

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 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 _____.



United States Steel Corporation

United States Steel Corporation

(Exact name of registrant as specified in its charter)

Delaware 1-16811 25-1897152
(State or other jurisdiction of incorporation) (Commission File Number) (IRS Employer Identification No.)

600 Grant Street Pittsburgh PA 15219-2800
(Address of principal executive offices) (Zip Code)

(412) 433-1121
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
United States Steel Corporation Common Stock	X	New York Stock Exchange
United States Steel Corporation Common Stock	X	Chicago Stock Exchange

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 and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or 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. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

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 is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

Common stock outstanding at April 26, 2021 – 269,661,330 shares

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains information that may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend the forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in those sections. Generally, we have identified such forward-looking statements by using the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “target,” “forecast,” “aim,” “should,” “will,” “may” and similar expressions or by using future dates in connection with any discussion of, among other things, operating performance, trends, events or developments that we expect or anticipate will occur in the future, statements relating to volume changes, share of sales and earnings per share changes, anticipated cost savings, potential capital and operational cash improvements, anticipated disruptions to our operations and industry due to the COVID-19 pandemic, changes in global supply and demand conditions and prices for our products, international trade duties and other aspects of international trade policy, the integration of Big River Steel in our existing business, business strategies related to the combined business and statements expressing general views about future operating results. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. Forward-looking statements are not historical facts, but instead represent only the Company’s beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company’s control. It is possible that the Company’s actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Management believes that these forward-looking statements are reasonable as of the time made. However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. Our Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our Company’s historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, the risks and uncertainties described in this report and in “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2020, our Quarterly Reports on Form 10-Q and those described from time to time in our future reports filed with the Securities and Exchange Commission.

References in this Quarterly Report on Form 10-Q to (i) “U. S. Steel,” “the Company,” “we,” “us,” and “our” refer to United States Steel Corporation and its consolidated subsidiaries unless otherwise indicated by the context, and (ii) “Big River Steel” refer to Big River Steel Holdings LLC and its direct and indirect subsidiaries unless otherwise indicated by the context.

UNITED STATES STEEL CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

	Three Months Ended March 31,	
(Dollars in millions, except per share amounts)	2021	2020
Net sales:		
Net sales	\$ 3,369	\$ 2,397
Net sales to related parties (Note 19)	295	351
Total (Note 6)	<u>3,664</u>	<u>2,748</u>
Operating expenses (income):		
Cost of sales	3,080	2,605
Selling, general and administrative expenses	96	72
Depreciation, depletion and amortization	189	160
(Earnings) loss from investees	(14)	8
Asset impairment charges (Note 1)	—	263
Gain on equity investee transactions	(111)	(31)
Restructuring and other charges (Note 20)	6	41
Other (gains) losses, net	(7)	5
Total	<u>3,239</u>	<u>3,123</u>
Earnings (loss) before interest and income taxes	425	(375)
Interest expense	92	50
Interest income	(1)	(4)
Loss on debt extinguishment	255	—
Other financial costs (gains)	18	(3)
Net periodic benefit income	(31)	(8)
Net interest and other financial costs	<u>333</u>	<u>35</u>
Earnings (loss) before income taxes	92	(410)
Income tax provision (benefit) (Note 12)	1	(19)
Net earnings (loss)	<u>91</u>	<u>(391)</u>
Less: Net earnings attributable to noncontrolling interests	—	—
Net earnings (loss) attributable to United States Steel Corporation	\$ 91	\$ (391)
Earnings (loss) per common share (Note 13):		
Earnings (loss) per share attributable to United States Steel Corporation stockholders:		
-Basic	\$ 0.36	\$ (2.30)
-Diluted	<u>\$ 0.35</u>	<u>\$ (2.30)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

UNITED STATES STEEL CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(Dollars in millions)	Three Months Ended March 31,	
	2021	2020
Net earnings (loss)	\$ 91	\$ (391)
Other comprehensive (loss) income, net of tax:		
Changes in foreign currency translation adjustments	(47)	(23)
Changes in pension and other employee benefit accounts	24	52
Changes in derivative financial instruments	(20)	(5)
Total other comprehensive (loss) income, net of tax	(43)	24
Comprehensive income (loss) including noncontrolling interest	48	(367)
Comprehensive income attributable to noncontrolling interest	—	—
Comprehensive income (loss) attributable to United States Steel Corporation	\$ 48	\$ (367)

The accompanying notes are an integral part of these condensed consolidated financial statements.

UNITED STATES STEEL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

(Dollars in millions)	March 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents (Note 7)	\$ 753	\$ 1,985
Receivables, less allowance of \$33 and \$34	1,517	914
Receivables from related parties (Note 19)	102	80
Inventories (Note 8)	1,750	1,402
Other current assets	128	51
Total current assets	4,250	4,432
Long-term restricted cash (Note 7)	122	130
Operating lease assets	210	214
Property, plant and equipment	19,910	17,704
Less accumulated depreciation and depletion	12,347	12,260
Total property, plant and equipment, net	7,563	5,444
Investments and long-term receivables, less allowance of \$5 in both periods	545	1,177
Intangibles, net (Note 9)	539	129
Deferred income tax benefits (Note 12)	14	22
Goodwill (Note 9)	909	4
Other noncurrent assets	537	507
Total assets	\$ 14,689	\$ 12,059
Liabilities		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 2,402	\$ 1,779
Accounts payable to related parties (Note 19)	126	105
Payroll and benefits payable	285	308
Accrued taxes	168	154
Accrued interest	60	59
Current operating lease liabilities	58	59
Short-term debt and current maturities of long-term debt (Note 15)	45	192
Total current liabilities	3,144	2,656
Noncurrent operating lease liabilities	161	163
Long-term debt, less unamortized discount and debt issuance costs (Note 15)	5,787	4,695
Employee benefits	288	322
Deferred income tax liabilities (Note 12)	54	11
Deferred credits and other noncurrent liabilities	535	333
Total liabilities	9,969	8,180
Contingencies and commitments (Note 21)		
Stockholders' Equity (Note 17):		
Common stock (278,698,208 and 229,105,589 shares issued) (Note 13)	279	229
Treasury stock, at cost (9,046,965 shares and 8,673,131 shares)	(182)	(175)
Additional paid-in capital	5,152	4,402
Accumulated deficit	(532)	(623)
Accumulated other comprehensive loss (Note 18)	(90)	(47)
Total United States Steel Corporation stockholders' equity	4,627	3,786
Noncontrolling interests	93	93
Total liabilities and stockholders' equity	\$ 14,689	\$ 12,059

The accompanying notes are an integral part of these condensed consolidated financial statements.

UNITED STATES STEEL CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

(Dollars in millions)	Three Months Ended March 31,	
	2021	2020
Increase (decrease) in cash, cash equivalents and restricted cash		
Operating activities:		
Net earnings (loss)	\$ 91	\$ (391)
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation, depletion and amortization	189	160
Asset impairment charges (Note 1)	—	263
Gain on equity investee transactions	(111)	(31)
Restructuring and other charges (Note 20)	6	41
Loss on debt extinguishment	255	—
Pensions and other postretirement benefits	(25)	(1)
Deferred income taxes (Note 12)	3	6
Equity investee (earnings) loss, net of distributions received	(14)	8
Changes in:		
Current receivables	(477)	(97)
Inventories	(183)	(204)
Current accounts payable and accrued expenses	386	139
Income taxes receivable/payable	3	3
All other, net	(12)	(38)
Net cash provided by (used in) operating activities	111	(142)
Investing activities:		
Capital expenditures	(136)	(282)
Acquisition of Big River Steel, net of cash acquired (Note 5)	(625)	—
Proceeds from sale of assets	—	1
Proceeds from sale of ownership interests in equity investees	—	8
Other investing activities	(1)	(4)
Net cash used in investing activities	(762)	(277)
Financing activities:		
Repayment of short-term debt (Note 15)	(180)	—
Revolving credit facilities - borrowings, net of financing costs (Note 15)	50	1,202
Revolving credit facilities - repayments (Note 15)	(671)	(281)
Issuance of long-term debt, net of financing costs (Note 15)	826	67
Repayment of long-term debt (Note 15)	(1,379)	(2)
Proceeds from public offering of common stock (Note 22)	791	—
Other financing activities	(10)	(3)
Net cash (used in) provided by financing activities	(573)	983
Effect of exchange rate changes on cash	(12)	(6)
Net (decrease) increase in cash, cash equivalents and restricted cash	(1,236)	558
Cash, cash equivalents and restricted cash at beginning of year (Note 7)	2,118	939
Cash, cash equivalents and restricted cash at end of period (Note 7)	\$ 882	\$ 1,497
Non-cash investing and financing activities:		
Change in accrued capital expenditures	\$ 5	\$ (66)
U. S. Steel common stock issued for employee/non-employee director stock plans	18	17
Capital expenditures funded by finance lease borrowings	1	29
Export Credit Agreement (ECA) financing	23	34

The accompanying notes are an integral part of these condensed consolidated financial statements.

Notes to Condensed Consolidated Financial Statements (Unaudited)

1. **Basis of Presentation and Significant Accounting Policies**

The year-end Consolidated Balance Sheet data was derived from audited statements but does not include all disclosures required for complete financial statements by accounting principles generally accepted in the United States of America (U.S. GAAP). The other information in these condensed financial statements is unaudited but, in the opinion of management, reflects all adjustments necessary for a fair statement of the results for the periods covered, including assessment of certain accounting matters using all available information including consideration of forecasted financial information in context with other information reasonably available to us. However, our future assessment of our current expectations, including consideration of the unknown future impacts of the COVID-19 pandemic, could result in material impacts to our consolidated financial statements in future reporting periods. All such adjustments are of a normal recurring nature unless disclosed otherwise. These condensed financial statements, including notes, have been prepared in accordance with the applicable rules of the Securities and Exchange Commission and do not include all of the information and disclosures required by U.S. GAAP for complete financial statements. Additional information is contained in the United States Steel Corporation Annual Report on Form 10-K for the fiscal year ended December 31, 2020, which should be read in conjunction with these condensed financial statements.

Asset Impairment

For the period ended March 31, 2020, the steep decline in oil prices that resulted from market oversupply and declining demand was considered a triggering event for the welded tubular and seamless tubular asset groups. A quantitative analysis was completed for both asset groups and a \$263 million impairment, consisting of an impairment of \$196 million for property, plant and equipment and \$67 million for intangible assets was recorded for the welded tubular asset group while no impairment was indicated for the seamless tubular asset group. There were no triggering events that required an impairment evaluation of our long-lived asset groups as of March 31, 2021.

2. **New Accounting Standards**

In August 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2020-06, *Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* (ASU 2020-06). ASU 2020-06 simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity's own equity. ASU 2020-06 requires entities to provide expanded disclosures about the terms and features of convertible instruments and amends certain guidance in ASC 260 on the computation of EPS for convertible instruments and contracts on an entity's own equity. ASU 2020-06 is effective for public companies for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years, with early adoption of all amendments in the same period permitted. The Company is continuing to assess the impact of adoption of the ASU.

3. **Recently Adopted Accounting Standards**

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740) - Simplifying the Accounting for Income Taxes* (ASU 2019-12). ASU 2019-12 simplifies accounting for income taxes by removing certain exceptions from the general principles in Topic 740 including elimination of the exception to the incremental approach for intraperiod tax allocation when there is a loss from continuing operations and income or a gain from other items such as other comprehensive income. U. S. Steel adopted this guidance on January 1, 2021. The adoption of this guidance did not have a material impact on the Company's Condensed Consolidated Financial Statements.

4. **Segment Information**

U. S. Steel has four reportable segments: North American Flat-Rolled (Flat-Rolled), Mini Mill, U. S. Steel Europe (USSE); and Tubular Products (Tubular). The Mini Mill segment reflects the acquisition of Big River Steel after the purchase of the remaining equity interest on January 15, 2021. See Note 5 for further details. Prior to the purchase, the equity earnings of Big River Steel were included in the Other segment. The Tubular Products segment includes the newly constructed EAF at our Fairfield Tubular Operations in Fairfield, Alabama. The results of our railroad, real estate businesses and the previously held equity method investment in Big River Steel are combined and disclosed in the Other category.

The results of segment operations for the three months ended March 31, 2021 and 2020 are:

(In millions) Three Months Ended March 31, 2021	Customer Sales	Intersegment Sales	Net Sales	Earnings (loss) from investees	Earnings (loss) before interest and income taxes
Flat-Rolled	\$ 2,272	\$ 43	\$ 2,315	\$ 5	\$ 146
Mini Mill	450	62	512	—	132
USSE	798	1	799	—	105
Tubular	134	4	138	3	(29)
Total reportable segments	3,654	110	3,764	8	354
Other	10	29	39	6	8
Reconciling Items and Eliminations	—	(139)	(139)	—	63
Total	\$ 3,664	\$ —	\$ 3,664	\$ 14	\$ 425
Three Months Ended March 31, 2020					
Flat-Rolled	\$ 1,974	\$ 62	\$ 2,036	\$ 4	\$ (35)
USSE	505	1	506	—	(14)
Tubular	255	3	258	1	(48)
Total reportable segments	2,734	66	2,800	5	(97)
Other	14	28	42	(13)	1
Reconciling Items and Eliminations	—	(94)	(94)	—	(279)
Total	\$ 2,748	\$ —	\$ 2,748	\$ (8)	\$ (375)

A summary of total assets by segment is as follows:

(In millions)	March 31, 2021	December 31, 2020
Flat-Rolled	\$ 7,325	\$ 7,099
Mini Mill	4,073	—
USSE	5,609	5,502
Tubular	949	887
Total reportable segments	\$ 17,956	\$ 13,488
Other	\$ 273	\$ 911
Corporate, reconciling items, and eliminations ^(a)	(3,540)	(2,340)
Total assets	\$ 14,689	\$ 12,059

^(a) The majority of Corporate, reconciling items, and eliminations total assets is comprised of cash and the elimination of intersegment amounts.

The following is a schedule of reconciling items to consolidated earnings before interest and income taxes:

(In millions)	Three Months Ended March 31,	
	2021	2020
Items not allocated to segments:		
Gain on previously held investment in Big River Steel	\$ 111	\$ —
Big River Steel - inventory step-up amortization	(24)	—
Big River Steel - unrealized losses ^(a)	(9)	—
Big River Steel - acquisition costs	(9)	—
Restructuring and other charges (Note 20)	(6)	(41)
Asset impairment charges (Note 1)	—	(263)
Gain on previously held investment in UPI	—	25
Total reconciling items	\$ 63	\$ (279)

^(a) Big River Steel – Unrealized losses represent the post-acquisition mark-to-market impacts of hedging instruments acquired with the purchase of the remaining equity interest in Big River Steel on January 15, 2021. See Note 14 for further details.

5. Acquisitions

Big River Steel

On January 15, 2021, U. S. Steel purchased the remaining equity interest in Big River Steel for approximately \$625 million in cash net of \$36 million and \$62 million in cash and restricted cash received, respectively, and the assumption of liabilities of approximately \$50 million. There were acquisition related costs of approximately \$9 million during the three months ended March 31, 2021. Big River Steel is a technologically advanced mini mill that completed an expansion in November 2020 that doubled its hot-rolled steel production capacity to 3.3 million tons annually. The acquisition of Big River Steel furthers U. S. Steel's Best of BothSM strategy that combines the best of the integrated and mini mill steel making models.

Prior to the closing of the acquisition on January 15, 2021, U. S. Steel accounted for its 49.9% equity interest in Big River Steel under the equity method as control and risk of loss were shared among the partnership members. Using step acquisition accounting the Company increased the value of its previously held equity investment to its fair value of \$770 million which resulted in a gain of approximately \$111 million. The gain was recorded in gain on equity investee transactions in the Condensed Consolidated Statement of Operations.

The acquisition has been accounted for in accordance with ASC 805, *Business combinations*. There were step-ups to fair value of approximately \$308 million, \$194 million and \$24 million for property, plant and equipment, debt and inventory, respectively. An intangible asset for customer relationships and goodwill of approximately \$413 million and \$905 million were also recorded, respectively. Goodwill represents the excess of purchase price over the fair market value of the net assets. Goodwill is primarily attributable to Big River Steel's operational abilities, workforce and the anticipated benefits from their recent expansion and will be partially tax deductible. The inventory step-up was fully amortized as of March 31, 2021, the intangible asset will be amortized over a 22 year period and the debt step up will be amortized over the contractual life of the underlying debt, see Note 15 for further details.

The value of Big River Steel was determined using Level 3 valuation techniques. Level 3 valuation techniques include inputs to the valuation methodology that are considered unobservable and significant to the fair value measurement. A significant factor in determining the equity value was the discounted forecasted cash flows of Big River Steel. Forecasted cash flows are primarily impacted by the forecasted market price of steel and metallic inputs as well as the expected timing of significant capital expenditures. The model utilized a risk adjusted discount rate of 11.0% and a terminal growth rate of 2%.

The following table presents the preliminary allocation of the aggregate purchase price based on estimated fair values:

	(in millions)
Assets Acquired:	
Receivables	\$ 166
Receivables with U. S. Steel ⁽¹⁾	99
Inventories	184
Other current assets	16
Property, plant and equipment	2,188
Intangibles	413
Goodwill	905
Other noncurrent assets	19
Total Assets Acquired	<u>\$ 3,990</u>
Liabilities Assumed:	
Accounts payable and accrued liabilities	\$ 224
Payroll and benefits payable	27
Accrued taxes	9
Accrued interest	33
Short-term debt and current maturities of long-term debt	29
Long-term debt	1,997
Deferred income tax liabilities	44
Deferred credits and other long-term liabilities	182
Total Liabilities Assumed	<u>\$ 2,545</u>
Fair value of previously held investment in Big River Steel	\$ 770
Purchase price, including assumed liabilities and net of cash acquired	<u>675</u>
Difference in assets acquired and liabilities assumed	<u>\$ 1,445</u>

⁽¹⁾ The transaction to purchase Big River Steel included receivables for payments made by Big River Steel on behalf of U. S. Steel for retention bonuses of \$22 million that impacted the previously held equity investment and for U. S. Steel liabilities assumed in the purchase of approximately \$50 million. In addition, there were assumed receivables of approximately \$27 million for steel substrate sales from Big River Steel to U. S. Steel. The receivables with U. S. Steel eliminate in consolidation with offsetting intercompany payables from U. S. Steel.

U. S. Steel is continuing to conform accounting policies and procedures and evaluate assets and liabilities assumed. During the measurement period, we will continue to obtain information to assist in finalizing the fair value of assets acquired and liabilities assumed, which may differ materially from these preliminary estimates. The final purchase price allocation may include changes in allocations to intangible assets, such as customer relationships, as well as goodwill, changes to the fair value of long-term debt and other changes to assets and liabilities. We will apply any material adjustments in the reporting period in which the adjustments are determined.

The following unaudited pro forma information for U. S. Steel includes the results of the Big River Steel acquisition as if it had been consummated on January 1, 2020. The unaudited pro forma information is based on historical information and is adjusted for amortization of the intangible asset, property, plant and equipment and debt fair value step-ups discussed above. Non-recurring acquisition related items included in the 2020 period include \$111 million for the gain on previously held equity investment, \$9 million in acquisition related costs and \$24 million in inventory step-up amortization related to the purchase of the remaining interest in Big River Steel. In addition, costs for non-recurring retention bonuses of \$44 million that occurred in January 2021 prior to the purchase of the remaining equity interest are included in the 2020 period. The pro forma information does not include any anticipated cost savings or other effects of the integration of Big River Steel. Accordingly, the unaudited pro forma information does not necessarily reflect the actual results that would have occurred, nor is it necessarily indicative of future results of operations. Pro forma adjustments were not tax-effected as U. S. Steel has a full valuation allowance on its domestic deferred tax assets.

