accordance with Section 3.4; and

(4) the designation of a beneficiary as set forth in Article V.

2.2 Amount of Deferral. The amount of Compensation to be deferred shall be designated by the Participant as a percentage of the Director's Compensation in multiples of five percent (5%) but shall not be less than ten percent (10%).

2.3 Time of Election. An election to defer must be filed and received by the Committee by the end of the calendar year preceding the calendar year in which the services are performed to which the Compensation is attributable. This Plan will not apply to Compensation to be earned on or after January 1, 2023, and Compensation to be earned on or after such date cannot be deferred under the terms of this Plan. Any valid deferral election shall apply only to Compensation attributable to services to be performed on or after the first day of the calendar year following the calendar year in which the election is received by the Committee, subject to Section 3.5 as it pertains to the method of

payment (as determined in the Participant's initial deferral election). An election to defer, made in accordance with this Section 2.3 shall be irrevocable as of December 31 of the year preceding the calendar year in which the Participant earns the Compensation. A separate election form shall be filed for each calendar year.

ARTICLE III

Deferred Compensation Accounts

3.1 Creation of Deferred Compensation Accounts. Compensation deferred hereunder shall be credited as Share Units to a Deferred Compensation Account established by the Company for each Participant.

3.2 Crediting Share Units. Share Units shall be credited to a Participant's Deferred Compensation Account at the time the Compensation otherwise would have been paid had no election to defer been made. In the case of cash Compensation, the number of Share Units to be credited to the Deferred Compensation Account shall be determined by dividing the Compensation by the average closing price for Shares as published in the Wall Street Journal under the caption "New York Stock Exchange Composite Transactions" for the period of ten (10) trading days immediately prior to the day on which the Compensation would otherwise have been paid. Any fractional Share Units shall also be credited to a Participant's Deferred Compensation Account. In the case of stock Compensation, the number of Share Units to be credited to the Deferred Compensation Account shall be equal to the number of Shares that otherwise would have been paid to the Participant had no election to defer been made. The number of Share Units in a Deferred Compensation Account shall be appropriately adjusted by the Committee in the event of changes in the Company's outstanding common stock by reason of a stock dividend or distribution, recapitalization, merger, consolidation, split-up, combination, exchange of shares or the like, and such adjustments shall be conclusive. Share Units shall not entitle any person to the rights of a stockholder.

3.3 Crediting Dividend Equivalents. For Share Units, the Company shall credit the Participant's Deferred Compensation Account with Dividend Equivalents equal to the dividends declared on Shares. A holder of Share Units will be entitled to receive payment from the Company in an amount equal to each cash dividend the Company would have paid to such holder had he or she, on the record date for payment of such dividend, been the holder of record of shares of Common Stock equal to the number of outstanding Share Units. The Company shall establish a bookkeeping account on behalf of each Participant in which the dividend equivalents allocated to such Participant shall be credited. The dividend equivalent account will not bear interest. Vesting and payment of dividend equivalents will correspond to the vesting and settlement of the Share Units with respect to which the dividend equivalents relate. Payment of such dividend equivalents shall be in the form of cash.

3.4 Method of Payment. In the case of a Participant's initial deferral election only, a Participant may elect a single payment or a number of annual installments (not to exceed three) for payment of the Participant's entire Deferred Compensation Account (including Dividend Equivalents attributable thereto). Any payment election made by a Participant in connection with his or her initial deferral election under the Plan shall apply to the entire Deferred Compensation Account. The method of payment must be irrevocably specified by the Participant in his or her initial deferral election. If the Participant does not select a method of payment in his or her initial deferral election, the Participant's entire Deferred Compensation Account (including any Dividend Equivalents attributable thereto) will be distributed in a single payment.

