



NIPPON STEEL FAILS TO PROVIDE NEEDED INFORMATION

January 29, 2024

Dear Brothers and Sisters,

As you know, U.S. Steel (USS) announced its proposed sale to Nippon Steel Corporation (NSC) on Dec. 18, ignoring its obligations to the union and violating several portions of our basic labor agreements (BLAs).

The USW since then has fought to gain information we should have had at the outset of this process.

Along the way, we discovered that in its efforts to control USS, NSC decided that rather than acquiring USS's business directly, it would instead push its obligation onto a Houston-based holding company called Nippon Steel North America (NSNA).

This means that NSC would not assume our labor, pension, retiree insurance and other agreements itself. Instead NSNA would acquire the business and take responsibility for our contracts.

NO FINANCIAL INFORMATION

We asked Nippon to provide us with financial information about NSNA, and it admitted that no financial information for NSNA exists. It provided us with some publicly reported information about NSC in Japan, but it ultimately tells us nothing about the soundness of NSNA to stand behind the obligations it would owe USW members and retirees.

Nor has NSC indicated it will provide enforceable guarantees of NSNA's commitments. In fact, once shareholders are paid off under their deal with USS, NSC's guarantees are finished.

NIPPON PROTECTING ONLY ITSELF

It's clear that NSC set up this transaction in order to protect itself.

This is unacceptable. We negotiated strong protections in our BLAs to prevent USS from making a deal that benefits its shareholders – including its executives who hold USS stock in their compensation packages – at the expense of our contracts and our plants.

We are unfortunately accustomed to USS disrespecting its workforce and the union, and now it seems that NSC plans to do the same. In fact, it was disclosed recently that USS blocked NSC from contacting the union before the sale was announced in December, and, rather than fighting USS on this point, NSC simply went along.

Your union remains as committed as ever to fighting to protect your interests through our basic labor agreements and wherever we can take this fight.

A handwritten signature in black ink that reads "Mike 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