(in millions, except per share amounts)	For the three month period ended	
	March 31, 2021	March 31, 2020
Net sales	\$ 3,736	\$ 2,994
Net earnings (loss)	18	(367)

USS-POSCO Industries (UPI)

On February 29, 2020, U. S. Steel purchased the remaining equity interest in USS-POSCO Industries (UPI), now known as USS-UPI, LLC, for \$3 million, net of cash received of \$2 million. There was an assumption of accounts payable owed to U. S. Steel for prior sales of steel substrate of \$135 million associated with the purchase that is reflected as a reduction in receivables from related parties on the Company's Condensed Consolidated Balance Sheet.

Using step acquisition accounting the Company increased the value of its previously held equity investment to its fair value of \$5 million which resulted in a gain of approximately \$25 million. The gain was recorded in gain on equity investee transactions in the Condensed Consolidated Statement of Operations.

Receivables of \$44 million, inventories of \$96 million, accounts payable and accrued liabilities of \$19 million, current portion of long-term debt of \$55 million and payroll and employee benefits liabilities of \$78 million were recorded with the acquisition. Property, plant and equipment of \$97 million which included a fair value step-up of \$47 million and an intangible asset of \$54 million were also recorded on the Company's Condensed Consolidated Balance Sheet. The intangible asset, which will be amortized over ten years, arises from a land lease contract, under which a certain portion of payment owed to UPI is realized in the form of deductions from electricity costs.

6. Revenue

Revenue is generated primarily from contracts to produce, ship and deliver steel products, and to a lesser extent, raw materials sales such as iron ore pellets and coke by-products and real estate sales. Generally, U. S. Steel's performance obligations are satisfied and revenue is recognized at a point in time, when title transfers to our customer for product shipped or services are provided. Revenues are recorded net of any sales incentives. Shipping and other transportation costs charged to customers are treated as fulfillment activities and are recorded in both revenue and cost of sales at the time control is transferred to the customer. Costs related to obtaining sales contracts are incidental and are expensed when incurred. Because customers are invoiced at the time title transfers and U. S. Steel's right to consideration is unconditional at that time, U. S. Steel does not maintain contract asset balances. Additionally, U. S. Steel does not maintain contract liability balances, as performance obligations are satisfied prior to customer payment for product. U. S. Steel offers industry standard payment terms.

The following tables disaggregate our revenue by product for each of the reportable business segments for the three months ended March 31, 2021 and 2020, respectively:

Net Sales by Product (In millions):

Three Months Ended March 31, 2021	Flat-Rolled	Mini Mill	USSE	Tubular	Other	Total
Semi-finished	\$ 12	\$ —	\$ 3	\$ —	\$ —	\$ 15
Hot-rolled sheets	450	249	386	—	—	1,085
Cold-rolled sheets	784	79	83	—	—	946
Coated sheets	878	121	298	—	—	1,297
Tubular products	—	—	10	128	—	138
All Other ^(a)	148	1	18	6	10	183
Total	\$ 2,272	\$ 450	\$ 798	\$ 134	\$ 10	\$ 3,664

(a) Consists primarily of sales of raw materials and coke making by-products.

Three Months Ended March 31, 2020	Flat-Rolled	USSE	Tubular	Other	Total
Semi-finished	\$ 27	\$ 1	\$ —	\$ —	\$ 28
Hot-rolled sheets	502	205	—	—	707
Cold-rolled sheets	598	45	—	—	643
Coated sheets	711	229	—	—	940
Tubular products	—	9	251	—	260
All Other ^(a)	136	16	4	14	170
Total	\$ 1,974	\$ 505	\$ 255	\$ 14	\$ 2,748

(a) Consists primarily of sales of raw materials and coke making by-products.

7. **Cash, Cash Equivalents and Restricted Cash**

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within U. S. Steel's Condensed Consolidated Balance Sheets that sum to the total of the same amounts shown in the Condensed Consolidated Statement of Cash Flows:

(In millions)	March 31, 2021	March 31, 2020
Cash and cash equivalents	\$ 753	\$ 1,350
Restricted cash in other current assets	7	4
Restricted cash in other noncurrent assets	122	143
Total cash, cash equivalents and restricted cash	\$ 882	\$ 1,497

Amounts included in restricted cash represent cash balances which are legally or contractually restricted, primarily for electric arc furnace construction, environmental and other capital expenditure projects and insurance purposes.

8. **Inventories**

The LIFO method is the predominant method of inventory costing for our Flat-rolled and Tubular segments. The FIFO and moving average methods are the predominant inventory costing methods for our Mini Mill segment and the FIFO method is the predominant inventory costing method for our USSE segment. At March 31, 2021 and December 31, 2020, the LIFO method accounted for 51 percent and 59 percent of total inventory values, respectively.

(In millions)	March 31, 2021	December 31, 2020
Raw materials	\$ 578	\$ 416
Semi-finished products	807	633
Finished products	315	300
Supplies and sundry items	50	53
Total	\$ 1,750	\$ 1,402

Current acquisition costs were estimated to exceed the above inventory values by \$878 million and \$848 million at March 31, 2021 and December 31, 2020, respectively. As a result of the liquidation of LIFO inventories, cost of sales decreased and earnings before interest and income taxes increased by \$1 million for the three months ended March 31, 2021. Cost of sales increased and the loss before interest and income taxes increased by \$5 million for the three months ended March 31, 2020, as a result of liquidation of LIFO inventories.

9. Intangible Assets

Intangible assets that are being amortized on a straight-line basis over their estimated useful lives are detailed below:

(In millions)	Useful Lives	As of March 31, 2021			As of December 31, 2020			
		Gross Carrying Amount	Accumulated Amortization	Net Amount	Gross Carrying Amount	Accumulated Impairment ^(a)	Accumulated Amortization	Net Amount
Customer relationships	22 Years	\$ 413	\$ 4	\$ 409	\$ 132	\$ 55	\$ 77	\$ —
Patents	10-15 Years	17	10	7	22	7	10	5
Energy Contract	10 Years	54	6	48	54	—	5	49
Other	4-20 Years	—	—	—	14	5	9	—
Total amortizable intangible assets		\$ 484	\$ 20	\$ 464	\$ 222	\$ 67	\$ 101	\$ 54

^(a) The impairment charge was the result of the quantitative impairment analysis of the welded tubular asset group for the period ended March 31, 2020. See Note 1 for further details.

Total estimated amortization expense for the remainder of 2021 is \$19 million. We expect approximately \$25 million in annual amortization expense through 2026 and approximately \$320 million in remaining amortization expense thereafter.

The carrying amount of acquired water rights with indefinite lives as of March 31, 2021 and December 31, 2020 totaled \$75 million.

The purchase of the remaining equity interest in Big River Steel also included goodwill of \$905 million which is included in our Mini Mill segment. Goodwill represents the excess of the cost of the purchase over the net fair value of acquired identifiable tangible and intangible assets and liabilities assumed. See Note 5 for further details. Below is a summary of goodwill by segment for the three months ended March 31, 2021:

	Flat-Rolled	Mini Mill	USSE	Tubular	Total
Balance at December 31, 2020	\$ —	\$ —	\$ 4	\$ —	\$ 4
Additions	—	905	—	—	905
Balance at March 31, 2021	\$ —	\$ 905	\$ 4	\$ —	\$ 909

10. Pensions and Other Benefits

The following table reflects the components of net periodic benefit cost for the three months ended March 31, 2021 and 2020:

(In millions)	Pension Benefits		Other Benefits	
	2021	2020	2021	2020
Service cost	\$ 14	\$ 12	\$ 3	\$ 3
Interest cost	40	48	12	16
Expected return on plan assets	(89)	(81)	(20)	(20)
Amortization of prior service credit	—	—	(7)	(2)
Amortization of actuarial net loss (gain)	38	36	(6)	(4)
Net periodic benefit cost/(income), excluding below	3	15	(18)	(7)
Multiemployer plans	19	21	—	—
Settlement, termination and curtailment losses ^(a)	—	6	—	—
Net periodic benefit cost/(income)	\$ 22	\$ 42	\$ (18)	\$ (7)

^(a) During the three months ended March 31, 2020, the pension plan incurred special termination charges of approximately \$6 million, due to workforce restructuring.

Employer Contributions

During the first three months of 2021, U. S. Steel made cash payments of \$18 million to the Steelworkers' Pension Trust and \$2 million of pension payments not funded by trusts.

During the first three months of 2021, cash payments of \$10 million were made for other postretirement benefit payments not funded by trusts.

Company contributions to defined contribution plans totaled \$10 million for both the three months ended March 31, 2021 and 2020, respectively.

11. Stock-Based Compensation Plans

U. S. Steel has outstanding stock-based compensation awards that were granted by the Compensation & Organization Committee of the Board of Directors (the Committee) under the 2005 Stock Incentive Plan (the 2005 Plan) and the 2016 Omnibus Incentive Compensation Plan, as amended and restated (the Omnibus Plan). The Company's stockholders approved the Omnibus Plan and authorized the Company to issue up to 18,200,000 shares of U. S. Steel common stock under the Omnibus Plan. While the awards that were previously granted under the 2005 Plan remain outstanding, all future awards will be granted under the Omnibus Plan. As of March 31, 2021, there were 1,777,012 shares available for future grants under the Omnibus Plan.

Recent grants of stock-based compensation consist of restricted stock units, total stockholder return (TSR) performance awards and return on capital employed (ROCE) performance awards. Shares of common stock under the Omnibus Plan are issued from authorized, but unissued stock. The following table is a summary of the awards made under the Omnibus Plan during the first three months of 2021 and 2020.

Grant Details	2021		2020	
	Shares ^(a)	Fair Value ^(b)	Shares ^(a)	Fair Value ^(b)
Restricted Stock Units	1,418,380	\$ 17.92	2,624,470	\$ 8.83
Performance Awards ^(c)				
TSR	306,930	\$ 19.46	659,620	\$ 8.20
ROCE ^(d)	485,900	\$ 17.92	—	\$ —

^(a) The share amounts shown in this table do not reflect an adjustment for estimated forfeitures.

^(b) Represents the per share weighted-average for all grants during the period.

^(c) The number of performance awards shown represents the target share grant of the award.

^(d) The ROCE awards granted in 2020 and a portion of ROCE awards granted in 2021 are not shown in the table because they were granted in cash.

U. S. Steel recognized pretax stock-based compensation expense in the amount of \$11 million and \$8 million in the three-month periods ended March 31, 2021 and 2020, respectively.

As of March 31, 2021, total future compensation expense related to nonvested stock-based compensation arrangements was \$44 million, and the weighted average period over which this expense is expected to be recognized is approximately 19 months.

Restricted stock units awarded as part of annual grants generally vest ratably over three years. Their fair value is the market price of the underlying common stock on the date of grant. Restricted stock units granted in connection with new-hire or retention grants generally cliff vest three years from the date of the grant.

TSR performance awards may vest at varying levels at the end of a three-year performance period if U. S. Steel's total stockholder return compared to the total stockholder return of a peer group of companies meets specified performance criteria with each year in the three-year performance period weighted at 20 percent and the full three-year performance weighted at 40 percent. TSR performance awards can vest at between zero and 200 percent of the target award. The fair value of the TSR performance awards is calculated using a Monte-Carlo simulation.

ROCE performance awards may vest at the end of a three-year performance period contingent upon meeting the specified ROCE performance metric. ROCE performance awards can vest between zero and 200 percent of the target award. The fair value of the ROCE performance awards is the average market price of the underlying common stock on the date of grant.

For further details about our stock-based compensation incentive plans and stock awards see Note 15 of the United States Steel Corporation Annual Report on Form 10-K for the fiscal year-ended December 31, 2020.

12. Income Taxes

Tax provision

For the three months ended March 31, 2021 and 2020, the Company recorded a tax provision of \$1 million and a tax benefit of \$19 million, respectively. The tax provision for the first three months of 2021 was based on an estimated annual effective rate, which requires management to make its best estimate of annual pretax income or loss. The 2021 tax provision includes a \$4 million discrete benefit relating to favorably settling prior tax period state income tax matters, and the 2020 tax benefit includes a \$10 million discrete benefit related to recording a loss from continuing operations and income from other comprehensive income categories. Due to the full valuation allowance on our domestic deferred tax assets, the tax provision in 2021 does not reflect any material tax expense for domestic pretax earnings.

During the year, management regularly updates forecasted annual pretax results for the various countries in which we operate based on changes in factors such as prices, shipments, product mix, plant operating performance and cost estimates. To the extent that actual 2021 pretax results for foreign income or loss vary from estimates applied herein, the actual tax provision or benefit recognized in 2021 could be materially different from the forecasted amount used to estimate the tax benefit for the three months ended March 31, 2021.

13. Earnings and Dividends Per Common Share

Earnings (Loss) Per Share Attributable to United States Steel Corporation Stockholders

The effect of dilutive securities on weighted average common shares outstanding included in the calculation of diluted earnings per common share for the three months ended March 31, 2021 and March 31, 2020 were as follows.

(Dollars in millions, except per share amounts)	Three Months Ended March 31,	
	2021	2020
Earnings (loss) attributable to United States Steel Corporation stockholders	\$ 91	\$ (391)
Weighted-average shares outstanding (in thousands):		
Basic	249,351	170,224
Effect of Senior Convertible Notes	8,467	—
Effect of stock options, restricted stock units and performance awards	4,151	—
Adjusted weighted-average shares outstanding, diluted	261,969	170,224
Basic earnings (loss) per common share	\$ 0.36	\$ (2.30)
Diluted earnings (loss) per common share	\$ 0.35	\$ (2.30)

Excluded from the computation of diluted earnings (loss) per common share due to their anti-dilutive effect were 1.4 million and 4.9 million outstanding securities granted under the Omnibus Plan for the three months ended March 31, 2021 and 2020, respectively.

Dividends Paid Per Share

The dividend for each of the first quarter of 2021 and 2020 was one cent per common share.

14. Derivative Instruments

The USSE segment uses foreign exchange forward sales contracts (foreign exchange forwards) to exchange euros for U.S. dollars (USD), our Flat-Rolled segment used foreign exchange forwards to exchange USD for Canadian dollars and our Mini Mill segment uses foreign exchange forwards to exchange USD for euros. All of our foreign exchange forwards have maturities no longer than 16 months and are used to mitigate the risk of foreign currency exchange rate fluctuations and manage our foreign currency requirements. The USSE and Flat-Rolled segments use hedge accounting for their foreign exchange forwards. The Mini Mill segment has not elected hedge accounting; therefore, the changes in the fair value of their foreign exchange forwards are recognized immediately in the Condensed Consolidated Statements of Operations (mark-to-market accounting).

The Flat-Rolled and USSE segments also use financial swaps to protect from the commodity price risk associated with purchases of natural gas, zinc, tin and electricity (commodity purchase swaps). We elected cash flow hedge accounting for Flat-Rolled commodity purchase swaps for natural gas, zinc and tin and use mark-to-market accounting for electricity swaps used in our domestic operations and for commodity purchase swaps used in our European operations. The maximum derivative contract duration for commodity purchase swaps where hedge accounting was elected and was not elected is nine months and 33 months, respectively.

The Flat-Rolled and Mini-Mill segments have entered into financial swaps that are used to partially manage the sales price risk of certain hot-rolled coil sales (sales swaps). The Flat-Rolled segment uses hedge accounting for its sales swaps and the Mini Mill segment uses mark-to-market accounting for its sales swaps. Sales swaps have maturities of up to nine months.

For further details about our derivative instruments see Note 16 of the United States Steel Corporation Annual Report on Form 10-K for the fiscal year-ended December 31, 2020.

The table below shows the outstanding swap quantities used to hedge forecasted purchases and sales as of March 31, 2021 and March 31, 2020:

Hedge Contracts	Classification	March 31, 2021	March 31, 2020
Natural gas (in mmbtus)	Commodity purchase swaps	26,223,000	52,464,000
Tin (in metric tons)	Commodity purchase swaps	1,555	870
Zinc (in metric tons)	Commodity purchase swaps	19,021	21,044
Electricity (in megawatt hours)	Commodity purchase swaps	1,074,720	1,024,000
Hot-rolled coils (in tons)	Sales swaps	192,720	—
Foreign currency (in millions of euros)	Foreign exchange forwards	€ 237	€ 259
Foreign currency (in millions of dollars)	Foreign exchange forwards	\$ 9	\$ —
Foreign currency (in millions of CAD)	Foreign exchange forwards	\$ —	\$ 23

There were \$13 million and \$5 million in accounts receivable and \$78 million and \$54 million in accounts payable recorded for derivatives designated as hedging instruments as of March 31, 2021 and December 31, 2020, respectively. Amounts recorded in long-term asset and long-term liability accounts for derivatives were not material as of March 31, 2021 and December 31, 2020. Accounts payable recorded in the Condensed Consolidated Balance sheet for derivatives not designated as hedging instruments was \$9 million as of March 31, 2021 and was immaterial as of December 31, 2020.

The table below summarizes the effect of hedge accounting on AOCI and amounts reclassified from AOCI into earnings for the three months ended March 31, 2021 and 2020:

(In millions)	Gain (Loss) on Derivatives in AOCI		Location of Reclassification from AOCI ^(a)	Amount of Gain (Loss) Recognized in Income	
	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020		Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Sales swaps	\$ (44)	\$ —	Net sales	\$ (10)	\$ —
Commodity purchase swaps	10	(8)	Cost of sales ^(b)	(1)	(8)
Foreign exchange forwards	19	5	Cost of sales	(5)	—

^(a) The earnings impact of our hedging instruments substantially offsets the earnings impact of the related hedged items resulting in immaterial ineffectiveness.

^(b) Costs for commodity purchase swaps are recognized in cost of sales as products are sold.

At current contract values, \$7 million currently in AOCI as of March 31, 2021 will be recognized as a decrease in cost of sales over the next year and \$71 million currently in AOCI as of March 31, 2021 will be recognized as a decrease in net sales over the next year.

The loss recognized for sales swaps where hedge accounting was not elected was \$9 million and was recognized in cost of sales for the three month period ended March 31, 2021. The loss recognized for sales swaps where hedge accounting was not elected was not material for the three month period ended March 31, 2020.