3.5 Time of Payment.

(a) Except as provided in Section 3.5(b) or Article VI hereof, payment of the portion of a Participant's Deferred Compensation Account attributable to Compensation deferred (including any Dividend Equivalents attributable thereto) shall be made at, or shall commence on, January 15th of the calendar year following the calendar year in which the Participant's Separation from Service occurs; *provided, however*, that in the event that the Participant is a "specified employee" within the meaning of IRC Section 409A (as determined in accordance with the methodology established by the Company as in effect on the Separation from Service) (a "***Specified Employee***"), such payment shall instead be made on the first business day after the date that is six months following the Participant's Separation from Service (the "***Delayed Payment Date***") if the Delayed Payment Date is later than January 15th of the calendar year following the calendar year in which the Participant's Separation from Service occurs. Any successive annual installment payments shall be made on January 15th of each such successive year. If a Participant elected annual installments pursuant to Section 3.4, (x) the number of Shares in the first payment shall be a fraction of the aggregate Share Unit balance in the Participant's Deferred Compensation Account as of the payment date, the numerator of which is one and the denominator of which is the total number of annual installments elected, and (y) the number of Shares in each subsequent payment shall be a fraction of the then-remaining aggregate Share Unit balance in the Participant's Deferred Compensation Account as of each subsequent payment date, the numerator of which is one and the denominator of which is the total number of installments elected minus the number of installments previously paid.

(b) In the event of the Participant's death prior to the final payment of all amounts credited to his or her Deferred Compensation Account, the balance of Share Units in his or her Deferred Compensation Account shall be paid in the form of Shares (with fractional Share Units being rounded up to the nearest whole Share) in accordance with Article V, on the date that is thirty (30) days after the Participant's death.

(c) The Participant shall receive payment in Shares for all deferred compensation credited to such Participant's Deferred Compensation Account. The number of Shares to be paid to the Participant shall be equal to the aggregate number of Share Units credited to the Participant's Deferred Compensation Account as of the payment date, with fractional Share Units being rounded up to the nearest whole Share prior to payment.

ARTICLE IV

Designation of Beneficiaries

4.1 Designation of Beneficiary. The Participant shall name one or more beneficiaries and contingent beneficiaries to receive any payments due Participant at the time of death. No designation of beneficiaries shall be valid unless in writing signed by the Participant, dated and filed with the Committee during the lifetime of such Participant. A subsequent beneficiary designation will cancel all beneficiary designations signed and filed earlier under this Plan, and such new beneficiary designation shall be applied to all amounts previously credited, or to be credited prospectively, to the Participant's Deferred Compensation Account. In case of a failure of designation, or the death of the designated beneficiary without a designated successor, distribution shall be paid in one lump sum to the estate of the Participant.

4.2 Spouse's Interest. The interest in any amounts hereunder of a spouse who has predeceased the Participant shall automatically pass to the Participant and shall not be transferable by such spouse in any manner, including but not limited to such spouse's will, nor shall such interest pass under the laws of intestate succession.

4.3 Survivor Benefits. In the event of a Participant's death, any balances in the Participant's Deferred Compensation Account shall be paid in a lump sum to the designated beneficiary(ies) in accordance with Section 3.5(b).

ARTICLE V

Source of Payments

All payments of deferred compensation shall be paid to a Participant in the form of Shares. The Company shall be under no obligation to segregate any assets in connection with the maintenance of a Deferred Compensation Account, nor shall anything contained in this Plan nor any action taken pursuant to the Plan create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and Participant. Title to the beneficial ownership of any Shares which the Company may designate to pay the amount credited to the Deferred Compensation Account shall at all times remain in the Company and Participant shall not have any property interest whatsoever in any specific assets of the Company. Participant's interest in the Deferred Compensation Account shall be limited to the right to receive payment in Shares pursuant to the terms of this Plan.

ARTICLE VI

Change in Control

6.1. Effect of Change in Control on Payment. Upon the occurrence of a Change in Control (provided that the Change in Control is also a "change in the ownership of the corporation," a "change in effective control of the corporation" or a "change in the ownership of a substantial portion of the assets of the corporation" for purposes of IRC Section 409A, and the regulations issued thereunder), the balance of Share Units in a Participant's Deferred Compensation Account, determined as of the valuation date immediately preceding the Change in Control, shall be distributed to the Participant in a single payment of a number of Shares equal to the number of Share Units in the Participant's Deferred Compensation Account, with fractional Share Units being rounded up to the nearest whole share.

