



**PRIVILEGED AND CONFIDENTIAL
SUBJECT TO THE ATTORNEY WORK PRODUCT
AND ATTORNEY-CLIENT PRIVILEGES**

May 17, 2024

**BY OVERNIGHT
AND ELECTRONIC MAIL**

David McCall
International President
United Steelworkers
60 Boulevard of the Allies
Pittsburgh, PA 15222
damccall@usw.org

Michael R. Millsap
Director District 7 and Chair Negotiating Committee
United Steelworkers
1301 Texas Street
Gary, Indiana 46402
mmilsap@usw.org

Re: BLA Successorship Clause

Dear Messrs. McCall & Millsap:

We write on behalf of Nippon Steel Corporation (“NSC”) and Nippon Steel North America, Inc. (“NSNA”) regarding Article Two, Section D (the “Successorship Clause”) of the basic labor agreements between United States Steel Corporation (the “Company”) and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (the “USW”), dated September 1, 2022 (collectively, the “BLA”). In order to address concerns that the USW has raised regarding the Successorship Clause, and in order to make our position manifestly clear, NSC and NSNA hereby set forth in this one legally binding document (this “Agreement”) their commitments to the USW regarding the Successorship Clause. While we have made or offered these commitments in our previous letters to you, in satisfaction of the requirements set forth in the Successorship Clause, we believe that clarifying our intention in response to the concerns you have raised, and restating our commitments regarding the Successorship Clause set forth in this legally binding Agreement, demonstrates NSC’s and NSNA’s commitment to the USW, its pension and health and welfare funds, and the “Employees” (as defined in the BLA) and retirees.

We also want to reiterate that we stand behind all of the additional commitments and representations we have made in our prior meetings and correspondence, including our March 27,

2024 letter, and as we have previously offered, we are fully prepared to meet with you to further explain and clarify those additional commitments.

Effective as of the “Closing” (as defined in that certain Agreement and Plan of Merger, dated as of December 18, 2023, by and among the Company, NSNA, 2023 Merger Subsidiary, Inc., and, solely as provided in Section 9.13 therein, NSC), NSC and NSNA hereby agree as follows:

1. **Successorship.**

(a) NSC and NSNA recognize the USW as the bargaining representative for the Employees employed by the Company as of the Closing

(b) NSC and NSNA shall honor all commitments in all “USW Agreements” (as defined in the BLA); NSC and NSNA have both the willingness and financial wherewithal to honor all such commitments; and the USW has been provided with reasonable assurances of the foregoing.

(c) NSC and NSNA assume all USW Agreements.

2. **Guarantee.**

(a) **Guaranteed Obligations.** From and after the Closing, NSC and NSNA absolutely, unconditionally and irrevocably guarantee, as principal and not as surety, to the USW, the Company’s due and punctual payment and performance required under its obligations set forth under the USW Agreements, including, but not limited to, any pension benefit plan or welfare benefit plan (in each case, as defined in and subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”)) obligations of the Company arising under the USW Agreements with respect to Employees and/or retirees of the Company, that arise during the period of time in which NSC possesses, directly or indirectly through one or more of its subsidiaries, more than fifty percent (50%) of the voting securities of the Company (referred to hereafter as the period of NSC’s “Ownership” of the Company) (collectively, the “Guaranteed Obligations”).

(b) **Remedies.** In any grievance, arbitration or action whereby the USW seeks monetary or non-monetary relief against the Company to enforce the Guaranteed Obligations, NSC and NSNA hereby consent to be additional parties in such grievance, arbitration or action with the Company, if requested by the USW, and hereby absolutely, unconditionally and irrevocably guarantee, as principal and not as surety, to the USW, the Company’s due and punctual payment and performance for any monetary or non-monetary relief awarded against the Company as and when due.

3. **Consent to Venue and Jurisdiction.** For any claim(s) under the USW Agreements by (i) the USW, (ii) any other USW-related counterparty to a USW Agreement, and/or (iii) the Employees or retirees, which are covered by the grievance and arbitration procedures under the



BLA, NSC and NSNA consent to the grievance and arbitration procedures in the BLA. For any claim(s) under the USW Agreements by either (i) the USW, (ii) any other USW-related counterparty to a USW Agreement, and/or (iii) the Employees or retirees, which are not within the scope of the grievance and arbitration procedures under the BLA, NSC and NSNA (a) irrevocably and unconditionally submit to the jurisdiction of any state or federal court in which such claim(s) could properly be brought against the Company, and (b) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, any claim that it is not subject to the jurisdiction of such court, that such claim(s) are brought in an inconvenient forum, that the venue for such claim(s) is improper, or that this Agreement or the subject matter hereof may not be enforced in or by such court.

4. **Disputes Regarding Interpretation of this Agreement.** NSC and NSNA consent to the grievance and arbitration procedures under the BLA for purposes of disputes regarding the interpretation of this Agreement.


* * *

We look forward to the Closing and a long and productive relationship with the USW.

Very truly yours,

NIPPON STEEL CORPORATION

By: _____


Takahiro Mori

Representative Director, Vice Chairman and
Executive Vice President

NIPPON STEEL NORTH AMERICA, INC.

By: _____


Hiroshi Ono

President and CEO