15. Debt

(In millions)	Issuer/Borrower	Interest Rates %	Maturity	March 31, 2021	December 31, 2020
2037 Senior Notes	U. S. Steel	6.650	2037	350	350
2029 Senior Secured Notes	Big River Steel	6.625	2029	900	—
2029 Senior Notes	U. S. Steel	6.875	2029	750	—
2026 Senior Notes	U. S. Steel	6.250	2026	618	650
2026 Senior Convertible Notes	U. S. Steel	5.000	2026	350	350
2025 Senior Notes	U. S. Steel	6.875	2025	731	750
2025 Senior Secured Notes	U. S. Steel	12.000	2025	—	1,056
Arkansas Teacher Retirement System Notes Payable	Big River Steel	5.500 - 7.750	2023	106	—
Export-Import Credit Agreement	U. S. Steel	Variable	2021	—	180
Environmental Revenue Bonds	U. S. Steel	4.125 - 6.750	2024 - 2050	717	717
Environmental Revenue Bonds	Big River Steel	4.500 - 4.750	2049	752	—
Finance leases and all other obligations	U. S. Steel	Various	2021 - 2029	80	81
Finance leases and all other obligations	Big River Steel	Various	2021 - 2031	119	—
Export Credit Agreement (ECA)	U. S. Steel	Variable	2031	136	113
Credit Facility Agreement, \$2.0 billion	U. S. Steel	Variable	2024	—	500
Big River Steel ABL Facility, \$350 million	Big River Steel	Variable	2022	30	—
USSK Credit Agreement	U. S. Steel Kosice	Variable	2023	205	368
USSK Credit Facilities	U. S. Steel Kosice	Variable	2021	—	—
Total Debt				5,844	5,115
Less unamortized discount, premium, and debt issuance costs				12	228
Less short-term debt and long-term debt due within one year				45	192
Long-term debt				\$ 5,787	\$ 4,695

To the extent not otherwise discussed below, information concerning the senior notes and other listed obligations can be found in Note 17 of the audited financial statements in the United States Steel Corporation Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

Senior Secured Notes, Senior Notes and Export-Import Credit Agreement Repayments

The following debt repayments occurred during the three month period ended March 31, 2021:

- In January and February 2021, U. S. Steel voluntarily repaid in full all of the remaining outstanding principal of approximately \$180 million and accrued interest under the Export-Import Credit Agreement. There were approximately \$3 million in non-cash debt extinguishment costs associated with the repayment. The Export-Import Credit Agreement and related security interests were terminated in conjunction with the payment in full. No early termination penalties applied with respect to the prepayment.
- In March 2021, U. S. Steel completed an optional full redemption of its outstanding 12.000% Senior Secured Notes due 2025 for an aggregate principal amount of approximately \$1.056 billion. There were redemption premiums and unamortized discount and debt issuance write-offs of approximately \$181 million and \$71 million, respectively related to the repayment.
- In March 2021, U. S. Steel completed open market repurchases of approximately \$32 million and \$19 million of aggregate principal of its 6.250% Senior Notes due 2026 and its 6.875% Senior Notes due 2025, respectively.

2029 Senior Notes

On February 11, 2021, U. S. Steel issued \$750 million aggregate principal amount of 6.875% Senior Notes due 2029 (2029 Senior Notes). U. S. Steel received net proceeds of approximately \$739 million after fees of approximately \$11 million related to underwriting and third party expenses. The net proceeds from the issuance of the 2029 Senior Notes, together with the proceeds of our recent common stock issuance were used to redeem all of our outstanding 2025 Senior Secured Notes as discussed above. See Note 22 for further details regarding our recent common stock issuance. The 2029 Senior Notes will pay interest semi-annually in arrears on March 1 and September 1 of each year beginning on September 1, 2021, and will mature on March 1, 2029, unless earlier redeemed or repurchased.

On and after March 1, 2024, the Company may redeem the 2029 Senior Notes at its option, at any time in whole or from time to time in part, upon not less than 15 nor more than 60 days' notice, at the redemption prices (expressed in percentages of principal amount) listed below, plus accrued and unpaid interest on the 2029 Senior Notes, if any, to, but excluding, the applicable redemption date, if redeemed during the twelve-month period beginning on March 1 of each of the years indicated below.

Year	Redemption Price
2024	103.438 %
2025	101.719 %
2026 and thereafter	100.000 %

At any time prior to March 1, 2024, U. S. Steel may also redeem the 2029 Senior Notes, at our option, in whole or in part, or from time to time, at a price equal to the greater of 100 percent of the principal amount of the 2029 Senior Notes to be redeemed, or the sum of the present value of the redemption price of the 2029 Senior Notes if they were redeemed on March 1, 2024 plus interest payments due through March 1, 2024 discounted to the date of redemption on a semi-annual basis at the applicable treasury yield, plus 50 basis points and accrued and unpaid interest, if any.

At any time prior to March 1, 2024 we may also purchase up to 35% of the original aggregate principal amount of the 2029 Senior Notes at 106.875%, plus accrued and unpaid interest, if any, up to, but excluding the applicable date of redemption, with proceeds from equity offerings.

Similar to our other senior notes, the indenture governing the 2029 Senior Notes restricts our ability to create certain liens, to enter into sale leaseback transactions and to consolidate, merge, transfer or sell all, or substantially all of our assets. It also contains provisions requiring that U. S. Steel make an offer to purchase the 2029 Senior Notes from holders upon a change of control under certain specified circumstances, as well as other customary provisions.

2029 Senior Secured Notes

On September 18, 2020, Big River Steel's indirect subsidiaries, Big River Steel LLC and BRS Finance Corp. (the "Issuers"), issued \$900 million in aggregate principal amount of 6.625% Senior Secured Notes (Green Bonds) (2029 Senior Secured Notes). The 2029 Senior Secured Notes pay interest semi-annually in arrears on January 31 and July 31 of each year and will mature on January 31, 2029, unless earlier redeemed or repurchased.

On and after September 15, 2023, Big River Steel LLC may redeem the 2029 Senior Secured Notes at its option, at any time in whole or from time to time in part, at the redemption prices (expressed in percentages of principal amount) listed below, plus accrued and unpaid interest on the Notes, if any, to, but excluding, the applicable redemption date, if redeemed during the twelve-month period beginning on September 15 of each of the years indicated below.

Year	Redemption Price
2023	103.313 %
2024	101.656 %
2025 and thereafter	100.000 %

The obligations under the 2029 Senior Secured Notes are fully and unconditionally guaranteed, jointly and severally, on a secured basis by the Issuers' parent company, BRS Intermediate Holdings LLC ("BRS Intermediate"), which is a direct subsidiary of Big River Steel, and by all future direct and indirect wholly owned domestic subsidiaries of the Issuers. Additionally, the 2029 Senior Secured Notes and related guarantees are secured by (i) first priority liens on most of the tangible and intangible assets of the Issuers and the guarantors and all of the equity interests of the Issuers held by BRS Intermediate (shared in equal priority with each other pari passu lien secured party) (ii) and second priority liens on accounts receivable, inventory and certain other related assets of the Issuers and the guarantors (shared in equal priority with each other pari passu lien secured party).

If the Issuers or BRS Intermediate experience specified change in control events the Issuers must make an offer to purchase the 2029 Senior Secured Notes. If the Issuers sell assets under specified circumstances, the Issuers must make an offer to purchase the 2029 Senior Secured Notes at a price equal to 100% of the aggregate principal amount plus accrued and unpaid interest. The Indenture also limits the ability of the Issuers and their restricted subsidiaries to: incur or guarantee additional indebtedness; pay dividends and make other restricted payments; make investments; consummate certain asset sales; engage in transactions with affiliates; grant or assume liens; and consolidate, merge or transfer all or substantially all of their assets. The Indenture also includes other customary events of default.

Big River Steel Environmental Revenue Bonds - Series 2019

On May 31, 2019, Arkansas Development Finance Authority (ADFA) issued \$487 million of tax-exempt bonds and loaned 100% of the proceeds to Big River Steel LLC under a bond financing agreement to finance the expansion of Big River Steel's electric arc furnace steel mill and fund the issuance cost of the bonds (2019 ADFA Bonds). The 2019 ADFA Bonds accrue interest at the rate of 4.50% per annum payable semiannually on March 1 and September 1 of each year with a final maturity of September 1, 2049.

The 2019 ADFA Bonds are subject to optional redemption during the periods and at the redemption prices shown below plus, in each case, accrued interest.

Year	Redemption Price
September 1, 2026 to August 31, 2027	103 %
September 1, 2027 to August 31, 2028	102 %
September 1, 2028 to August 31, 2029	101 %
On and after September 1, 2029	100 %

Prior to September 1, 2026, the 2019 ADFA Bonds are not redeemable.

The 2019 ADFA Bonds are fully and unconditionally guaranteed, jointly and severally, on a senior secured basis by first priority liens on most of the tangible and intangible assets and second priority liens on accounts receivable, inventory and certain other related assets of BRS Intermediate and by all future direct and indirect wholly owned domestic subsidiaries of the Issuers.

The 2019 ADFA Bonds are subject to certain mandatory sinking fund redemption provisions beginning in 2040, as well as extraordinary mandatory redemption, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, from surplus funds at the earlier of the completion of the tax-exempt project or expiration of a certain period for construction financings, and upon an event of taxability. The 2019 ADFA Bonds are subject to substantially similar asset sale offer and change of control offer provisions, affirmative and negative covenants, events of default and remedies as the Indenture governing the 2029 Senior Secured Notes.

Big River Steel Environmental Revenue Bonds - Series 2020

On September 10, 2020, ADFA issued \$265 million of tax-exempt bonds with a green bond designation and loaned 100% of the proceeds to Big River Steel LLC under a bond financing agreement to finance or refinance the expansion of Big River Steel's electric arc furnace steel mill and fund the issuance cost of the bonds (2020 ADFA Bonds). The 2020 ADFA Bonds accrue interest at 4.75% per annum payable semi-annually on March 1 and September 1 of each year with final maturity on September 1, 2049.

The 2020 ADFA Bonds are subject to optional redemption during the periods and at the redemption prices shown below, plus, in each case accrued interest.

Year	Redemption Price
September 1, 2027 to August 31, 2028	103 %
September 1, 2028 to August 31, 2029	102 %
September 1, 2029 to August 31, 2030	101 %
On and after September 1, 2030	100 %

At any time prior to September 1, 2027, Big River Steel LLC may also redeem the 2020 ADFA Bonds, at its option, in whole or in part, or from time to time, at a price equal to the greater of 100 percent of the principal amount of the 2020 ADFA Bonds to be redeemed, or the present value of the redemption price of the 2020 ADFA Bonds if they were redeemed on September 1, 2027 plus interest payments due through September 1, 2027 discounted to the date of redemption on a semi-annual basis at the applicable tax exempt municipal bond rate and accrued and unpaid interest to the date fixed for redemption.

The 2020 ADFA Bonds are fully and unconditionally guaranteed, jointly and severally, on a secured basis by certain of Big River Steel's subsidiaries and subject to first priority liens and second priority liens on certain Big River Steel collateral.

The 2020 ADFA Bonds are subject to substantially similar asset sale offer and change of control offer provisions, affirmative and negative covenants, events of default and remedies as the Indenture governing the 2029 Senior Secured Notes.

Arkansas Teacher Retirement System Notes Payable

Big River Steel entered into three financing agreements with the Arkansas Teacher Retirement System during 2018 and 2019. The interest rates on the notes range from 5.50% to 7.75% at present. Interest on these agreements may be paid-in-kind through the respective dates of maturity and therefore requires no interim debt service by Big River Steel prior to the date of maturity or early repayment, as the case may be. Big River Steel may prepay amounts owed under these agreements at any time without penalty. One such agreement has the benefit of a pledge of future income streams generated through an anticipated monetization of recycling tax credits provided by the State of Arkansas in conjunction with the expansion of Big River Steel. As of March 31, 2021, the outstanding balance for these financing agreements was \$106 million.

Big River Steel ABL Facility

On August 23, 2017, subsidiaries of Big River Steel entered into a senior secured asset-based revolving credit facility and subsequently amended such facility (Big River Steel ABL Facility) by entering into the First Amendment to the Big River Steel ABL Credit Agreement, dated as of September 10, 2020. The Big River Steel ABL Facility is secured by first-priority liens on accounts receivable and inventory and certain other assets and second priority liens on most tangible and intangible assets of Big River Steel in each case subject to permitted liens.

The Big River Steel ABL Facility provides for borrowings for working capital and general corporate purposes in an amount equal up to the lesser of (a) \$350 million and (b) a borrowing base calculated based on specified percentages of eligible accounts receivables and inventory, subject to certain adjustments and reserves. The Big River Steel ABL Facility matures on August 23, 2022. The outstanding principal balance was \$30 million at March 31, 2021. Availability under the Big River Steel ABL Facility, pursuant to the available borrowing base was \$251 million at March 31, 2021.

The Big River Steel ABL Facility provides for borrowings at interest rates based on defined, short-term market rates plus a spread based on availability. The Big River Steel ABL Facility also requires a commitment fee on the unused portion of the Big River Steel ABL Facility, determined quarterly based on Big River Steel LLC's utilization levels.

Big River Steel LLC must maintain a fixed charge coverage ratio of at least 1.00 to 1.00 for the most recent twelve consecutive months when availability under the Big River Steel ABL Facility is less than the greater of ten percent of the borrowing base availability and \$13 million. Based on the most recent four quarters as of March 31, 2021, Big River Steel would have met the fixed charge coverage ratio test. The Big River Steel ABL Facility includes affirmative and negative covenants that are customary for facilities of this type. The Big River Steel ABL Facility also includes customary events of default.

Credit Facility Agreement

As of March 31, 2021, there were approximately \$5 million of letters of credit issued, and no loans drawn under the \$2.0 billion Fifth Amended and Restated Credit Facility Agreement (Credit Facility Agreement). U. S. Steel must maintain a fixed charge coverage ratio of at least 1.00 to 1.00 for the most recent four consecutive quarters when availability under the Credit Facility Agreement is less than the greater of ten percent of the total aggregate commitments and \$200 million. Based on the most recent four quarters as of March 31, 2021, the Company would not have met the fixed charge coverage ratio test; therefore, the amount available to the Company under this facility is effectively reduced by \$200 million. In addition, since the value of our inventory and trade accounts receivable less specified reserves calculated in accordance with the Credit Facility Agreement do not support the full amount of the facility at March 31, 2021, the amount available to the Company under this facility was further reduced by \$252 million. The availability under the Credit Facility Agreement was \$1.543 billion as of March 31, 2021.

The Credit Facility Agreement provides for borrowings at interest rates based on defined, short-term market rates plus a spread based on availability and includes other customary terms and conditions including restrictions on our ability to create certain liens and to consolidate, merge or transfer all, or substantially all, of our assets. The Credit Facility Agreement expires in October 2024. Maturity may be accelerated 91 days prior to the stated maturity of any outstanding senior debt if excess cash and credit facility availability do not meet the liquidity conditions set forth in the Credit Facility Agreement. Borrowings are secured by liens on certain North American inventory and trade accounts receivable. Availability under this facility may be impacted by additional footprint decisions that are made to the extent the value of the collateral pool of inventory and accounts receivable that support our borrowing availability are reduced.

The Credit Facility Agreement has customary representations and warranties including, as a condition to borrowing, that all such representations and warranties are true and correct, in all material respects, on the date of the borrowing, including representations as to no material adverse change in our business or financial condition that is not disclosed in our last published financial results. The facility also has customary defaults, including a cross-default to material indebtedness of U. S. Steel and our subsidiaries.

On September 30, 2020, U. S. Steel entered into Amendment No. 1 to the Credit Facility Agreement to permit U. S. Steel and United States Steel International Inc. to enter into, and grant the applicable collateral pursuant to, the Export-Import Credit Agreement.

On March 26, 2021, U. S. Steel entered into an Amendment No. 2 to the Credit Facility Agreement to change certain procedures related to letters of credit issued under the Credit Facility Agreement, and to modify certain collateral eligibility criteria.

U. S. Steel Košice (USSK) Credit Facilities

At March 31, 2021, USSK had borrowings of €175 million (approximately \$205 million) under its €460 million (approximately \$539 million) revolving credit facility (USSK Credit Agreement). The USSK Credit Agreement expires in September 2023. The USSK Credit Agreement contains certain USSK specific financial covenants including a minimum stockholders' equity and subordinated debt to assets ratio and net debt to EBITDA ratio. The covenants are measured semi-annually at June and December each year for the period covering the last twelve calendar months, with the first net debt to EBITDA measurement occurring at June 2021. USSK must maintain a net debt to EBITDA ratio of less than 6.5 as of June 30, 2021 and 3.5 for semi-annual measurements starting December 31, 2021. If covenant compliance requirements are not met and the covenants are not amended or waived, noncompliance may result in an event of default, in which case USSK may not draw upon the facility, and the majority lenders, as defined in the USSK Credit Agreement, may cancel any and all commitments, and/or accelerate full repayment of any or all amounts outstanding under the USSK Credit Agreement. An event of default under the USSK Credit Agreement could also result in an event of default under the Credit Facility Agreement.

The USSK Credit Agreement contains customary representations and warranties, terms and conditions, including, as a condition to borrowing, that it met certain financial covenants since the last measurement date, and that all such representations and warranties are true and correct, in all material respects, on the date of the borrowing, and representations as to no material adverse change in our business or financial condition since December 31, 2017. The USSK Credit Facility Agreement also contains customary events of default, including a cross-default upon acceleration of material indebtedness of USSK and its subsidiaries.

At March 31, 2021, USSK had no borrowings under its €20 million and €10 million credit facilities (collectively, approximately \$35 million) and the availability was approximately \$28 million due to approximately \$7 million of customs and other guarantees outstanding.

Each of these facilities bear interest at the applicable inter-bank offer rate plus a margin and contain customary terms and conditions.

Change in control event

If there is a change in control of U. S. Steel, the following may occur: (a) debt obligations totaling \$4,112 million as of March 31, 2021 may be declared due and payable; and (b) substantially all of our debt arrangements may be terminated and any amounts declared due and payable. If there is a future change in control of either Big River Steel or USSK, debt obligations of \$956 million and \$205 million as of March 31, 2021 may be declared due and payable, respectively.

16. Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, current accounts and notes receivable, accounts payable, bank checks outstanding, and accrued interest included in the Condensed Consolidated Balance Sheet approximate fair value. See Note 14 for disclosure of U. S. Steel's derivative instruments, which are accounted for at fair value on a recurring basis.

Big River Steel

On October 31, 2019, a wholly owned subsidiary of U. S. Steel purchased a 49.9% ownership interest in Big River Steel. The transaction included a call option (U. S. Steel Call Option) to acquire the remaining equity interest within the next four years at an agreed-upon price formula. The investment purchase included other options that were marked to fair value during 2020. The net change in fair value of the options during the three months ended March 31, 2020 resulted in an \$11 million decrease to other financial costs. When the U. S. Steel Call Option was exercised on December 8, 2020, the other options were legally extinguished and a new contingent forward asset was recorded for \$11 million. As the contingent forward was a contract to purchase a business, it was no longer considered a derivative subject to ASC 815, *Derivative Instruments and Hedging Activities*, and was not subject to subsequent fair value adjustments. The contingent forward asset was removed with the recognition of the gain on the previously held investment in Big River Steel when the purchase of the remaining interest closed on January 15, 2021. See Note 20 in the Consolidated Financial Statements in our Annual Report on Form 10-K for the year-ended December 31, 2020 and Note 5 for further details.

Prior to exercise of the U. S. Steel Call Option, the options were marked to fair value each period using a Monte Carlo simulation which is considered a Level 3 valuation technique. Level 3 valuation techniques include inputs to the valuation methodology that are considered unobservable and significant to the fair value measurement. The simulation relied on assumptions that included Big River Steel's equity value, volatility, the risk free interest rate and U. S. Steel's credit spread.

Stelco Option for Minntac Mine Interest

On April 30, 2020 (the Effective Date), the Company entered into an Option Agreement with Stelco, Inc. (Stelco), that grants Stelco the option to purchase a 25 percent interest (the Option Interest) in a to-be-formed entity (the Joint Venture) that will own the Company's current iron ore mine located in Mt. Iron, Minnesota (the Minntac Mine). As consideration for the Option, Stelco paid the Company an aggregate amount of \$100 million in five \$20 million installments, which began on the Effective Date and ended on December 31, 2020 and are recorded net of transaction costs in noncontrolling interest in the Condensed Consolidated Balance Sheet. In the event Stelco exercises the option, Stelco will contribute an additional \$500 million to the Joint Venture, which amount shall be remitted solely to U. S. Steel in the form of a one-time special distribution, and the parties will engage in good faith negotiations to finalize the master agreement (pursuant to which Stelco will acquire the Option Interest) and the limited liability company agreement of the Joint Venture.