6.2. Amendment on or after Change in Control. On or after a Change in Control, or before, but in connection with, a Change in Control, no action, including by way of example and not of limitation, the amendment, suspension or termination of the Plan, shall be taken which would adversely affect the rights of any Participant or the operation of this Article VII with respect to the balance in the Participant's accounts immediately before such action

6.3. Attorney's Fees. The Company shall pay all legal fees and related expenses incurred by or with respect to a Participant during his lifetime or within ten (10) years after his death in seeking to obtain or enforce any payment, benefit or right such Participant may be entitled to under the Plan after a Change in Control. Reimbursement shall be made on or before the close of the calendar year following the calendar year in which the expense was incurred. The amount of expenses eligible for reimbursement under this provision in one calendar year may not affect the amount of expenses eligible for reimbursement under this provision in any other calendar year. The Participant (or the Participant's representative) shall reimburse the Company for such fees and expenses at such time as a court of

competent jurisdiction, or another independent third party having similar authority, determines that the Participant's (or the Participant's representative's) claim was frivolously brought without reasonable expectation of success on the merits thereof.

ARTICLE VII Miscellaneous

7.1 Amounts Taxable under IRC Section 409A. Upon a determination that any amounts deferred under the Plan are included in the gross income of a Participant pursuant to IRC Section 409A, as amended, and the regulations issued thereunder, such amounts shall be distributed to the Participant.

7.2 Nonalienation of Benefits. Participant shall not have the right to sell, assign, transfer or otherwise convey or encumber in whole or in part the right to receive any payment under this Plan except in accordance with Article V.

7.3 Acceptance of Terms. The terms and conditions of this Plan shall be binding upon the heirs, beneficiaries and other successors in interest of Participant to the same extent that said terms and conditions are binding upon the Participant.

7.4 Administration of the Plan. The Plan shall be administered by the Committee, which may make such rules and regulations and establish such procedures for the administration of this Plan as it deems appropriate. In the event of any dispute or disagreements as to the interpretation of this Plan or of any rule, regulation or procedure or as to any questioned right or obligation arising from or related to this Plan, the decision of the Committee shall be final and binding upon all persons.

7.5 Termination and Amendment. The Plan may be terminated at any time by the Board of Directors of the Company and may be amended at any time by the Committee; *provided, however*, that no such amendment or termination shall adversely affect the rights of Participants or their beneficiaries with respect to amounts credited to Deferred Compensation Accounts prior to such amendment or termination, without the written consent of the Participant.

7.6 Construction. In the case any one or more of the provisions contained in this Plan shall be invalid, illegal or unenforceable in any respect the remaining provisions shall be construed in order to effectuate the purposes hereof and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7.7 Governing Law. This Plan shall be construed in accordance with and governed by the laws of the State of Delaware.

Subsidiary Name	Ownership Percentage (if < 100%)	Jurisdiction of Organization
The Claymont Investment Company LLC		Delaware
SunCoke Technology and Development LLC		Delaware
• Sun Coke East Servicos de Coqueificação Ltda.	1.0	Brazil
Sun Coke International, Inc.		Delaware
• Sun Coke East Servicos de Coqueificação Ltda.	99.0	Brazil
• SXC Holding BV		Netherlands
▪ SunCoke India Private Limited	99.0	India
• India Sub Holding BV		Netherlands
▪ SunCoke India Private Limited	1.0	India
Sun Coal & Coke LLC		Delaware
• SunCoke Energy Partners Finance Corp.		Delaware
▪ Gateway Energy & Coke Company, LLC		Delaware
▪ Middletown Coke Company LLC		Delaware
▪Haverhill Coke Company LLC		Delaware
⊙FF Farms Holdings LLC		Delaware
*SunCoke Logistics LLC		Delaware
⊙SunCoke Lake Terminal LLC		Delaware
⊙Kanawha River Terminals LLC		Delaware
* Marigold Dock, Inc		Delaware
*Ceredo Liquid Terminal LLC		Delaware
▪Raven Energy LLC		Delaware
⊙CMT Liquids Terminal, LLC		Delaware
• SunCoke Energy South Shore, LLC		Delaware
• Elk River Minerals Corporation		Delaware
• Jewell Coke Acquisition Company		Virginia
▪ Jewell Coke Company, L.P.	2.0	Delaware

(Continued)

Sun Coal & Coke LLC		Delaware
•Indiana Harbor Coke Corporation		Indiana
▪ Indiana Harbor Coke Company L.P.	84.2	Delaware
•Indiana Harbor Coke Company		Delaware
▪ Indiana Harbor Coke Company L.P.	1.0	
Jewell Resources Corporation		Virginia
• Jewell Coke Company, L.P.	98	Virginia
• Jewell Smokeless Coal Corporation		Virginia
• Jewell Coal & Coke Company, Inc.		Virginia
• Dismal River Terminal, LLC		Virginia
• Oakwood Red Ash Coal Corporation		Virginia

NOTE: First-tier subsidiaries of SunCoke Energy, Inc. [NYSE: SXC] appear in bolded type.

