



# BOARD OF ARBITRATION MISSES THE MARK

September 25, 2024

Dear Brothers and Sisters,

We received the board of arbitration's decision over our grievances against U.S. Steel (USS), and we strenuously disagree with the result.

The arbitrators accepted at face-value Nippon Steel's statement that it would assume the Basic Labor Agreement, despite the obvious means by which it's using its North American holding company to insulate itself from our contracts.

Nippon's commitment to our facilities and jobs remains as uncertain as ever, and executives in Tokyo can still change U.S. Steel's business plans and wipe them away at any moment.

We're clearly disappointed with the decision, but it does nothing to change our opposition to the deal or our resolve to fight for our jobs and communities that hang in the balance in this transaction.

## CFIUS REPORT STILL PENDING

One thing that the board of arbitration got right was its observation that the merger "may not happen at all due to the lack of governmental approval." Nippon and U.S. Steel cannot complete their deal unless they obtain the approval of the Committee on Foreign Investment in the United States (CFIUS). After reports that CFIUS found serious national security concerns with the deal, U.S. Steel and Nippon scrambled to receive an extension in the review process.

This does not alter Nippon's long history of attacking American steel production and domestic steelworkers with its unfair trade practices or the risks it poses to our critical supply chains.

From the outset, Nippon has given every indication that it intends to follow the USS business model of running away from integrated steelmaking and toward the non-union facility in Arkansas.

Unless the owner of USS makes iron-clad, enforceable commitments to maintain blast furnace operations well into the future, our country will lose its capacity to make much of what we need for the automotive industry, bridges and other infrastructure and military operations. As we know, these products cannot be made in electric arc furnaces like Big River.

The greedy USS executives driving this deal have the luxury of taking golden parachutes, and shareholders can obviously sell their stock at a huge profit.

But USW members will be here after the executives and shareholders cash out. We aren't looking just to the expiration of the current contract in 2026 but to our lasting ability to make the steel America urgently needs.

Our solidarity is as important now as ever. Please watch for further updates as we have more information to share.

A handwritten signature in black ink that reads "Michael E. Millsap".

**Mike Millsap**  
District 7 Director &  
Chairman of the Negotiating Committee

A handwritten signature in black ink that reads "David McCall".

**David McCall**  
International  
President