The following table summarizes U. S. Steel's financial liabilities that were not carried at fair value at March 31, 2021 and December 31, 2020. The fair value of long-term debt was determined using Level 2 inputs.

(In millions)	March 31, 2021		December 31, 2020	
	Fair Value	Carrying Amount	Fair Value	Carrying Amount
Financial liabilities:				
Short-term and long-term debt ^(a)	\$ 6,196	\$ 5,527	\$ 5,323	\$ 4,806

^(a) Excludes finance lease obligations.

17. Statement of Changes in Stockholders' Equity

The following table reflects the first three months of 2021 and 2020 reconciliation of the carrying amount of total equity, equity attributable to U. S. Steel and equity attributable to noncontrolling interests:

Three Months Ended March 31, 2021 (In millions)	Total	Accumulated Deficit	Accumulated Other Comprehensive Loss	Common Stock	Treasury Stock	Paid-in Capital	Non- Controlling Interest
Balance at beginning of year	\$ 3,879	\$ (623)	\$ (47)	\$ 229	\$ (175)	\$ 4,402	\$ 93
Comprehensive income (loss):							
Net earnings	91	91	—	—	—	—	—
Other comprehensive income (loss), net of tax:							
Pension and other benefit adjustments	24	—	24	—	—	—	—
Currency translation adjustment	(47)	—	(47)	—	—	—	—
Derivative financial instruments	(20)	—	(20)	—	—	—	—
Employee stock plans	6	—	—	2	(7)	11	—
Common Stock Issued	790	—	—	48	—	742	—
Dividends paid on common stock	(3)	—	—	—	—	(3)	—
Balance at March 31, 2021	\$ 4,720	\$ (532)	\$ (90)	\$ 279	\$ (182)	\$ 5,152	\$ 93

Three Months Ended March 31, 2020 (In millions)	Total	Retained Earnings	Accumulated Other Comprehensive Loss	Common Stock	Treasury Stock	Paid-in Capital	Non- Controlling Interest
Balance at beginning of year	\$ 4,093	\$ 544	\$ (478)	\$ 179	\$ (173)	\$ 4,020	\$ 1
Comprehensive income (loss):							
Net loss	(391)	(391)	—	—	—	—	—
Other comprehensive income (loss), net of tax:							
Pension and other benefit adjustments	52	—	52	—	—	—	—
Currency translation adjustment	(23)	—	(23)	—	—	—	—
Derivative financial instruments	(5)	—	(5)	—	—	—	—
Employee stock plans	2	—	—	—	(2)	4	—
Dividends paid on common stock	(2)	(2)	—	—	—	—	—
Balance at March 31, 2020	\$ 3,726	\$ 151	\$ (454)	\$ 179	\$ (175)	\$ 4,024	\$ 1

18. Reclassifications from Accumulated Other Comprehensive Income (AOCI)

(In millions)	Pension and Other Benefit Items	Foreign Currency Items	Unrealized Gain (Loss) on Derivatives	Total
Balance at December 31, 2020	\$ (458)	\$ 449	\$ (38)	\$ (47)
Other comprehensive income (loss) before reclassifications	—	(47)	(34)	(81)
Amounts reclassified from AOCI ^(a)	24	—	14	38
Net current-period other comprehensive income (loss)	24	(47)	(20)	(43)
Balance at March 31, 2021	\$ (434)	\$ 402	\$ (58)	\$ (90)
Balance at December 31, 2019	\$ (843)	\$ 381	\$ (16)	\$ (478)
Other comprehensive income (loss) before reclassifications	7	(23)	(17)	(33)
Amounts reclassified from AOCI ^(a)	45	—	12	57
Net current-period other comprehensive income (loss)	52	(23)	(5)	24
Balance at March 31, 2020	\$ (791)	\$ 358	\$ (21)	\$ (454)

^(a) See table below for further details.

Details about AOCI components (in millions)	Amount reclassified from AOCI ^(a) Three Months Ended March 31,	
	2021	2020
Amortization of pension and other benefit items		
Prior service costs ^(a)	\$ (7)	\$ (2)
Actuarial losses ^(a)	31	32
UPI Purchase Accounting Adjustment	—	23
Total pensions and other benefits items	24	53
Derivative reclassifications to Condensed Consolidated Statements of Operations	15	12
Total before tax	39	65
Tax provision	(1)	(8)
Net of tax	\$ 38	\$ 57

^(a) These AOCI components are included in the computation of net periodic benefit cost (see Note 10 for additional details).

19. Transactions with Related Parties

Related party sales and service transactions are primarily related to equity investees and were \$295 million and \$351 million for the three months ended March 31, 2021 and 2020.

Accounts payable to related parties include balances due to PRO-TEC Coating Company, LLC (PRO-TEC) of \$124 million and \$86 million at March 31, 2021 and December 31, 2020, respectively for invoicing and receivables collection services provided by U. S. Steel on PRO-TEC's behalf. U. S. Steel, as PRO-TEC's exclusive sales agent, is responsible for credit risk related to those receivables. U. S. Steel also provides PRO-TEC marketing, selling and customer service functions. Payables to other related parties totaled \$2 million and \$19 million for the periods ending March 31, 2021 and December 31, 2020, respectively.

Purchases from related parties for outside processing services provided by equity investees amounted to \$20 million and \$28 million for the three months ended March 31, 2021 and 2020, respectively. Purchases of iron ore pellets from related parties amounted to \$24 million and \$18 million for the three months ended March 31, 2021 and 2020, respectively.

Upon the acquisition of Big River Steel on January 15, 2021, there were related party payables of approximately \$27 million for steel substrate sales from Big River Steel to U. S. Steel. After the acquisition, the related party payables became intercompany payables that are eliminated in consolidation.

Upon the acquisition of UPI on February 29, 2020 there were \$135 million of related party receivables for prior sales of steel substrate from U. S. Steel to UPI. After the acquisition, the related party receivables became intercompany receivables that are eliminated in consolidation.

20. **Restructuring and Other Charges**

During the three months ended March 31, 2021, the Company recorded insignificant restructuring and other charges of \$6 million. Cash payments were made related to severance and exit costs of approximately \$29 million.

During the three months ended March 31, 2020, the Company recorded restructuring and other charges of \$41 million, which consists of charges of \$22 million for the indefinite idling of a significant portion of Great Lakes Works, \$13 million for the indefinite idling of Lorain Tubular Operations and a significant portion of Lone Star Tubular Operations and \$6 million for special pension termination charges related to the Company-wide headcount reductions. Cash payments were made related to severance and exit costs of \$8 million.

The activity in the accrued balances incurred in relation to restructuring programs during the three months ended March 31, 2021 were as follows:

(In millions)	Employee Related Costs	Exit Costs	Non-cash Charges	Total
Balance at December 31, 2020	\$ 51	\$ 126	\$ —	\$ 177
Additional charges	3	2	1	6
Cash payments/utilization	(12)	(17)	(1)	(30)
Balance at March 31, 2021	\$ 42	\$ 111	\$ —	\$ 153

Accrued liabilities for restructuring programs are included in the following balance sheet lines:

(In millions)	March 31, 2021	December 31, 2020
Accounts payable	\$ 37	\$ 34
Payroll and benefits payable	20	29
Employee benefits	22	22
Deferred credits and other noncurrent liabilities	74	92
Total	\$ 153	\$ 177

21. **Contingencies and Commitments**

U. S. Steel is the subject of, or party to, a number of pending or threatened legal actions, contingencies and commitments involving a variety of matters, including laws and regulations relating to the environment. Certain of these matters are discussed below. The ultimate resolution of these contingencies could, individually or in the aggregate, be material to the Condensed Consolidated Financial Statements. However, management believes that U. S. Steel will remain a viable and competitive enterprise even though it is possible that these contingencies could be resolved unfavorably.

U. S. Steel accrues for estimated costs related to existing lawsuits, claims and proceedings when it is probable that it will incur these costs in the future and the costs are reasonably estimable.

Asbestos matters – As of March 31, 2021, U. S. Steel was a defendant in approximately 895 active cases involving approximately 2,485 plaintiffs. The vast majority of these cases involve multiple defendants. About 1,550, or approximately 62 percent, of these plaintiff claims are currently pending in a jurisdiction which permits filings with massive numbers of plaintiffs. At December 31, 2020, U. S. Steel was a defendant in approximately 855 cases involving approximately 2,445 plaintiffs. Based upon U. S. Steel's experience in such cases, it believes that the actual number of plaintiffs who ultimately assert claims against U. S. Steel will likely be a small fraction of the total number of plaintiffs.

The following table shows the number of asbestos claims in the current period and the prior three years:

Period ended	Opening Number of Claims	Claims Dismissed, Settled and Resolved ^(a)	New Claims	Closing Number of Claims
December 31, 2018	3,315	1,285	290	2,320
December 31, 2019	2,320	195	265	2,390
December 31, 2020	2,390	240	295	2,445
March 31, 2021	2,445	35	75	2,485

(a) The period ending December 31, 2018 includes approximately 1,000 dismissed cases previously pending in the State of Texas.

The amount U. S. Steel accrues for pending asbestos claims is not material to U. S. Steel's financial condition. However, U. S. Steel is unable to estimate the ultimate outcome of asbestos-related claims due to a number of uncertainties, including: (1) the rates at which new claims are filed, (2) the number of and effect of bankruptcies of other companies traditionally defending asbestos claims, (3) uncertainties associated with the variations in the litigation process from jurisdiction to jurisdiction, (4) uncertainties regarding the facts, circumstances and disease process with each claim, and (5) any new legislation enacted to address asbestos-related claims.

Further, U. S. Steel does not believe that an accrual for unasserted claims is required. At any given reporting date, it is probable that there are unasserted claims that will be filed against the Company in the future. In 2020 and 2019, the Company engaged an outside valuation consultant to assist in assessing its ability to estimate an accrual for unasserted claims. This assessment was based on the Company's settlement experience, including recent claims trends. The analysis focused on settlements made over the last several years as these claims are likely to best represent future claim characteristics. After review by the valuation consultant and U. S. Steel management, it was determined that the Company could not estimate an accrual for unasserted claims.

Despite these uncertainties, management believes that the ultimate resolution of these matters will not have a material adverse effect on U. S. Steel's financial condition.

Environmental matters – U. S. Steel is subject to federal, state, local and foreign laws and regulations relating to the environment. These laws generally provide for control of pollutants released into the environment and require responsible parties to undertake remediation of hazardous waste disposal sites. Penalties may be imposed for noncompliance. Changes in accrued liabilities for remediation activities where U. S. Steel is identified as a named party are summarized in the following table:

(In millions)	Three Months Ended March 31, 2021	
Beginning of period	\$	146
Accruals for environmental remediation deemed probable and reasonably estimable		2
Obligations settled		(5)
End of period	\$	143

Accrued liabilities for remediation activities are included in the following Condensed Consolidated Balance Sheet lines:

(In millions)	March 31, 2021		December 31, 2020	
Accounts payable and other accrued liabilities	\$	43	\$	43
Deferred credits and other noncurrent liabilities		100		103
Total	\$	143	\$	146

Expenses related to remediation are recorded in cost of sales and were immaterial for both the three-month periods ended March 31, 2021 and March 31, 2020. It is not currently possible to estimate the ultimate amount of all remediation costs that might be incurred or the penalties that may be imposed. Due to uncertainties inherent in remediation projects and the associated liabilities, it is reasonably possible that total remediation costs for active matters may exceed the accrued liabilities by as much as 20 to 30 percent.

Remediation Projects

U. S. Steel is involved in environmental remediation projects at or adjacent to several current and former U. S. Steel facilities and other locations that are in various stages of completion ranging from initial characterization through post-closure monitoring. Based on the anticipated scope and degree of uncertainty of projects, the Company categorizes projects as follows:

- (1) *Projects with Ongoing Study and Scope Development* - Projects which are still in the development phase. For these projects, the extent of remediation that may be required is not yet known, the remediation methods and plans are not yet developed, and/or cost estimates cannot be determined. Therefore, significant costs, in addition to the accrued liabilities for these projects, are reasonably possible. There are four environmental remediation projects where additional costs for completion are not currently estimable, but could be material. These projects are at Fairfield Works, Lorain Tubular, USS-POSCO Industries (UPI), and the former steelmaking plant at Joliet, Illinois. As of March 31, 2021, accrued liabilities for these projects totaled \$1 million for the costs of studies, investigations, interim measures, design and/or remediation. It is reasonably possible that additional liabilities associated with future requirements regarding studies, investigations, design and remediation for these projects could be as much as \$22 million to \$36 million.
- (2) *Significant Projects with Defined Scope* - Projects with significant accrued liabilities with a defined scope. As of March 31, 2021, there are four significant projects with defined scope greater than or equal to \$5 million each, with a total accrued liability of \$85 million. These projects are Gary Resource Conservation and Recovery Act (RCRA) (accrued liability of \$25 million), the former Geneva facility (accrued liability of \$20 million), the Cherryvale zinc site (accrued liability of \$5 million) and the former Duluth facility St. Louis River Estuary (accrued liability of \$35 million).
- (3) *Other Projects with a Defined Scope* - Projects with relatively small accrued liabilities for which we believe that, while additional costs are possible, they are not likely to be significant, and also include those projects for which we do not yet possess sufficient information to estimate potential costs to U. S. Steel. There are three other environmental remediation projects which each had an accrued liability of between \$1 million and \$5 million. The total accrued liability for these projects at March 31, 2021 was \$5 million. These projects have progressed through a significant portion of the design phase and material additional costs are not expected.

The remaining environmental remediation projects each have an accrued liability of less than \$1 million each. The total accrued liability for these projects at March 31, 2021 was approximately \$3 million. The Company does not foresee material additional liabilities for any of these sites.

Post-Closure Costs – Accrued liabilities for post-closure site monitoring and other costs at various closed landfills totaled \$23 million at March 31, 2021 and were based on known scopes of work.

Administrative and Legal Costs – As of March 31, 2021, U. S. Steel had an accrued liability of \$13 million for administrative and legal costs related to environmental remediation projects. These accrued liabilities were based on projected administrative and legal costs for the next three years and do not change significantly from year to year.

Capital Expenditures – For a number of years, U. S. Steel has made substantial capital expenditures to comply with various regulations, laws and other requirements relating to the environment. In the first three months of 2021 and 2020, such capital expenditures totaled \$3 million and \$4 million, respectively. U. S. Steel anticipates making additional such expenditures in the future, which may be material; however, the exact amounts and timing of such expenditures are uncertain because of the continuing evolution of specific regulatory requirements.

EU Environmental Requirements - Under the EU Emissions Trading System (EU ETS), USSE's final allocation for the Phase III period, which covered the years 2013 through 2020 was 48 million European Union Allowances (EUA). During the years 2017 - 2020 we purchased approximately 12.3 million EUA totaling €141 million (approximately \$165 million) to cover the Phase III period shortfall of EUA.

Phase IV commenced on 1 January 2021 and will finish on 31 December 2030. The decision on USSE's free allocation for the first five years of the Phase IV period is expected by the end of June 2021. In the fourth quarter of 2020 USSE started with purchases of EUA for Phase IV period. As of March 31, 2021, we have pre-purchased approximately 1.6 million EUA totaling €38 million (approximately \$46 million).

The EU's Industrial Emissions Directive requires implementation of EU determined best available techniques (BAT) for Iron and Steel production to reduce environmental impacts as well as compliance with BAT associated emission levels. Total capital expenditures for projects to comply with or go beyond BAT requirements were €138 million (approximately \$162 million) over the actual program period. These costs were partially offset by the EU funding received and may be mitigated over the next measurement periods if USSK complies with certain financial covenants, which are assessed annually. USSK complied with these covenants as of March 31, 2021. If we are unable to meet these covenants in the future, USSK might be required to provide additional collateral (e.g. bank guarantee) to secure 50 percent of the EU funding received.

Environmental indemnifications – Throughout its history, U. S. Steel has sold numerous properties and businesses and many of these sales included indemnifications and cost sharing agreements related to the assets that were divested. The amount of potential environmental liability associated with these transactions and properties is not estimable due to the nature and extent of the unknown conditions related to the properties divested and deconsolidated. Aside from the environmental liabilities already recorded as a result of these transactions due to specific environmental remediation activities and cases (included in the \$143 million of accrued liabilities for remediation discussed above), there are no other known probable and estimable environmental liabilities related to these transactions.

Guarantees – The maximum guarantees of the indebtedness of unconsolidated entities of U. S. Steel totaled \$7 million at March 31, 2021.

Other contingencies – Under certain operating lease agreements covering various equipment, U. S. Steel has the option to renew the lease or to purchase the equipment at the end of the lease term. If U. S. Steel does not exercise the purchase option by the end of the lease term, U. S. Steel guarantees a residual value of the equipment as determined at the lease inception date (totaling approximately \$22 million at March 31, 2021). No liability has been recorded for these guarantees as the potential loss is not probable.

Insurance – U. S. Steel maintains insurance for certain property damage, equipment, business interruption and general liability exposures; however, insurance is applicable only after certain deductibles and retainages. U. S. Steel is self-insured for certain other exposures including workers' compensation (where permitted by law) and auto liability. Liabilities are recorded for workers' compensation and personal injury obligations. Other costs resulting from losses under deductible or retainage amounts or not otherwise covered by insurance are charged against income upon occurrence.

U. S. Steel uses surety bonds, trusts and letters of credit to provide whole or partial financial assurance for certain obligations such as workers' compensation. The total amount of active surety bonds, trusts and letters of credit being used for financial assurance purposes was approximately \$220 million as of March 31, 2021, which reflects U. S. Steel's maximum exposure under these financial guarantees, but not its total exposure for the underlying obligations. A significant portion of our trust arrangements and letters of credit are collateralized by the Credit Facility Agreement. The remaining trust arrangements and letters of credit are collateralized by restricted cash. Restricted cash, which is recorded in other current and noncurrent assets, totaled \$129 million and \$133 million at March 31, 2021 and December 31, 2020, respectively.

Capital Commitments – At March 31, 2021, U. S. Steel's contractual commitments to acquire property, plant and equipment totaled \$588 million.

Contractual Purchase Commitments – U. S. Steel is obligated to make payments under contractual purchase commitments, including unconditional purchase obligations. Payments for contracts with remaining terms in excess of one year are summarized below (in millions):

Remainder of 2021	2022	2023	2024	2025	Later Years	Total
\$865	\$1,076	\$453	\$215	\$188	\$836	\$3,633

The majority of U. S. Steel's unconditional purchase obligations relates to the supply of industrial gases, and certain energy and utility services with terms ranging from two to 15 years. Unconditional purchase obligations also include coke and steam purchase commitments related to a coke supply agreement with Gateway Energy & Coke Company LLC (Gateway) under which Gateway is obligated to supply a minimum volume of the expected targeted annual production of the heat recovery coke plant, and U. S. Steel is obligated to purchase the coke from Gateway at the contract price. As of March 31, 2021, if U. S. Steel were to terminate the agreement, it may be obligated to pay in excess of \$103 million.

Total payments relating to unconditional purchase obligations were \$200 million and \$168 million for the three months ended March 31, 2021 and 2020, respectively.

22. **Common Stock Issued**

During February 2021, we issued 48,300,000 shares of common stock for net proceeds of approximately \$791 million.

23. **Subsequent Events**

Mon Valley Works Endless Casting and Rolling Project

On April 12, 2021, United States Steel Corporation entered into a Notice and Acknowledgement with the Export Credit Agreement (ECA) lender, facility agent and ECA agent, KFW IPEX-BANK GMBH to acknowledge that the previously announced endless casting and rolling project at Mon Valley Works would no longer be pursued and the associated equipment for the project is now being evaluated for other uses. Use of the Export Credit Agreement for further equipment purchases is also being evaluated. As of March 31, 2021, U. S. Steel has capitalized approximately \$200 million related to the project. At this time, we do not expect that these actions will have a material impact on our operations or financial results.