SunCoke Energy, Inc.
List of Issuers and Guarantor Subsidiaries

If a series of registered debt securities issued by SunCoke Energy, Inc. is guaranteed, such series will be guaranteed by one or more of the subsidiaries listed below.

Exact Name of Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	Designation
SunCoke Energy, Inc.	Delaware	Issuer
Ceredo Liquid Terminal LLC	Delaware	Guarantor
CMT Liquids Terminal LLC	Delaware	Guarantor
Dismal River Terminal LLC	Delaware	Guarantor
Elk River Minerals Corporation	Delaware	Guarantor
FF Farm Holdings LLC	Delaware	Guarantor
Gateway Energy & Coke Company LLC	Delaware	Guarantor
Haverhill Coke Company LLC	Delaware	Guarantor
Indiana Harbor Coke Company	Delaware	Guarantor
Indiana Harbor Coke Corporation	Indiana	Guarantor
Jewell Coal & Coke Company, Inc.	Virginia	Guarantor
Jewell Coke Acquisition Company	Virginia	Guarantor
Jewell Coke Company, L.P.	Delaware	Guarantor
Jewell Resources Corporation	Virginia	Guarantor
Kanawha River Terminals, LLC	Delaware	Guarantor
Marigold Dock, Inc.	Delaware	Guarantor
Middletown Coke Company, LLC	Delaware	Guarantor
Raven Energy, LLC	Delaware	Guarantor
Sun Coal & Coke LLC	Delaware	Guarantor
SunCoke Energy Partners Finance Corp.	Delaware	Guarantor
SunCoke Energy South Shore LLC	Delaware	Guarantor
SunCoke Lake Terminal LLC	Delaware	Guarantor
SunCoke Logistics LLC	Delaware	Guarantor
SunCoke Technology and Development LLC	Delaware	Guarantor

Consent of Independent Registered Public Accounting Firm

The Stockholders and Board of Directors
SunCoke Energy, Inc.:

We consent to the incorporation by reference in the registration statement (No. 333-183015, 333-176403, 333-179804 and 333-224733) on Form S-8 and registration statement (No. 333-234585) on Form S-3 of our report dated February 24, 2022, with respect to the consolidated financial statements of SunCoke Energy, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Chicago, Illinois
February 24, 2022

POWER OF ATTORNEY

The undersigned, an officer and director of SunCoke Energy, Inc. (the "Company"), hereby constitutes and appoints Michael G. Rippey and Bonnie M. Edeus, his true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for him in his name place and stead, in any and all capacities, to sign for him in the capacities indicated below, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and any and all amendments to such Annual Report on Form 10-K, and to cause the same to be filed with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and desirable to be done in and about the premises as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all acts and things that said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of this 24th day of February 2021.

Signature:	<u>/s/ Michael G. Rippey</u>
Name:	Michael G. Rippey
Title:	President and Chief Executive Officer (Principal Executive Officer and Principal Financial Officer)

POWER OF ATTORNEY

The undersigned, an officer and director of SunCoke Energy, Inc. (the "Company"), hereby constitutes and appoints Michael G. Rippey and Bonnie M. Edeus, as his true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for him in his name place and stead, in any and all capacities, to sign for him in the capacities indicated below, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and any and all amendments to such Annual Report on Form 10-K, and to cause the same to be filed with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and desirable to be done in and about the premises as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all acts and things that said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of this 24th day of February 2021.

Signature: /s/ Arthur F. Anton

Name: Arthur F. Anton

Title: Director

POWER OF ATTORNEY

The undersigned, an officer and director of SunCoke Energy, Inc. (the "Company"), hereby constitutes and appoints Michael G. Rippey and Bonnie M. Edeus, as her true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for her in her name place and stead, in any and all capacities, to sign for her in the capacities indicated below, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and any and all amendments to such Annual Report on Form 10-K, and to cause the same to be filed with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and desirable to be done in and about the premises as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all acts and things that said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of this 24th day of February 2021.