Debt Repayments

The following debt repayments occurred after March 31, 2021:

- During April 2021, U. S. Steel completed open market repurchases of approximately \$18 million and \$14 million of aggregate principal of its 6.250% Senior Notes due 2026 and its 6.875% Senior Notes due 2025, respectively.
- During April 2021, payments of €50 million (approximately \$60 million) were made on the USSK Credit Facility.
- On April 30, 2021, a payment of approximately \$30 million was made on the Big River Steel ABL Facility.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

U. S. Steel's results in the three months ended March 31, 2021 compared to the same period in 2020, across the reportable segments, benefited from improving business conditions despite continued challenges presented by the COVID-19 pandemic. Flat-Rolled results improved due to higher steel demand across most consumer and manufacturing industries, pushing both spot and contract prices higher. In Mini Mill, with the acquisition of Big River Steel on January 15, 2021, results were added for the first time in the first quarter of 2021. USSE results improved due to stronger performance of the manufacturing and construction sectors and higher selling prices though continued high levels of imports persist. In Tubular, net sales decreased as disruptions in the oil and gas industry continue to create significant reductions of drilling activity in the U.S and continued high levels of energy tubular imports persist.

Net sales by segment for the months ended March 31, 2021 and 2020 are set forth in the following table:

(Dollars in millions, excluding intersegment sales)	Three Months Ended March 31,		% Change
	2021	2020	
Flat-Rolled Products (Flat-Rolled)	\$ 2,272	\$ 1,974	15 %
Mini Mill ^(a)	450	—	100 %
U. S. Steel Europe (USSE)	798	505	58 %
Tubular Products (Tubular)	134	255	(47)%
Total sales from reportable segments	3,654	2,734	34 %
Other	10	14	(29)%
Net sales	\$ 3,664	\$ 2,748	33 %

^(a) Mini Mill segment added after January 15, 2021 with the purchase of the remaining equity interest in Big River Steel.

Management's analysis of the **percentage change in net sales** for U. S. Steel's reportable business segments for the three months ended March 31, 2021 versus the three months ended March 31, 2020 is set forth in the following table:

Steel Products ^(a)						
	Volume	Price	Mix	FX ^(b)	Other ^(c)	Net Change
Flat-Rolled	(6)%	17 %	3 %	— %	1 %	15 %
Mini Mill ^(d)	n/a	n/a	n/a	n/a	n/a	n/a
USSE	30 %	19 %	(3)%	12 %	— %	58 %
Tubular	(51)%	— %	3 %	— %	1 %	(47)%

^(a) Excludes intersegment sales

^(b) Foreign currency translation effects

^(c) Primarily of sales of raw materials and coke making by-products

^(d) Not applicable (n/a), Mini Mill segment added after January 15, 2021 with the purchase of the remaining equity interest in Big River Steel.

Net sales for the three months ended March 31, 2021 compared to the same period in 2020 were \$3,664 million and \$2,748 million, respectively.

- For the Flat-Rolled segment the increase in sales primarily resulted from higher realized prices (\$177 per ton) across all products, partially offset by decreased shipments (177 thousand tons) notably for hot-rolled products.
- For the USSE segment the increase in sales resulted from increased shipments (242 thousand tons) predominantly for hot-rolled products and higher average realized prices (\$137 per net ton) across all products.
- For the Tubular segment the decrease in sales primarily resulted from decreased shipments (98 thousand tons) across all products.

Selling, general and administrative expenses

Selling, general and administrative expenses were \$96 million and \$72 million in the three months ended March 31, 2021 and 2020. The increase in expenses in the three months ended March 31, 2021 versus the same period in 2020 primarily resulted from the addition of Big River Steel with the purchase of its remaining equity interest and increased profit-based payments.

Restructuring and other charges

During the three months ended March 31, 2021 and 2020, the Company recorded restructuring and other charges of \$6 million and \$41 million, respectively. See Note 20 to the Condensed Consolidated Financial Statements for further details.

Strategic projects and technology investments

We are executing on our customer-centric strategy to transform U. S. Steel into a world-competitive, Best of BothSM, steelmaker by combining the best of the integrated steelmaking model with the best of the mini mill steelmaking model. Our strategy will deliver product and process innovation to create unmatched value for our customers while enhancing our earnings profile and delivering long-term cash flow through industry cycles.

On January 15, 2021, the Company completed a significant step in this transformation with the acquisition of the remaining equity interest in Big River Steel for approximately \$625 million in cash net of \$36 million and \$62 million in cash and restricted cash received, respectively, and the assumption of liabilities of approximately \$50 million. The results of Big River Steel are reflected within the new Mini Mill segment. The acquisition of Big River Steel increased U. S. Steel's annual raw steel production capability by 3.3 million net tons to 26.2 million net tons. The Mini Mill segment has two electric arc furnaces (EAFs), two ladle metallurgical furnace stations (LMFs), a Ruhrstahl Heraeus degasser, two continuous slab casters, a pickle line tandem cold mill, batch annealing, a temper mill and a galvanizing line. Big River Steel commenced commercial production on the second EAF during the fourth quarter of 2020, doubling its raw steel production capacity.

In addition to the investment in Big River Steel, the Company has identified other core assets for investment as part of its Best of Both strategy.

The Company expects to invest approximately \$550 million, of which approximately 50 percent has already been spent, to upgrade the Gary Works hot strip mill through a series of projects focused on expanding the line's competitive advantages. The Gary Works hot strip mill will further differentiate itself as a leader in heavy-gauge products in strategic markets. In the fourth quarter of 2020 the Company resumed certain capability upgrades after it had delayed upgrades as part of the Company's comprehensive response to impacts from COVID-19 in the first quarter of 2020. The Company will continue to evaluate the pace and timeline for completing the remaining investments in the Gary Works hot strip mill.

In January 2019, U. S. Steel announced the construction of a new Dynamo line at USSE. The new line, a \$130 million investment, has an annual capacity of approximately 100,000 metric tons. Construction on the Dynamo line began in mid-2019 but due to challenging market conditions, has been paused. Upon its completion, the new line will enable production of sophisticated silicon grades of non-grain oriented (NGO) electrical steels to support increased demand in vehicles and generators.

In May 2019, U. S. Steel announced that it plans to construct a new endless casting and rolling facility at its Edgar Thomson Plant in Braddock, Pennsylvania, and a cogeneration facility at its Clairton Plant in Clairton, Pennsylvania, both part of the Company's Mon Valley Works, an expected investment of at least \$1.5 billion. The Company purchased certain equipment for this project before delaying groundbreaking in March 2020 in response to COVID-19. As of March 31, 2021, the Company had capitalized approximately \$200 million related to the project. The Company has determined not to pursue this project and is re-evaluating uses for the already purchased equipment.

Ongoing Impact of COVID-19

In 2020 the spread of the coronavirus pandemic across the globe significantly impacted global markets and nearly every industry, U. S. Steel included. We quickly recognized the uncertainty and potential severity the pandemic would cause, and implemented our crisis response plan. Overseen by our Board of Directors, and led by our executive team, we implemented a comprehensive and adaptive response to the pandemic focused on protecting lives and livelihoods, remaining nimble to execute our strategy and supporting our customers and communities, all in line with our S.T.E.E.L. Principles: **S**afety First; **T**rust and Respect; **E**nvironmental Stewardship; **E**xcellence and Accountability; and **L**awful and Ethical Conduct. Some of the measures we continue to practice include:

- Issuing regular communications, including preventive tips, and a dedicated website for employees and their families;
- Providing employees with protective equipment, masks, and sanitizing and cleaning supplies and enhanced cleaning frequency;
- Limiting outside visitors to our facilities, restricting access for non-essential vendors, suppliers and contractors;
- Actively managing physical distancing while at work; and
- Permitting a majority of our employees in our administrative offices and headquarters to work from home.

Operating configuration adjustments

The Company also adjusted its operating configuration in response to changing market conditions including global overcapacity, unfair trade practices and increases in domestic demand as a result of tariffs on imports by indefinitely and temporarily idling and then re-starting production at certain of its facilities. U. S. Steel will continue to adjust its operating configuration in order to maximize its strategy of combining the Best of Both leading integrated and mini mill technology.

In December 2019, U. S. Steel announced that it would indefinitely idle a significant portion of Great Lakes Works due to market conditions including continued high levels of imports. The Company began idling the iron and steelmaking facilities in March 2020 and the hot strip mill rolling facility in June 2020. The carrying value of the Great Lakes Works facilities that were indefinitely idled was approximately \$320 million as of March 31, 2021.

In December 2019, the Company completed the indefinite idling of its East Chicago Tin (ECT) operations within its Flat-Rolled segment. ECT was indefinitely idled primarily due to increased tin import levels in the U.S. Additionally, U. S. Steel indefinitely idled its finishing facility in Dearborn, Michigan (which operates an electrolytic galvanizing line), during the fourth quarter of 2019. The carrying value of these facilities was approximately \$15 million as of March 31, 2021.

In 2020, we took actions to adjust our footprint by temporarily idling certain operations for an indefinite period to better align production with customer demand and respond to the impacts from the COVID-19 pandemic. The operations that were initially idled in 2020 and remained idle as of March 31, 2021 included:

- Blast Furnace A at Granite City Works
- Lone Star Tubular Operations
- Lorain Tubular Operations
- Wheeling Machine Products coupling production facility at Hughes Springs, Texas

As of March 31, 2021 the carrying value of the idled fixed assets for facilities noted above was: Granite City Works Blast Furnace A, \$65 million; Lone Star Tubular Operations, \$5 million; Lorain Tubular Operations, \$70 million and Wheeling Machine Product's production facility, immaterial.

Earnings (loss) before interest and income taxes by segment is set forth in the following table:

(Dollars in millions)	Three months ended March 31,		% Change
	2021	2020	
Flat-Rolled	\$ 146	\$ (35)	517 %
Mini Mill ^(a)	132	—	n/a
USSE	105	(14)	850 %
Tubular	(29)	(48)	40 %
Total earnings (loss) from reportable segments	354	(97)	465 %
Other	8	1	700 %
Segment earnings (loss) before interest and income taxes	362	(96)	477 %
Items not allocated to segments:			
Big River Steel - inventory step-up amortization	(24)	—	
Big River Steel - unrealized losses	(9)	—	
Big River Steel - acquisition costs	(9)	—	
Restructuring and other charges	(6)	(41)	
Gain on previously held investment in Big River Steel	111		
Asset impairment charge	—	(263)	
Gain on previously held investment in UPI	—	25	
Total earnings (loss) before interest and income taxes	\$ 425	\$ (375)	213 %

^(a) Mini Mill segment added after January 15, 2021 with the purchase of the remaining equity interest in Big River Steel.

Segment results for Flat-Rolled

	Three months ended March 31,		% Change
	2021	2020	
Earnings (loss) before interest and taxes (\$ millions)	\$ 146	\$ (35)	517 %
Gross margin	15 %	7 %	8 %
Raw steel production (mnt)	2,581	3,148	(18)%
Capability utilization	62 %	74 %	(12)%
Steel shipments (mnt)	2,332	2,509	(7)%
Average realized steel price per ton	\$ 888	\$ 711	25 %

The increase in Flat-Rolled results for the three months ended March 31, 2021 compared to the same period in 2020 was primarily due to:

- increased average realized prices (approximately \$345 million),

this change was partially offset by:

- decreased shipments (approximately \$15 million)
- decreased mining sales (approximately \$30 million)
- higher raw material costs (approximately \$20 million)
- higher energy costs (approximately \$15 million)
- higher other costs, primarily variable compensation and LIFO inventory adjustments, (approximately \$85 million).

Gross margin for the three months ended March 31, 2021 compared to the same period in 2020 increased primarily as a result of higher average realized prices.

Segment results for Mini Mill ^(a)

	Three Months Ended March 31,	
	2021	2020
Earnings before interest and taxes (\$ millions)	\$ 132	\$ —
Gross margin	36 %	— %
Raw steel production (mnt)	510	—
Capability utilization	75 %	— %
Steel shipments (mnt)	447	—
Average realized steel price per ton	\$ 967	\$ —

^(a) Mini Mill segment added after January 15, 2021 with the purchase of the remaining equity interest in Big River Steel.

Segment results for USSE

	Three Months Ended March 31,		% Change
	2021	2020	
Earnings (loss) before interest and taxes (\$ millions)	\$ 105	\$ (14)	850 %
Gross margin	17 %	4 %	13 %
Raw steel production (mnt)	1,197	882	36 %
Capability utilization	97 %	71 %	26 %
Steel shipments (mnt)	1,043	801	30 %
Average realized steel price per (\$/ton)	\$ 748	\$ 611	22 %
Average realized steel price per (€/ton)	€ 620	€ 554	12 %

The increase in USSE results for the three months ended March 31, 2021 compared to the same period in 2020 was primarily due to:

- Increased average realized prices (approximately \$100 million)
- increased shipments (approximately \$20 million)
- strengthening of the Euro versus the U.S. dollar (approximately \$25 million),

these changes were partially offset by:

- higher raw material costs (approximately \$20 million)
- higher other costs (approximately \$5 million).

Gross margin for the three months ended March 31, 2021 compared to the same periods in 2020 increased primarily as a result of higher sales volume and higher average realized prices.

Segment results for Tubular

	Three Months Ended March 31,		% Change
	2021	2020	
Loss before interest and taxes (\$ millions)	\$ (29)	\$ (48)	40 %
Gross margin	(11)%	(12)%	1 %
Raw steel production (mnt) ^(a)	93	—	n/a
Capability utilization ^(a)	42 %	— %	42 %
Steel shipments (mnt)	89	187	(52) %
Average realized steel price per ton	\$ 1,372	\$ 1,283	7 %

^(a) Tubular segment raw steel added in October 2020 with the start-up of the new electric arc furnace.

The increase in Tubular results for the three months ended March 31, 2021 as compared to the same period in 2020 was primarily due to:

- increased average realized prices (approximately \$5 million)
- lower operating costs (approximately \$10 million)
- lower other costs, primarily idled plant carrying costs, (approximately \$25 million).

these changes were partially offset by:

- decreased shipments (approximately \$10 million)
- higher raw material costs (approximately \$10 million).

Gross margin for the three months ended March 31, 2021 compared to the same period in 2020 increased primarily as a result of the positive cost improvements from the Tubular plant idlings, partially offset by increased raw material costs.

Items not allocated to segments

- We recorded Big River Steel - inventory step-up amortization charge of \$24 million in the three months ended March 31, 2021. See Note 5 to the Condensed Consolidated Financial Statements for further details.
- We recorded Big River Steel - unrealized losses of \$9 million in the three months ended March 31, 2021 for the post-acquisition mark-to-market impacts of hedging instruments acquired with the purchase of the remaining equity interest in Big River Steel. See Note 14 to the Condensed Consolidated Financial Statements for further details.
- We recorded Big River Steel - acquisition costs of \$9 million in the three months ended March 31, 2021.
- We recorded restructuring and other charges of \$6 million in the three months ended March 31, 2021. See Note 20 to the Condensed Consolidated Financial Statements for further details.
- We recorded a gain on previously held equity investment in Big River Steel of \$111 million in the three months ended March 31, 2021. See Note 5 to the Condensed Consolidated Financial Statements for further details.

Net interest and other financial costs

(Dollars in millions)	Three Months Ended March 31,		% Change
	2021	2020	
Interest expense	\$ 92	\$ 50	(84)%
Interest income	(1)	(4)	(75)%
Loss on debt extinguishment	255	—	(100)%
Other financial cost (gains)	18	(3)	(700)%
Net periodic benefit income	(31)	(8)	288 %
Total net interest and other financial costs	\$ 333	\$ 35	(851)%

Net interest and other financial costs increased in the three months ended March 31, 2021 as compared to the same period last year from increased interest expense due to a higher level of debt, debt retirement costs and higher other financial costs primarily from the absence of the prior year's favorable Big River Steel call and put option adjustments and foreign exchange losses, partially offset by an increase in net periodic benefit income (as discussed below).

The net periodic benefit income components of pension and other benefit costs are reflected in the table above, and increased in the three months ended March 31, 2021 as compared to the same periods last year primarily due to better than expected asset performance and lower amortization of prior service costs.

Income taxes

The **income tax provision (benefit)** was \$1 million in the three months ended March 31, 2021 compared to \$(19) million in the three months ended March 31, 2020.

The Company regularly evaluates the need for a valuation allowance for its deferred income tax benefits by assessing whether it is more likely than not it will realize these benefits in future periods. In assessing the need for a valuation allowance, the Company considers all available evidence, both positive and negative, related to the likelihood of realization of its deferred income tax benefits, and based on the weight of that evidence, determines whether a valuation allowance is required.

Net earnings attributable to United States Steel Corporation were \$91 million in the three months ended March 31, 2021, compared to a net loss of \$391 million in the three months ended March 31, 2020. The changes primarily reflect the factors discussed above.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by operating activities was \$111 million for the three months ended March 31, 2021 compared to net cash used by operating activities of \$142 million in the same period last year. The increase in cash from operations is primarily due to stronger financial results, partially offset by changes in working capital period over period. Changes in working capital can vary significantly depending on factors such as the timing of inventory production and purchases, which is affected by the length of our business cycles as well as our captive raw materials position, customer payments of accounts receivable and payments to vendors in the regular course of business.

Our cash conversion cycle for the first quarter of 2021 improved by nine days as compared to the fourth quarter of 2020 as shown below:

Cash Conversion Cycle	2021		2020	
	\$ millions	Days	\$ millions	Days
Accounts receivable, net ^(a)	\$1,619	32	\$994	38
+ Inventories ^(b)	\$1,750	46	\$1,402	54
- Accounts Payable and Other Accrued Liabilities ^(c)	\$2,491	63	\$1,861	68
= Cash Conversion Cycle ^(d)		15		24

^(a) Calculated as Average Accounts Receivable, net divided by total Net Sales multiplied by the number of days in the period.

^(b) Calculated as Average Inventory divided by total Cost of Sales multiplied by the number of days in the period.

^(c) Calculated as Average Accounts Payable and Other Accrued Liabilities less bank checks outstanding and other current liabilities divided by total Cost of Sales multiplied by the number of days in the period.

^(d) Calculated as Accounts Receivable Days plus Inventory Days less Accounts Payable Days.

The cash conversion cycle is a non-generally accepted accounting principles (non-GAAP) financial measure. We believe the cash conversion cycle is a useful measure in providing investors with information regarding our cash management performance and is a widely accepted measure of working capital management efficiency. The cash conversion cycle should not be considered in isolation or as an alternative to other GAAP metrics as an indicator of performance.

The last-in, first-out (LIFO) inventory method is the predominant method of inventory costing in the United States. At both March 31, 2021 and March 31, 2020, the LIFO method accounted for 51 percent and 65 percent of total inventory values, respectively. In the U.S., management monitors inventory realizability by comparing the LIFO cost of inventory with the replacement cost of inventory. To the extent the replacement cost (i.e., market value) of inventory is lower than the LIFO cost of inventory, management will write the inventory down. As of March 31, 2021, and December 31, 2020 the replacement cost of the inventory was higher by approximately \$878 million and \$848 million, respectively. Additionally, based on the Company's latest internal forecasts and its inventory requirements, management does not believe there will be significant permanent LIFO liquidations that would impact earnings for the remainder of 2021.

Capital expenditures for the three months ended March 31, 2021, were \$136 million, compared with \$282 million in the same period in 2020. Flat-rolled capital expenditures were \$74 million and included spending for Mon Valley Endless Casting and Rolling, Gary Hot Strip Mill upgrades, Mining Equipment and various other infrastructure, environmental, and strategic projects. Mini Mill capital expenditures were \$36 million and primarily included spending for Phase II expansion. USSE capital expenditures of \$14 million consisted of spending for Degasser improvements, Dynamo Line and various other infrastructure, and environmental projects. Tubular capital expenditures were \$12 million and included spending for the Fairfield Electric Arc Furnace (EAF) project and various other infrastructure, and environmental projects.

U. S. Steel's contractual commitments to acquire property, plant and equipment at March 31, 2021, totaled \$588 million.

Net cash used by financing activities was \$573 million for the three months ended March 31, 2021 compared to net cash provided of \$983 million in the same period last year. The decrease was primarily due to the net change in short-term and long-term debt and revolving credit facilities, partially offset by the issuance of common stock.

The following table summarizes U. S. Steel's liquidity as of March 31, 2021:

(Dollars in millions)

Cash and cash equivalents	\$	753
Amount available under \$2.0 Billion Credit Facility Agreement		1,543
Amount available under Big River Steel - Revolving Line of Credit		251
Amount available under USSK credit facilities		362
Total estimated liquidity	\$	2,909

In the first quarter of 2021, we issued 48,300,000 shares of common stock for net proceeds of approximately \$791 million and issued \$750 million in aggregate principal amount of 6.875% Senior Notes due 2029 (2029 Senior Notes) for net proceeds of \$739 million after transaction costs. With the common stock and 2029 Senior Notes issuance proceeds and cash on hand we fully redeemed our 12.000% Senior Secured Notes due 2025 in the aggregate principal amount of \$1.056 billion plus premiums of \$181 million, repaid in full our Export-Import Credit Agreement in the amount of \$180 million and reduced the borrowing under our Credit Facility Agreement and USSK Facility Agreement by \$500 million and \$163 million, respectively. See Note 15 to the Condensed Consolidated Financial Statements for further details.

With the acquisition of Big River Steel on January 15, 2021 we assumed additional indebtedness. Below is a summary of the most significant debt acquired as of March 31, 2021. See Note 15 to the Condensed Consolidated Financial Statements for further details.

- 6.625% Senior Secured Notes in the aggregate principal amount of \$900 million that mature in January 2029;
- 4.50% Arkansas Development Finance Authority Bonds in the aggregate principal amount of \$487 million that have a final maturity in September 2049;
- 4.75% Arkansas Development Finance Authority Bonds Tax Exempt Series 2020 (Green Bonds) in the aggregate principal amount of \$265 million that have a final maturity in September 2049;
- Arkansas Teacher Retirement System Notes Payable in the amount of \$106 million that mature in 2023;
- ABL Credit Agreement with current borrowings of \$30 million and maturity in August 2022.

As of March 31, 2021, \$161 million of the total cash and cash equivalents was held by foreign subsidiaries. Substantially all of the liquidity attributable to our foreign subsidiaries can be accessed without the imposition of income taxes as a result of the election effective December 31, 2013 to liquidate for U.S. income tax purposes a foreign subsidiary that holds most of our international operations.

On April 12, 2021, United States Steel Corporation entered into a Notice and Acknowledgement with the Export Credit Agreement (ECA) lender, facility agent and ECA agent, KFW IPEX-BANK GMBH to acknowledge that the previously announced endless casting and rolling project at Mon Valley Works would no longer be pursued and the associated equipment for the project is now being evaluated for other uses. Use of the Export-Credit Agreement for further equipment purchases is also being evaluated. As of March 31, 2021, \$136 million was owed on the ECA.

Certain of our credit facilities, including the Credit Facility Agreement, the Big River Steel ABL Facility, the USSK Credit Agreement and the Export Credit Agreement, contain standard terms and conditions including customary material adverse change clauses. If a material adverse change was to occur, our ability to fund future operating and capital requirements could be negatively impacted.

We may from time to time seek to retire or repurchase our outstanding long-term debt through open market purchases, privately negotiated transactions, exchange transactions, redemptions or otherwise. Such purchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, and other factors and may be commenced or suspended at any time. The amounts involved may be material. See Note 15 to the Condensed Consolidated Financial Statements for further details regarding U. S. Steel's debt.

We use surety bonds, trusts and letters of credit to provide financial assurance for certain transactions and business activities. The use of some forms of financial assurance and cash collateral have a negative impact on liquidity. U. S. Steel has committed \$220 million of liquidity sources for financial assurance purposes as of March 31, 2021. Increases in certain of these commitments which use collateral are reflected within cash, cash equivalents and restricted cash on the Condensed Consolidated Statement of Cash Flows.

In October 2020, the Company entered into a supply chain finance agreement with a third party administrator with an initial term of one year which is guaranteed by the Export Import Bank of the United States (Ex-Im Guarantee), see our Annual Report on Form 10-K for the year-ended December 31, 2020 for further details. As of March 31, 2021, accounts payable and accrued expenses included \$78 million of outstanding payment obligations which suppliers elected to sell to participating financial institutions. Access to supply chain financing could be curtailed in the future if the terms of the Ex-Im Guarantee are modified or if

our credit ratings are downgraded. If access to supply chain financing is curtailed, working capital could be negatively impacted which may necessitate additional borrowing.

We finished the first quarter of 2021 with \$753 million of cash and cash equivalents and \$2,909 million of total liquidity. Available cash is left on deposit with financial institutions or invested in highly liquid securities with parties we believe to be creditworthy. U. S. Steel management believes that our liquidity will be adequate to fund our requirements based on our current assumptions with respect to our results of operations and financial condition.

We expect that our estimated liquidity requirements will consist primarily of the remaining portion of our 2021 planned strategic and sustaining capital expenditures, additional debt repayment, working capital requirements, interest expense, and operating costs and employee benefits for our operations after taking into account recent footprint actions and cost reductions at our plants and headquarters. Our available liquidity at March 31, 2021 consists principally of our cash and cash equivalents and available borrowings under the Credit Facility Agreement, Big River Steel ABL Facility and the USSK Credit Facilities. Management continues to evaluate market conditions in our industry and our global liquidity position, and may consider additional actions to further strengthen our balance sheet and optimize liquidity, including but not limited to, repayment or refinancing of outstanding debt, the incurrence of additional debt or the issuance of additional debt or equity securities, drawing on available capacity under the Credit Facility Agreement, Big River Steel ABL Facility and/or the USSK Credit Facilities, or reducing outstanding borrowings under those facilities from time to time if deemed appropriate by management.

Environmental Matters, Litigation and Contingencies

Some of U. S. Steel's facilities were in operation before 1900. Although the Company believes that its environmental practices have either led the industry or at least been consistent with prevailing industry practices, hazardous materials have been and may continue to be released at current or former operating sites or delivered to sites operated by third parties.

Our U.S. facilities are subject to environmental laws applicable in the U.S., including the Clean Air Act (CAA), the Clean Water Act (CWA), the Resource Conservation and Recovery Act (RCRA) and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as well as state and local laws and regulations.

U. S. Steel has incurred and will continue to incur substantial capital, operating, and maintenance and remediation expenditures as a result of environmental laws and regulations, related to release of hazardous materials, which in recent years have been mainly for process changes to meet CAA obligations and similar obligations in Europe.

EU Environmental Requirements and Slovak Operations

Under the EU Emissions Trading System (EU ETS), USSE's final allocation for the Phase III period, which covered the years 2013 through 2020 was 48 million European Union Allowances (EUA). During the years 2017 - 2020 we purchased approximately 12.3 million EUA totaling €141 million (approximately \$165 million) to cover the Phase III period shortfall of EUA.

Phase IV commenced on 1 January 2021 and will finish on 31 December 2030. The decision on USSE's free allocation for the first five years of the Phase IV period is expected by the end of June 2021. In the fourth quarter of 2020 USSE started with purchases of EUA for Phase IV period. As of March 31, 2021, we have pre-purchased approximately 1.6 million EUA totaling €38 million (approximately \$46 million).

The EU's Industrial Emissions Directive requires implementation of EU determined best available techniques (BAT) for Iron and Steel production, to reduce environmental impacts as well as compliance with BAT associated emission levels. Total capital expenditures for projects to comply with or go beyond BAT requirements were €138 million (approximately \$162 million) over the actual program period. These costs were partially offset by the EU funding received and may be mitigated over the next measurement periods if USSK complies with certain financial covenants, which are assessed annually. USSK complied with these covenants as of March 31, 2021. If we are unable to meet these covenants in the future, USSK might be required to provide additional collateral (e.g. bank guarantee) to secure 50 percent of the EU funding received.

For further discussion of laws applicable in Slovakia and the EU and their impact on USSK, see Note 21 to the Condensed Consolidated Financial Statements, "Contingencies and Commitments - Environmental Matters, EU Environmental Requirements."

New and Emerging Environmental Regulations

United States and European Greenhouse Gas Emissions Regulations

Future compliance with CO₂ emission requirements may include substantial costs for emission allowances, restriction of production and higher prices for coking coal, natural gas and electricity generated by carbon-based systems. Because we cannot predict what requirements ultimately will be imposed in the U.S. and Europe, it is difficult to estimate the likely impact on U. S. Steel, but it could be substantial. On March 28, 2017, President Trump signed Executive Order 13783 instructing the United States Environmental Protection Agency (U.S. EPA) to review the Clean Power Plan (CPP). As a result, in June 2019, the U.S. EPA published a final rule, the "Affordable Clean Energy (ACE) Rule" that replaced the CPP. Twenty-three states, the District of

Columbia, and seven municipalities are challenging the CPP repeal and ACE rule in the U.S. Court of Appeals for the D.C. Circuit. A coalition of 21 states has intervened in the litigation in support of the U.S. EPA. Various other public interest organizations, industry groups, and Members of Congress are also participating in the litigation. On January 19, 2021, the D.C. Circuit vacated and remanded the ACE to EPA, while the CPP remains stayed. It is unclear as to how the new Biden administration will proceed with the remand. Any impacts to our operations as a result of any future greenhouse gas regulations are not estimable at this time since the matter is unsettled. In any case, to the extent expenditures associated with any greenhouse gas regulation, as with all costs, are not ultimately reflected in the prices of U. S. Steel's products and services, operating results will be reduced.

The Phase IV EU ETS period spans 2021-2030 and began on January 1, 2021. The Phase IV period is divided into two sub periods (2021-2025 and 2026-2030). Revised rules for Phase IV are still being finalized and may differ between the periods. However, the legislation as currently drafted places more stringent requirements over reduction targets and the amount of the free allocation of CO₂ emissions credits. Currently, the overall target is a 40 percent reduction of 1990 emissions by 2030. Ongoing political discussions indicate that an even more stringent target of 60 percent may be instituted. At this time, carbon neutrality of the EU industry is set to be achieved by 2050.

Revised rules for free allocation of CO₂ emissions credits are based on reduced benchmark values which have not yet been published and historical levels of production from 2014-2018. USSE submitted all required historical production data in 2019. The final EU decision on the free allocation amount for 2021-2025 is expected in the second quarter of 2021. Allocations to individual installations may be adjusted annually to reflect relevant increases and decreases in production. The threshold for adjustments was set at 15 percent and will be assessed on the basis of a rolling average of two years. The average production level of 2019 and 2020 will be assessed to determine the free allocation for 2021. Preliminary production data shows that USSE missed the 15 percent threshold in 2020; therefore, the free allocation for 2021 may be decreased. Lower production in 2019 and 2020 may have an impact on the future free allocation for 2026-2030, where historical production average for years 2019-2023 are assessed.

United States - Air

The CAA imposes stringent limits on air emissions with a federally mandated operating permit program and civil and criminal enforcement sanctions. The CAA requires, among other things, the regulation of hazardous air pollutants through the development and promulgation of National Emission Standards for Hazardous Air Pollutants (NESHAP) and Maximum Achievable Control Technology (MACT) Standards. The U.S. EPA has developed various industry-specific MACT standards pursuant to this requirement. The CAA requires the U.S. EPA to promulgate regulations establishing emission standards for each category of Hazardous Air Pollutants. The U.S. EPA also must conduct risk assessments on each source category that is already subject to MACT standards and determine if additional standards are needed to reduce residual risks.

While our operations are subject to several different categories of NESHAP and MACT standards, the principal impact of these standards on U. S. Steel operations includes those that are specific to coke making, iron making, steel making and iron ore processing.

On July 13, 2020, the U.S. EPA published a Residual Risk and Technology Review (RTR) rule for the Integrated Iron and Steel MACT category in the Federal Register. Based on the results of the U.S. EPA's risk review, the Agency determined that risks due to emissions of air toxics from the Integrated Iron and Steel category are acceptable and that the current regulations provided an ample margin of safety to protect public health. Under the technology review, the U.S. EPA determined that there are no developments in practices, processes or control technologies that necessitate revision of the standards. In September 2020, several petitions for review of the rule, including those filed by the Company, AISI, Clean Air Council and others, were filed with the United States Court of Appeals for the District of Columbia Circuit. The cases were consolidated and are being held in abeyance until EPA reviews and responds to administrative petitions for review. For the Taconite Iron Ore Processing category, based on the results of the Agency's risk review, U.S. EPA promulgated a final rule on July 28, 2020, in which EPA determined that risks from emissions of air toxics from this source category are acceptable and that the existing standards provide an ample margin of safety. Furthermore, under the technology review, the Agency identified no cost-effective developments in controls, practices, or processes to achieve further emissions reductions. Based upon our analysis of the proposed taconite rule, the Company does not expect any material impact as a result of the rule. However, petitions for review of the rule were filed in the United States Court of Appeals for the District of Columbia Circuit, in which the Company and AISI intervened. Because the U.S. EPA has not completed its review of the Coke MACT regulations, any impacts related to the U.S. EPA's review of the coke standards cannot be estimated at this time.

On March 12, 2018, the New York State Department of Environmental Conservation (DEC), along with other petitioners, submitted a CAA Section 126(b) petition to the U.S. EPA. In the petition, the DEC asserts that stationary sources from the following nine states are interfering with attainment or maintenance of the 2008 and 2015 ozone National Ambient Air Quality Standards (NAAQS) in New York: Illinois, Indiana, Kentucky, Maryland, Michigan, Ohio, Pennsylvania, Virginia, and West Virginia. DEC is requesting the U.S. EPA to require sources of nitrogen oxides in the nine states to reduce such emissions. In a final rule promulgated in the October 18, 2019, Federal Register, EPA denied the petition. On October 29, 2019, New York, New Jersey, and the City of New York petitioned the United States Court of Appeals for the District of Columbia Circuit for review of U.S. EPA's denial of the petition. In July 2020, the Court vacated EPA's determination and remanded it back to EPA to reconsider

the 126(b) petition in a manner consistent with the Court's opinion. At this time, since EPA's decision after its reconsideration is unknown, the impacts of any reconsideration are indeterminable and inestimable.

The CAA also requires the U.S. EPA to develop and implement NAAQS for criteria pollutants, which include, among others, particulate matter (PM) - consisting of PM₁₀ and PM_{2.5}, lead, carbon monoxide, nitrogen dioxide, sulfur dioxide (SO₂), and ozone.

In October 2015, the U.S. EPA lowered the NAAQS for ozone from 75 parts per billion (ppb) to 70 ppb. On November 6, 2017, the U.S. EPA designated most areas in which we operate as attainment with the 2015 standard. In a separate ruling, on June 4, 2018, the U.S. EPA designated other areas in which we operate as "marginal nonattainment" with the 2015 ozone standard. On December 6, 2018, U.S. EPA published a final rule regarding implementation of the 2015 ozone standard. Because no state regulatory or permitting actions to bring the ozone nonattainment areas into attainment have yet to be proposed or developed for U. S. Steel facilities, the operational and financial impact of the ozone NAAQS cannot be reasonably estimated at this time. On December 31, 2020, EPA published a final rule pursuant to its statutorily required review of NAAQS that retains the ozone NAAQS at 70 ppb. In January 2021, New York, along with several states and non-governmental organizations filed petitions for judicial review of the action with the United States Court of Appeals for the District of Columbia Circuit. Several other states and industry trade groups intervened in support of U. S. EPA's action. The case remains before the Court.

On December 14, 2012, the U.S. EPA lowered the annual standard for PM_{2.5} from 15 micrograms per cubic meter (ug/m³) to 12 ug/m³, and retained the PM_{2.5} 24-hour and PM₁₀ NAAQS rules. In December 2014, the U.S. EPA designated some areas in which U. S. Steel operates as nonattainment with the 2012 annual PM_{2.5} standard. On April 6, 2018, the U.S. EPA published a notice that Pennsylvania, California and Idaho failed to submit a SIP to demonstrate attainment with the 2012 fine particulate standard by the deadline established by the CAA. As a result of the notice, Pennsylvania, a state in which we operate, was required to submit a State Implementation Plan (SIP) to the U.S. EPA no later than November 7, 2019 to avoid sanctions. On April 29, 2019, the ACHD published a draft SIP for the Allegheny County nonattainment area which demonstrates that all of Allegheny County will meet its reasonable further progress requirements and be in attainment with the 2012 PM_{2.5} annual and 24-hour NAAQS by December 31, 2021 with the existing controls that are in place. On September 12, 2019, the Allegheny County Board of Health unanimously approved the draft SIP. The draft SIP was then sent to the Pennsylvania Department of Environmental Protection (PADEP). PADEP submitted the SIP to U.S. EPA for approval on November 1, 2019. To date, U.S. EPA has not taken action on PADEP's submittal. On December 18, 2020, EPA published a final rule pursuant to its statutorily required review of NAAQS that retains the existing PM_{2.5} standards without revision. In early 2021, several states and non-governmental organizations filed petitions for judicial review of the action with the United States Court of Appeals for the District of Columbia Circuit. Several industry trade groups intervened in support of U. S. EPA's action. The case remains before the Court.

On January 26, 2021, ACHD announced that for the first time in history all eight air quality monitors in Allegheny County met the federal air quality standards including particulate matter (PM_{2.5} and PM₁₀).

On November 20, 2020, ACHD proposed a reduction to the current allowable emissions from coke plant operations, including the hydrogen sulfide content of coke oven gas, that would be more stringent than the Federal Best Available Control Technology and Lowest Achievable Emission Rate requirements. In various meetings with ACHD, U. S. Steel has raised significant objections, in particular, that ACHD has not demonstrated that continuous compliance with the draft rule is economically and technologically feasible. While U. S. Steel continues to meet with ACHD regarding the draft rule, U. S. Steel believes that any rule promulgated by ACHD must comply with its statutory authority. If the draft rule or similar rule is adopted, the financial and operational impacts to U. S. Steel could be material. To assist in developing rules objectively and with adequate technical justification, the June 27, 2019, Settlement Agreement, establishes procedures that would be used when developing a new rule. Because U. S. Steel believes ACHD did not follow the procedures prescribed in the June 27, 2019 Settlement Agreement (Agreement) with ACHD, U. S. Steel has invoked dispute resolution per the terms of the Agreement regarding ACHD's proposed coke rule. U. S. Steel and ACHD are currently negotiating resolution of the disputes.

For further discussion of relevant environmental matters, including environmental remediation obligations, see "Item 1. Legal Proceedings - Environmental Proceedings."