Signature: /s/ Martha Z. Carnes

Name: Martha Z. Carnes

Title: Director

POWER OF ATTORNEY

The undersigned, an officer and director of SunCoke Energy, Inc. (the "Company"), hereby constitutes and appoints Michael G. Rippey and Bonnie M. Edeus, his true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for him in his name place and stead, in any and all capacities, to sign for him in the capacities indicated below, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and any and all amendments to such Annual Report on Form 10-K, and to cause the same to be filed with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and desirable to be done in and about the premises as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all acts and things that said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of this 24th day of February 2021.

Signature: /s/ Ralph M. Della Ratta, Jr.

Name: Ralph M. Della Ratta, Jr.

Title: Director

POWER OF ATTORNEY

The undersigned, an officer and director of SunCoke Energy, Inc. (the "Company"), hereby constitutes and appoints Michael G. Rippey and Bonnie M. Edeus, her true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for her in her name place and stead, in any and all capacities, to sign for her in the capacities indicated below, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and any and all amendments to such Annual Report on Form 10-K, and to cause the same to be filed with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and desirable to be done in and about the premises as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all acts and things that said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of this 24th day of February 2021.

Signature: /s/ Susan R. Landahl

Name: Susan R. Landahl

Title: Director

POWER OF ATTORNEY

The undersigned, an officer and director of SunCoke Energy, Inc. (the "Company"), hereby constitutes and appoints Michael G. Rippey and Bonnie M. Edeus, his true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for him in his name place and stead, in any and all capacities, to sign for him in the capacities indicated below, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and any and all amendments to such Annual Report on Form 10-K, and to cause the same to be filed with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and desirable to be done in and about the premises as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all acts and things that said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of this 24th day of February 2021.

Signature: /s/ Michael W. Lewis

Name: Michael W. Lewis

Title: Director

CERTIFICATION

I, Michael G. Rippey, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended December 31, 2021 of SunCoke Energy, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ Michael G. Rippey
Michael G. Rippey
President and Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)
February 24, 2022

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER OF SUNCOKE ENERGY, INC.
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with this Annual Report on Form 10-K of SunCoke Energy, Inc. for the fiscal year ended December 31, 2021, I, Michael G. Rippey, President and Chief Executive Officer of SunCoke Energy, Inc., hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. This Annual Report on Form 10-K for the fiscal year ended December 31, 2021 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Annual Report on Form 10-K for the fiscal year ended December 31, 2021 fairly presents, in all material respects, the financial condition and results of operations of SunCoke Energy, Inc. for the periods presented therein.

/s/ Michael G. Rippey
Michael G. Rippey
President and Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)
February 24, 2022

SunCoke Energy, Inc.
Mine Safety Disclosures for the Period Ended December 31, 2021

We are committed to maintaining a safe work environment and working to ensure environmental compliance across all of our operations. The health and safety of our employees and limiting the impact to communities in which we operate are critical to our long-term success. We employ practices and conduct training to help ensure that our employees work safely. Furthermore, we utilize processes for managing, monitoring and improving safety and environmental performance.

We have consistently operated within the top quartile for the U.S. Occupational Safety and Health Administration’s recordable injury rates as measured and reported by the American Coke and Coal Chemicals Institute. We also have worked to maintain low injury rates reportable to the U.S. Department of Labor’s Mine Safety and Health Administration (“MSHA”).

The following table presents the information concerning mine safety violations and other regulatory matters that we are required to report in accordance with Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Whenever MSHA believes that a violation of the Federal Mine Safety and Health Act of 1977 (the “Mine Act”), any health or safety standard, or any regulation has occurred, it may issue a citation which describes the alleged violation and fixes a time within which the operator must abate the violation. In these situations, MSHA typically proposes a civil penalty, or fine, that the operator is ordered to pay. In evaluating the following table regarding mine safety, investors should take into account factors such as: (1) the number of citations and orders will vary depending on the size of a coal mine, (2) the number of citations issued will vary from inspector to inspector, mine to mine and MSHA district to district and (3) citations and orders can be contested and appealed, and during that process are often reduced in severity and amount, and are sometimes dismissed.