OFF-BALANCE SHEET ARRANGEMENTS

U. S. Steel did not enter into any new material off-balance sheet arrangements during the first quarter of 2021.

INTERNATIONAL TRADE

U. S. Steel continues to face import competition, much of which is unfairly traded, supported by foreign governments, and fueled by massive global steel overcapacity, currently estimated to be over 625 million metric tons per year—over seven times the entire U.S. steel market and over thirty times total U.S. steel imports. These imports, as well as the underlying policies/practices and overcapacity, impact the Company's operational and financial performance. U. S. Steel continues to lead efforts to address these challenges that threaten the Company, our workers, our stockholders, and our country's national and economic security.

As of the date of this filing, pursuant to a series of Presidential Proclamations issued in accordance with Section 232 of the Trade Expansion Act of 1962, U.S. imports of certain steel products are subject to a 25 percent tariff, except for imports from: (1)

Argentina, Brazil, and South Korea, which are subject to restrictive quotas; (2) Canada and Mexico, which are not subject to either tariffs or quotas but tariffs could be re-imposed on surging product groups after consultations; and (3) Australia, which is not subject to tariffs, quotas, or an anti-surge mechanism.

The U.S. Department of Commerce (DOC) is managing a process in which U.S. companies may request and/or oppose one-year temporary product exclusions from the Section 232 tariffs and quotas. Over 248,000 temporary exclusions have been requested for steel products. In December 2020, DOC announced 108 indefinite and not importer-specific "General Approved Exclusions" for products DOC determined not to be domestically available.

Multiple legal challenges to the Section 232 action continue before the U.S. Court of International Trade (CIT) and U.S. Court of Appeals for the Federal Circuit (CAFC). Though U.S. courts have rejected constitutional and statutory challenges to the initial steel Section 232 action and overall product exclusion process, the CIT struck down both the 2018-2019 temporary increase in Section 232 tariffs on imports from Turkey (the government's appeal is pending before the CAFC) and the January 2021 expansion of the Section 232 action to certain downstream steel products (pending appeal to the CAFC). Multiple countries have challenged the Section 232 action at the World Trade Organization (WTO), imposed retaliatory tariffs, and/or acted to safeguard their domestic steel industries from increased steel imports. In turn, the United States has challenged the retaliation at the WTO.

Since its implementation in March 2018, the Section 232 action has supported the U.S. steel industry's and U. S. Steel's investments in advanced steel capacity, technology, and skills, thereby strengthening U.S. national and economic security. The Company continues to actively defend the Section 232 action.

In February 2019, the European Commission (EC) imposed a definitive tariff rate quota safeguard of 25 percent on certain steel imports that exceed established quotas. In February 2021, the EC initiated its ongoing review to determine whether to extend the safeguard beyond June 2021.

Antidumping duties (AD) and countervailing duties (CVD or antisubsidy duties) apply in addition to the Section 232 tariffs and quotas and the EC's safeguard, and AD/CVD orders will continue beyond the Section 232 action and the EC's safeguard. Thus, U. S. Steel continues to actively defend and maintain the 55 U.S. AD/CVD orders and 11 European Union (EU) AD/CVD orders covering U. S. Steel products in multiple proceedings before the DOC, U.S. International Trade Commission, CIT, CAFC, the EC and European courts, and the WTO.

In April 2021, DOC issued an AD order on U.S. imports of seamless standard, line, and pressure pipe from Czechia. Final determinations in the parallel AD/CVD investigations on U.S. imports from South Korea, Russia, and Ukraine are expected during the third quarter of 2021.

Additional tariffs of 7.5 to 25 percent continue to apply to certain U.S. imports from China, including certain steel raw materials, steel and downstream products, pursuant to Section 301 of the Trade Act of 1974.

The Global Forum on Steel Excess Capacity, the Organization for Economic Co-operation and Development Steel Committee, and trilateral negotiations between the United States, EU, and Japan continue to address overcapacity.

U. S. Steel will continue to execute a broad, global strategy to maximize opportunities and navigate challenges presented by imports, global steel overcapacity, and international trade law and policy developments.

NEW ACCOUNTING STANDARDS

See Notes 2 and 3 to the Condensed Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There were no material changes in U. S. Steel's exposure to market risk from December 31, 2020.

Item 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

U. S. Steel has evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of March 31, 2021. These disclosure controls and procedures are the controls and other procedures that were designed to ensure that information required to be disclosed in reports that are filed with or submitted to the U.S. Securities and Exchange Commission are: (1) accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures and (2) recorded, processed, summarized and reported within the time

periods specified in applicable law and regulations. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2021, U. S. Steel's disclosure controls and procedures were effective.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There have not been any changes in U. S. Steel's internal control over financial reporting that occurred during the fiscal quarter covered by this quarterly report, which have materially affected, or are reasonably likely to materially affect, U. S. Steel's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

GENERAL LITIGATION

On January 22, 2021, NLMK Pennsylvania, LLC and NLMK Indiana, LLC (NLMK) filed a Complaint in the Court of Common Pleas of Allegheny County, Pennsylvania against the Company. The Complaint alleges that the Company made misrepresentations to the U. S. Department of Commerce regarding NLMK's requests to be excluded from tariffs assessed on steel slabs imported into the United States pursuant to the March 2018 Section 232 Presidential Order imposing tariffs. NLMK claims over \$100 million in compensatory and other damages. The Company removed the claim to the United States District Court for the Western District of Pennsylvania on February 25, 2021. NLMK filed a Motion to Remand the claim back to State court and briefing is underway. The Company intends to vigorously defend the matter.

On April 11, 2017, there was a process waste-water release at our Midwest Plant (Midwest) in Portage, Indiana, that impacted a water outfall that discharges to Burns Waterway near Lake Michigan. The Company has since implemented substantial operational, process and notification improvements at Midwest. In January of 2018, The Surfrider Foundation and the City of Chicago initiated suits in the Northern District of Indiana alleging Clean Water Act (CWA) and permit violations at Midwest. On April 2, 2018, the U.S. EPA and the State of Indiana initiated a separate action against the Company and lodged a Consent Decree negotiated between U. S. Steel and the relevant governmental agencies consisting of all material terms to resolve the CWA and National Pollutant Discharge Elimination System (NPDES) violations at the Midwest Plant. A public comment period for the Consent Decree ensued. The suits that the Surfrider Foundation and the City of Chicago filed are currently stayed. The Surfrider Foundation and the City of Chicago also filed motions, which were granted, to intervene in the Consent Decree case. The United States Department of Justice (DOJ) filed a revised Consent Decree and a motion with the court to enter the Consent Decree as final on November 20, 2019. Surfrider Foundation, City of Chicago and other non-governmental organizations filed objections to the revised Consent Decree. The DOJ and U. S. Steel made filings in support of the revised Consent Decree. On March 8, 2021, the Court granted the Company's Motion to Dismiss the Surfrider Foundation and City of Chicago Complaints in Intervention and granted leave to amend their respective Complaints.

On November 30, 2018, the Minnesota Pollution Control Agency (MPCA) issued a new Water Discharge Permit for the Minntac Tailings Basin waters. The permit contains new sulfate limitations applicable to water in the Tailings Basin and groundwater flowing from U. S. Steel's property. The MPCA also acted on the same date, denying the Company's requests for variances from ground and surface water standards and request for a contested case hearing. U. S. Steel filed appeals with the Minnesota Court of Appeals challenging the actions taken by the MPCA. Separate appeals were filed by a Minnesota Native American Tribe (Fond du Lac Band) and a nonprofit environmental group (Water Legacy). All cases were consolidated. On December 9, 2019, the Court issued a favorable ruling to U. S. Steel, removing the sulfate limitations for the Tailings Basin and groundwater. The opposing parties filed appeals with the Minnesota Supreme Court on January 8, 2020 which were accepted by that Court. On February 10, 2021 the Minnesota Supreme Court reversed the Court of Appeals' decision regarding sulfate limitations and remanded the case for further proceedings, including a determination on the Company's requests for variances.

On October 2, 2017, an Amended Shareholder Class Action Complaint was filed in the United States District Court for the Western District of Pennsylvania consolidating previously-filed actions. Separately, five related shareholder derivative lawsuits were filed in State and Federal courts in Pittsburgh, Pennsylvania and the Delaware Court of Chancery. The underlying consolidated class action lawsuit alleges that U. S. Steel, certain current and former officers, an upper level manager of the Company and the financial underwriters who participated in the August 2016 secondary public offering of the Company's common stock (collectively, Defendants) violated federal securities laws in making false statements and/or failing to discover and disclose material information regarding the financial condition of the Company. The lawsuit claims that this conduct caused a prospective class of plaintiffs to sustain damages during the period from January 27, 2016 to April 25, 2017 as a result of the prospective class purchasing the Company's common stock at artificially inflated prices and/or suffering losses when the price of the common stock dropped. The derivative lawsuits generally make the same allegations against the same officers and also allege that certain current and former members of the Board of Directors failed to exercise appropriate control and oversight over the Company and were unjustly compensated. The plaintiffs seek to recover losses that were allegedly sustained. The class action Defendants moved to dismiss plaintiffs' claims. On September 29, 2018 the Court ruled on those motions granting them in part and denying them in part. On March 18, 2019, the plaintiffs withdrew the claims against the Defendants related to the 2016 secondary offering. As a result, the underwriters are no longer parties to the case. The Company and the individual defendants are vigorously defending the remaining claims. On December 31, 2019, the Court granted Plaintiffs' motion to certify the

proceeding as a class action. The Company's appeal of that decision has been denied by the Third Circuit Court of Appeals and the class has been notified. Discovery is proceeding.

ENVIRONMENTAL PROCEEDINGS

The following is a summary of the proceedings of U. S. Steel that were pending or contemplated as of March 31, 2021, under federal and state environmental laws and which U. S. Steel reasonably believes may result in monetary sanctions of at least \$1 million (the threshold chosen by U. S. Steel as permitted by Item 103 of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended). Information about specific sites where U. S. Steel is or has been engaged in significant clean up or remediation activities is also summarized below. Except as described herein, it is not possible to accurately predict the ultimate outcome of these matters.

CERCLA Remediation Sites

Claims under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) have been raised with respect to the cleanup of various waste disposal and other sites. Under CERCLA, potentially responsible parties (PRPs) for a site include current owners and operators, past owners and operators at the time of disposal, persons who arranged for disposal of a hazardous substance at a site, and persons who transported a hazardous substance to a site. CERCLA imposes strict and joint and several liabilities. Because of various factors, including the ambiguity of the regulations, the difficulty of identifying the responsible parties for any particular site, the complexity of determining the relative liability among them, the uncertainty as to the most desirable remediation techniques, and the amount of damages and cleanup costs and the time period during which such costs may be incurred, we are unable to reasonably estimate U. S. Steel's ultimate liabilities under CERCLA.

As of March 31, 2021, U. S. Steel has received information requests or been identified as a PRP at a total of five CERCLA sites, three of which have liabilities that have not been resolved. Based on currently available information, which is in many cases preliminary and incomplete, management believes that U. S. Steel's liability for CERCLA cleanup and remediation costs at the other two sites will be between \$1 million and \$5 million and over \$5 million for one site as described below.

Duluth Works

The former U. S. Steel Duluth Works site was placed on the National Priorities List under CERCLA in 1983 and on the State of Minnesota's Superfund list in 1984. Liability for environmental remediation at the site is governed by a Response Order by Consent executed with the MPCA in 1985 and a Record of Decision signed by MPCA in 1989. U. S. Steel has partnered with the Great Lakes National Program Office (GLNPO) of U.S. EPA Region 5 to address contaminated sediments in the St. Louis River Estuary and several other Operable Units that could impact the Estuary if not addressed. An amendment to the Project Agreement between U. S. Steel and GLNPO was executed during the second quarter of 2018 to recognize the costs associated with implementing the proposed remedial plan at the site.

Remediation contracts were issued by both USS and GLNPO for the first portion of the remedial work at the site during the fourth quarter of 2020. Work continues on refinement of the remaining portions of the remedial design and permitting. Additional, design, oversight costs, and implementation of U. S. Steel's preferred remedial alternatives on the upland property and Estuary are currently estimated as of March 31, 2021 at approximately \$35 million.

Resource Conservation Recovery Act (RCRA) and Other Remediation Sites

U. S. Steel may be liable for remediation costs under other environmental statutes, both federal and state, or where private parties are seeking to impose liability on U. S. Steel for remediation costs through discussions or litigation. There are nine such sites where remediation is being sought involving amounts in excess of \$1 million. Based on currently available information, which is in many cases preliminary and incomplete, management believes that liability for cleanup and remediation costs in connection with four sites may involve remediation costs between \$1 million and \$5 million per site and five sites are estimated to or could have, costs for remediation, investigation, restoration or compensation in excess of \$5 million per site.

For more information on the status of remediation activities at U. S. Steel's significant sites, see the discussions below.

Gary Works

On October 23, 1998, the U.S. EPA issued a final Administrative Order on Consent (Order) addressing Corrective Action for Solid Waste Management Units (SWMU) throughout Gary Works. This Order requires U. S. Steel to perform a RCRA Facility Investigation (RFI), a Corrective Measures Study (CMS) and Corrective Measure Implementation. Evaluations are underway at six groundwater areas on the east side of the facility. An Interim Stabilization Measure work plan has been approved by U.S. EPA for one of the six areas and a contractor has recently completed installation of the remedial system. Until the remaining Phase I work and Phase II field investigations are completed, it is not possible to assess what additional expenditures will be necessary for Corrective Action projects at Gary Works. In total, the accrued liability for Corrective Action projects is approximately \$25 million as of March 31, 2021, based on our current estimate of known remaining costs.

Geneva Works

At U. S. Steel's former Geneva Works, liability for environmental remediation, including the closure of three hazardous waste impoundments and facility-wide corrective action, has been allocated between U. S. Steel and the current property owner pursuant to an agreement and a permit issued by the Utah Department of Environmental Quality (UDEQ). Having completed the investigation on a majority of the remaining areas identified in the permit, U. S. Steel has determined the most effective means to address the remaining impacted material is to manage those materials in a previously approved on-site Corrective Action Management Unit (CAMU). U. S. Steel awarded a contract for the implementation of the CAMU project during the fourth quarter of 2018. Construction, waste stabilization and placement along with closure of the CAMU were substantially completed in the fourth quarter of 2020. U. S. Steel has an accrued liability of approximately \$20 million as of March 31, 2021, for our estimated share of the remaining costs of remediation at the site.

USS-POSCO Industries (UPI)

In February 2020, U. S. Steel purchased the remaining 50 percent interest in UPI, a former joint venture that is located in Pittsburg, California between subsidiaries of U. S. Steel and POSCO. Prior to formation of the joint venture, UPI's facilities were previously owned and operated solely by U. S. Steel which assumed responsibility for the existing environmental conditions. U. S. Steel continues to monitor the impacts of the remedial plan implemented in 2016 to address groundwater impacts from trichloroethylene at SWMU 4. Evaluations continue for the SWMUs known as the Northern Boundary Group and it is likely that corrective measures will be required, but it is not possible at this time to define a scope or estimate costs for what may be required by the California Department of Toxic Substances Control. As such, there has been no material change in the status of the project during the three months ended March 31, 2021. As of March 31, 2021, approximately \$1 million has been accrued for ongoing environmental studies, investigations and remedy monitoring. Significant additional costs associated with this site are possible and are referenced in Note 21 to the Condensed Consolidated Financial Statements "Contingencies and Commitments - Environmental Matters - Remediation Projects - Projects with Ongoing Study and Scope Development." See Note 5 to the Condensed Consolidated Financial Statements "Acquisition" for further details regarding U. S. Steel's purchase of UPI.

In 2017, the Contra Costa Health Services Hazardous Materials Programs (County Health Services) conducted inspections of UPI's facility, which resulted in the identification of several alleged environmental violations. Thereafter, UPI was able to resolve many of the issues to the satisfaction of County Health Services, but UPI also encountered some delays and disagreements pertaining to certain alleged violations. In 2018, County Health Services referred the matter to the Contra Costa District Attorney's Office. In October 2019, UPI and the District Attorney's Office agreed to a tentative settlement whereby UPI would pay \$2.4 million in civil penalties in installments over 24 months. The tentative settlement also calls for UPI to spend \$1 million on environmental compliance at its facility (expenditures that benefit UPI). In addition, the tentative settlement includes a \$1 million suspended penalty that would be due if UPI were to fall out of compliance during the compliance period. The parties are currently in the process of negotiating and documenting the details of the settlement.

Fairfield Works

A consent decree was signed by U. S. Steel, the U.S. EPA and the U.S. Department of Justice and filed with the United States District Court for the Northern District of Alabama (United States of America v. USX Corporation) in December 1997. In accordance with the consent decree, U. S. Steel initiated a RCRA corrective action program at the Fairfield Works facility. The Alabama Department of Environmental Management, with the approval of the U.S. EPA, assumed primary responsibility for regulation and oversight of the RCRA corrective action program at Fairfield Works. While work continues on different aspects of the program, there has been no material change in the status of the project during the three months ended March 31, 2021. In total, the accrued liability for remaining work under the Corrective Action Program, was approximately \$180,000 at March 31, 2021. Significant additional costs associated with this site are possible and are referenced in Note 21 to the Condensed Consolidated Financial Statements "Contingencies and Commitments - Environmental Matters - Remediation Projects - Projects with Ongoing Study and Scope Development."

Cherryvale (KS) Zinc

In April 2003, U. S. Steel and Salomon Smith Barney Holdings, Inc. (SSB) entered into a Consent Order with the Kansas Department of Health & Environment (KDHE) concerning a former zinc smelting operation in Cherryvale, Kansas. Remediation of the site proper was essentially completed in 2007. The Consent Order was amended on May 3, 2013, to require investigation (but not remediation) of potential contamination beyond the boundary of the former zinc smelting operation. On November 22, 2016, KDHE approved a State Cooperative Final Agency Decision Statement that identified the remedy selected to address potential contamination beyond the boundary of the former zinc smelting site. The Removal Action Design Plan was approved during the second quarter of 2018. The Waste Deposition Area design and the Interim Risk Management Plan (which includes institutional controls) were approved by KDHE during the fourth quarter of 2018. An amended consent order for remediation was signed in May 2019 and a remediation contract was executed in June 2019. Remediation work is now underway and is projected to continue through 2022. U. S. Steel has an accrued liability of approximately \$5 million as of March 31, 2021, for our estimated share of the cost of remediation.

Air Related Matters

Great Lakes Works

In June 2010, the U.S. EPA significantly lowered the primary (NAAQS) for SO₂ from 140 ppb on a 24-hour basis to an hourly standard of 75 ppb. Based upon the 2009-2011 ambient air monitoring data, the U.S. EPA designated the area in which Great Lakes Works is located as nonattainment with the 2010 SO₂ NAAQS.

As a result, pursuant to the CAA, the Michigan Department of Environment, Great Lakes and Energy (EGLE) was required to submit a SIP to the U.S. EPA that demonstrates that the entire nonattainment area (and not just the monitor) would be in attainment by October 2018 by using conservative air dispersion modeling. To develop the SIP, U. S. Steel met with EGLE on multiple occasions and had offered reduction plans to EGLE but the parties could not agree to a plan. EGLE, instead promulgated Rule 430 which was solely directed at U. S. Steel. The Company challenged Rule 430 before the Michigan Court of Claims who by Order dated October 4, 2017, granted the Company's motion for summary disposition voiding Rule 430 finding that it violated rule-making provisions of the Michigan Administrative Procedures Act and Michigan Constitution. Since Rule 430 has been invalidated and EGLE's SIP has not been approved, the U.S. EPA has indicated that it would promulgate a Federal Implementation Plan (FIP) pursuant to its obligations and authority under the CAA. Because development of the FIP is in the early stages, the impacts of the nonattainment designation to the Company are not estimable at this time.