The mine data retrieval system maintained by MSHA may show information that is different than what is provided in the table below. Any such difference may be attributed to the need to update that information on MSHA’s system or other factors. Orders and citations issued to independent contractors who work at our mine sites are not reported in the table below. All section references in the table below refer to provisions of the Mine Act.

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations (#)(2)	Section 104(b) Orders (#)(3)	Section 104(d) Citations and Orders (#)(4)	Section 110(b)(2) Violations (#)(5)	Section 107(a) Orders (#)(6)	Total Dollar Value of MSHA Assessments Proposed (\$)(7)	Total Number of Mining Related Fatalities (#)	Received Notice of Pattern of Violations Under Section 104(e) (yes/no)(8)	Received Notice of Potential to Have Pattern Under Section 104(e) (yes/no)(9)	Legal Actions Pending as of Last Day of Period (#)(10)(11)	Legal Actions Initiated During Period (#)(12)	Legal Actions Resolved During Period (#)(13)
Ceredo Dock / 46-09051	2	—	—	—	—	568	—	no	no	—	—	—
Quincy Dock / 46-07736	1	—	—	—	—	409	—	no	no	—	—	—
Dismal River Terminal / B3121	—	—	—	—	—	—	—	no	no	—	—	—
Jewell Coal Corp / 44-00649	—	—	—	—	—	250	—	no	no	—	—	—
Total	3	—	—	—	—	1227	—	—	—	—	—	—

- (1) The table does not include the following: (i) facilities which have been idle or closed unless they received a citation or order issued by MSHA, (ii) permitted mining sites where we have not begun operations or (iii) mines that are operated on our behalf by contractors who hold the MSHA numbers and have the MSHA liabilities.
- (2) Alleged violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a coal or other mine safety or health hazard.
- (3) Alleged failures to totally abate a citation within the period of time specified in the citation.
- (4) Alleged unwarrantable failure (i.e., aggravated conduct constituting more than ordinary negligence) to comply with a mining safety standard or regulation.
- (5) Alleged flagrant violations issued.

- (6) Alleged conditions or practices which could reasonably be expected to cause death or serious physical harm before such condition or practice can be abated.
- (7) Amounts shown include assessments proposed during the year ended December 31, 2021 and do not necessarily relate to the citations or orders reflected in this table. Assessments for citations or orders reflected in this table may be proposed by MSHA after December 31, 2021.
- (8) Alleged pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of coal or other mine health or safety hazards.
- (9) Alleged potential to have a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of coal or other mine health or safety hazards.
- (10) This number reflects legal proceedings which remain pending before the Federal Mine Safety and Health Review Commission (the "FMSHRC") as of December 31, 2021. The pending legal actions may relate to the citations or orders issued by MSHA during the reporting period or to citations or orders issued in prior periods. The FMSHRC has jurisdiction to hear not only challenges to citations, orders, and penalties but also certain complaints by miners. The number of "pending legal actions" reported here reflects the number of contested citations, orders, penalties or complaints which remain pending as of December 31, 2021.
- (11) The legal proceedings which remain pending before the FMSHRC as of December 31, 2021 are categorized as follows in accordance with the categories established in the Procedural Rules of the FMSHRC:

Mine or Operating Name/MSHA Identification Number	Contests of Citations and Orders (#)	Contests of Proposed Penalties (#)	Complaints for Compensation (#)	Complaints for Discharge, Discrimination or Interference Under Section 105 (#)	Applications for Temporary Relief (#)	Appeals of Judges' Decisions or Orders (#)
Ceredo Dock / 46-09051	0	0	0	0	0	0
Quincy Dock / 46-07736	0	0	0	0	0	0
Dismal River Terminal / B3121	0	0	0	0	0	0
Jewell Coal Corp / 44-00649	0	0	0	0	0	0
Total	0	0	0	0	0	0

- (12) This number reflects legal proceedings initiated before the FMSHRC during the year ended December 31, 2021. The number of "initiated legal actions" reported here may not have remained pending as of December 31, 2021.
- (13) This number reflects legal proceedings before the FMSHRC that were resolved during the year ended December 31, 2021.