Granite City Works

In October 2015, Granite City Works received a Violation Notice from Illinois Environmental Protection Agency (IEPA) in which the IEPA alleges that U. S. Steel violated the emission limits for nitrogen oxides (NOx) and volatile organic compounds from the Basic Oxygen Furnace Electrostatic Precipitator Stack. In addition, the IEPA alleges that U. S. Steel exceeded its natural gas usage limit at its CoGeneration Boiler. U. S. Steel responded to the notice and is currently discussing resolution of the matter with IEPA.

Although discussions with IEPA regarding the foregoing alleged violations are ongoing and the resolution of these matters is uncertain at this time, it is not anticipated that the result of those discussions will be material to U. S. Steel.

Minnesota Ore Operations

On February 6, 2013, the U.S. EPA published a FIP that applies to taconite facilities in Minnesota. The FIP establishes and requires emission limits and the use of low NOx reduction technology on indurating furnaces as Best Available Retrofit Technology (BART). While U. S. Steel installed low NOx burners on three furnaces at Minntac and is currently obligated to install low NOx burners on the two other furnaces at Minntac pursuant to existing agreements and permits, the rule would require the installation of a low NOx burner on the one furnace at Keetac for which U. S. Steel did not have an otherwise existing obligation. U. S. Steel estimates expenditures associated with the installation of low NOx burners of as much as \$25 million to \$30 million. In 2013, U. S. Steel filed a petition for administrative reconsideration to the U.S. EPA and a petition for judicial review of the 2013 FIP and denial of the Minnesota SIP to the Eighth Circuit. In April 2016, the U.S. EPA promulgated a revised FIP with the same substantive requirements for U. S. Steel. In June 2016, U. S. Steel filed a petition for administrative reconsideration of the 2016 FIP to the U.S. EPA and a petition for judicial review of the 2016 FIP before the Eighth Circuit Court of Appeals. While the proceedings regarding the petition for judicial review of the 2013 FIP remained stayed, oral arguments regarding the petition for judicial review of the 2016 FIP were heard by the Eighth Circuit Court of Appeals on November 15, 2017. Thus, both petitions for judicial review remain with the Eighth Circuit. On December 4, 2017, the U.S. EPA published a notification in the Federal Register in which the U.S. EPA denied U. S. Steel's administrative petitions for reconsideration and stay of the 2013 FIP and 2016 FIP. On February 1, 2018, U. S. Steel filed a petition for judicial review of the U.S. EPA's denial of the administrative petitions for reconsideration to the Eighth Circuit Court of Appeals. The U.S. EPA and U. S. Steel reached a settlement regarding the five indurating lines at Minntac. After proposing a revised FIP and responding to public comments, on March 2, 2021, U.S. EPA promulgated a final revised FIP incorporating the conditions and limits for Minntac to which the parties agreed. U. S. Steel and the U.S. EPA continue to negotiate resolution for Keetac.

Mon Valley Works

On November 9, 2017, the U.S. EPA Region III and the Allegheny County Health Department (ACHD) jointly issued a Notice of Violation (NOV) regarding the Company's Edgar Thomson facility in Braddock, PA. In addition, on November 20, 2017, ACHD issued a separate, but related NOV to the Company regarding the Edgar Thomson facility. In the NOVs, based upon their inspections and review of documents collected throughout the last two years, the agencies allege that the Company has violated the CAA by exceeding the allowable visible emission standards from certain operations during isolated events. In addition, the agencies allege that the Company has violated certain maintenance, reporting, and recordkeeping requirements. U. S. Steel met with U.S. EPA Region III and ACHD several times. ACHD, the U.S. EPA Region III and U. S. Steel continue to negotiate a potential resolution of the matter.

On December 24, 2018, U. S. Steel's Clairton Plant experienced a fire, affecting portions of the facility involved in desulfurization of the coke oven gas generated during the coking process. With the desulfurization process out of operation as a result of the

fire, U. S. Steel was not able to certify compliance with Clairton Plant's Title V permit levels for sulfur emissions. U. S. Steel promptly notified ACHD, which has regulatory jurisdiction for the Title V permit, and updated the ACHD regularly on efforts to mitigate any potential environmental impacts until the desulfurization process was returned to normal operations. Of the approximately 2,400 hours between the date of the fire and April 4, 2019, when the Company resumed desulfurization, there were ten intermittent hours where average SO₂ emissions exceeded the hourly NAAQS for SO₂ at the Allegheny County regional air quality monitors located in Liberty and North Braddock boroughs which are near U. S. Steel's Mon Valley Works facilities. On February 13, 2019, PennEnvironment and Clean Air Council, both environmental, non-governmental organizations, sent U. S. Steel a 60-day notice of intent to sue letter pursuant to the CAA. The letter alleged Title V permit violations at the Clairton, Irvin, and Edgar Thomson facilities as a result of the December 24, 2018 Clairton Plant fire. The 60-day notice letter also alleged that the violations caused adverse public health and welfare impacts to the communities surrounding the Clairton, Irvin, and Edgar Thomson facilities. PennEnvironment and Clean Air Council subsequently filed a Complaint in Federal Court in the Western District of Pennsylvania on April 29, 2019 to which U. S. Steel has responded. On May 3, 2019, ACHD filed a motion to intervene in the lawsuit which was granted by the Court. On June 25, 2019, ACHD filed its Complaint in Intervention, seeking injunctive relief and civil penalties regarding the alleged Permit violations following the December 24, 2018 fire. The parties are currently engaged in discovery.

Water Related Matters

On February 7, 2020, the Indiana Department of Environmental Management (IDEM) issued an Amended Notice of Violation and Proposed Agreed Order related to alleged NPDES permit water discharge violations at our Midwest Plant (Midwest) in Portage, Indiana during the period of November 2018 through December 2019 unrelated to the violations resolved in the Consent Decree. The Proposed Agreed Order seeks corrective actions, a civil penalty, and stipulated penalties for future violations. The parties continue to negotiate a Proposed Agreed Order.

ASBESTOS LITIGATION

See Note 21 to our Consolidated Financial Statements, Contingencies and Commitments for a description of our asbestos litigation.

Item 4. MINE SAFETY DISCLOSURES

The information concerning mine safety violations and other regulatory matters required by Section 150 of the Dodd-Frank Wall Street Reform Act and Item 104 of Regulation S-K is included in Exhibit 95 to this Form 10-Q.

Item 5. OTHER INFORMATION

None.

Item 6. EXHIBITS

- 10.1 [Administrative Procedures for the Executive Management Annual Incentive Compensation Plan under the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan, effective February 23, 2021*](#)
- 10.2 [United States Steel Corporation 2016 Omnibus Incentive Compensation Plan, as Amended and Restated Effective April 27, 2021*](#)
- 10.3 [United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Share Award Grant Agreement \(2021 Grants\)*](#)
- 10.4 [Amendment No. 2 to Fifth Amended and Restated Credit Agreement, dated March 26, 2021](#)
- 10.5 [United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Cash Award Grant Agreement \(2021 Grants\)*](#)
- 10.6 [United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Restricted Stock Unit Grant Agreement \(2021 Grants\)*](#)
- 10.7 [United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Retention Restricted Stock Unit Grant Agreement \(2021 Grants\)*](#)
- 10.8 [United States Steel Corporation 2016 Omnibus Incentive Compensation Plan TSR Performance Share Award Grant Agreement \(2021 Grants\)*](#)
- 31.1 [Certification of Chief Executive Officer required by Rules 13a-14\(a\) or 15d-14\(a\) of the Securities Exchange Act of 1934, as promulgated by the Securities and Exchange Commission pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 31.2 [Certification of Chief Financial Officer required by Rules 13a-14\(a\) or 15d-14\(a\) of the Securities Exchange Act of 1934, as promulgated by the Securities and Exchange Commission pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 32.1 [Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 32.2 [Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 95 [Mine Safety Disclosure required under Section 1503 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.](#)
- 101 The following financial information from United States Steel Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Condensed Consolidated Statement of Operations, (ii) the Condensed Consolidated Statement of Comprehensive Income (Loss), (iii) the Condensed Consolidated Balance Sheet, (iv) the Condensed Consolidated Statement of Cash Flows, and (v) Notes to the Condensed Consolidated Financial Statements.
- 104 Cover Page Interactive Data File - (formatted as Inline XBRL and contained in Exhibit 101).

* Indicates management contract or compensatory plan or arrangement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned chief accounting officer thereunto duly authorized.

UNITED STATES STEEL CORPORATION

By /s/ Manpreet S. Grewal
Manpreet S. Grewal
Vice President, Controller & Chief Accounting Officer

April 30, 2021

WEB SITE POSTING

This Form 10-Q will be posted on the U. S. Steel web site, www.ussteel.com, within a few days of its filing.

**Administrative Procedures for the
Executive Management Annual Incentive Compensation Plan
under the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan
As approved by the Compensation & Organization Committee on February 23, 2021**

1. **Administration.** The Compensation & Organization Committee (the “Committee”) shall administer the Annual Incentive Compensation Plan (the “Plan”) under and pursuant to Sections 3.01 and 6.05 of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan (the “Omnibus Plan”). Unless otherwise defined herein, capitalized terms used herein shall have the meanings set forth in the Omnibus Plan.
2. **Eligibility/Participation.**
 - A. **Eligibility.** All Executive Officers (defined as those employees whose compensation is approved or reviewed by the Committee) of the Corporation, its Subsidiaries and affiliates are eligible to participate in the Plan upon designation by the Committee.
 - B. **Participation.** All Executive Officers of the Corporation, its Subsidiaries and affiliates designated via written notice as participants shall be participants in the Plan (“Participants”).
 - C. **New Participants.** An individual who was not a Participant on the first day of the Performance Period may, subject to the Committee’s discretion, become a Participant during the Performance Period, participating on a pro rata basis for the remaining portion of the period in which such Participant first becomes eligible to participate, but shall be ineligible to participate in this Plan for any portion of a year during which the Participant participates in any other cash incentive or bonus plan or program.
 - D. **Rights.** No Participant or other employee shall have any claim to be granted an Award under the Plan, and nothing contained in the Plan or any Award Agreement shall confer upon any Participant any right to continue in the employ of the Corporation, its Subsidiaries or affiliates or interfere in any way with the right of the Corporation, its Subsidiaries or affiliates to terminate a Participant's employment at any time.
3. **Performance Period.** Unless otherwise determined by the Committee, each Performance Period shall be a calendar year.
4. **Incentive Award Determination.**
 - A. **Incentive Award Goals.** Unless otherwise determined by the Committee, the Incentive Award Goals shall be the following objective measures:
 - (1) **Segment EBITDA and Total EBITDA.** Segment EBITDA shall mean, for the Performance Period, EBITDA for each business unit (reportable segments and other businesses), excluding any gains or losses resulting from changes in foreign exchange rates during the Performance Period, if applicable. Total EBITDA shall mean, for the Performance Period, total EBITDA for consolidated worldwide operations (including minority interests). EBITDA for consolidated worldwide operations (including minority interests) shall mean income from operations as reported in the consolidated statements of operations of United States Steel Corporation, plus or minus the effect of items not allocated to segments (excluding

postretirement benefit expenses) as disclosed in the notes to the consolidated financial statements of United States Steel Corporation, plus depreciation, depletion and amortization as reported in the consolidated statements of cash flows of United States Steel Corporation.

- (2) Cash Conversion Cycle. The Cash Conversion Cycle (“CCC”) is calculated as Days Sales Outstanding plus Days Inventory Outstanding minus Days Payable Outstanding, which are defined as follows:
- (a) Days Sales Outstanding = ((September 30, 2021 Accounts Receivable, net + December 31, 2021 Accounts Receivable, net) / 2) / (4th Quarter 2021 Net Sales / 92)
- (b) Days Inventory Outstanding = ((September 30, 2021 Inventory + December 31, 2021 Inventory) / 2) / (4th Quarter 2021 Cost of Goods Sold / 92)
- (c) Days Payable Outstanding = ((September 30, 2021 Accounts Payable + December 31, 2021 Accounts Payable / 2) / (4th Quarter 2021 Cost of Goods Sold / 92)

Accounts Receivable, net, Net Sales, Inventory, Accounts Payable and Cost of Goods Sold shall be determined in accordance with generally accepted accounting principles in the United States. For 2021, Big River Steel shall be excluded from the calculation of CCC.

- B. Adjustments. The Committee may make adjustments to the Incentive Award Goal calculations as determined by the Committee in its discretion. Unless otherwise determined by the Committee, the Incentive Award Goals will be adjusted as specified in Section 6.
- C. Setting of Individual Incentive Targets and Payout Scales.
- (1) The Individual Incentive Target, defined as a percentage of base salary (expressed for the Participant, grade level and/or position), and the Payout Scales for all levels of performance goals shall be set by the Committee.
- (2) The Individual Incentive Target shall be calculated by multiplying the designated target percentage by the actual base salary earned by the Participant during the relevant portions of the Performance Period.
- (3) The Payout Scale applied to all performance goals based on the actual performance achieved will determine the payout percent applied in the Incentive Award Formula under Section 5, subject to negative adjustment by the Committee.
- D. Assignment of Segment EBITDA Performance Goal to Participants. The Committee shall assign to each Participant a Segment EBITDA performance goal representing the reportable segment’s performance for which the Participant is responsible for driving. Participants who are “corporate staff” executives responsible for multiple segments may be assigned a Weighted Segment EBITDA performance goal, which shall be determined by the Committee and reflect a relative weighting of the segments for which the

Participant is responsible. Certain Participants (i.e., the Chief Executive Officer) may be assigned a Total EBITDA performance goal.

Should a Participant's responsibilities change during the Performance Period with respect to the segments that are supported, the Committee shall assign the established Segment, Weighted Segment, or Total EBITDA performance goal to apply for the portion of the Performance Period related to the period for which the new responsibilities are effective.

- E. Individual Performance. Individual performance relative to individual performance goals as specified in the Participant's goal plan for the Performance Period will be assessed for each Participant by the Chief Executive Officer with input from the Participant's direct manager following the end of the Performance Period. The Chief Executive Officer's Individual Performance will be assessed by the Committee and approved by the full Board of Directors. The Individual Performance assessment will impact the Participant's calculated award as set forth under the Incentive Award Calculation Formula, however, the assessment of Individual Performance does not preclude the Committee from exercising discretion and/or determining that no award should be paid to a Participant for a Performance Period.

5. **Incentive Award Formula.**

- A. Incentive Award Formula. The award for each Participant shall be calculated as follows: (Individual Incentive Target x Total Corporate Payout Percent) + (Individual Incentive Target x Individual Performance Payout Percent).
- B. Total Corporate Payout Percent. Unless otherwise determined by the Committee when establishing the Incentive Award Goals, the weighting assigned to each of the corporate performance measures shall be as follows:
 - (1) Segment EBITDA/Total EBITDA. Segment EBITDA/Total EBITDA shall be weighted at 75% of the Total Corporate Payout Percent.
 - (2) Cash Conversion Cycle. CCC shall be weighted at 25% of the Total Corporate Payout Percent.
- C. Individual Performance Payout Percent. The Individual Performance Payout Percent may range from -15% (representing performance that is below expectations) to 30% (representing performance that far exceeds expectations). Notwithstanding the foregoing, the Committee may determine that an Incentive Award shall be forfeited for performance that does not meet expectations.
- D. Maximum Award Level. The maximum award shall be 230% of the Individual Incentive Target value with achievement of the highest level of performance for the Segment EBITDA, Total EBITDA, CCC, and individual performance goals.

6. **Incentive Goal Adjustments.**

- A. Adjustments to Segment EBITDA, Total EBITDA and CCC Goals. The following adjustment provisions shall be applied to the Segment EBITDA, Total EBITDA and CCC performance calculations (to the extent included in such amount):

- (1) exclude the gain or loss related to a business disposition or divestiture (whether or not completed during the Performance Period) and all amounts related to a permanent facility shutdown/closure in order to evaluate operational performance in the case of a business disposition, divestiture, or a permanent facility shutdown/closure, the incentive goal targets shall exclude amounts included in the Annual Operating Plan for the period of time after the date of the transaction and actual results will then be evaluated against the adjusted targets;
- (2) exclude the gain or loss related to an asset sale not made in the ordinary course of business;
- (3) exclude all amounts related to long-lived asset impairments;
- (4) exclude all amounts related to an acquisition or startup (defined as the startup of a previously closed facility or the startup of a new facility);
- (5) exclude all amounts related to workforce reductions and other restructuring charges;
- (6) exclude amounts not allocated to segments;
- (7) exclude all amounts related to changes in accounting standards and changes in law that affect reported results;
- (8) exclude significant amounts related to decisions made for the long-term benefit of the enterprise that will unfavorably impact short-term financial results (all amounts related to this adjustment must be specifically approved by the Committee);
- (9) provided, however, none of the above adjustments shall be made to the extent the events or occurrences relating to the adjustments are recognized and/or contemplated in the Corporation's Annual Operating Plan and the incentive goal targets approved by the Committee for the relevant Performance Period;
- (10) provided, further, no adjustment pursuant to any adjustment category above shall be made to the extent the total adjustment for such category is less than \$10 million, unless specifically identified as an item not allocated to segments;
- (11) provided, further, all the above adjustments shall be calculated in accordance with generally accepted accounting principles at the time of calculation to the extent the nature of the adjustment is addressed therein;
- (12) provided, further, none of the above adjustments shall be made to the extent the relevant data is not available;
- (13) provided, further, the Segment EBITDA, Total EBITDA and CCC calculations, including all adjustments thereto, shall be determined at the time the Committee makes its award decisions and in accordance with the reporting requirements applicable to the Corporation's reports on Forms 10-K; and

- (14) provided, further, the above adjustments shall not limit the Committee's authority to exercise negative discretion in calculating any related award.

B. Adjustments between Segments. Adjustments to the actual Segment EBITDA results shall be made for the purposes of measuring the achievement of performance goals in the event that business decisions are made during the year that are not anticipated in the Annual Operating Plan Target Segment EBITDA and that disadvantage the results of one business Segment in favor of another Segment for the benefit of overall Corporate objectives. The amount of the adjustment will be equal to the impact on the segment recognizing the detriment;

- (1) provided, however, no adjustment shall be made to the Segment EBITDA calculation to the extent the total adjustment related to the business decision is less than \$5 million;
- (2) provided, further, the positive adjustment to the reporting segment which recognized the detriment in the actual results due to the business decision shall be offset by a corresponding negative adjustment to the reporting segment which recognized the benefit, unless the equal and offsetting adjustments do not properly reflect the economics of the transaction and the benefit provided to the enterprise as a whole;
- (3) provided, further, all adjustment between segments will be determined by the Vice President & Controller and will be reported to the Committee at the time final performance results are approved; and
- (4) provided, further, the adjustments between segments shall not limit the Committee's authority to exercise negative discretion in calculating any related award.

7. **Payout Mechanics.**

A. Payout Determination.

- (1) Evaluation. The Committee shall determine the extent to which the Incentive Award Goals for the Performance Period were satisfied following the end of the relevant Performance Period and if satisfied, determine the amount of the Incentive Award payable to each Participant.
- (2) Calculation.
- (a) Rounding Performance Calculations. The calculation of actual performance for each performance measure in the Incentive Award Formula, as well as each component payout percentage in the Incentive Award Formula, shall be rounded to the nearest decimal place consistent with the number of decimal places approved by the Committee at the time it set the relevant target, rounding up in the case of 5 or more and rounding down in the case of 4 or less.
- (b) Interpolation. Interpolation will be used to determine an Incentive Award for performance that correlates to performance between the pre-determined

Segment EBITDA, Total EBITDA and CCC Performance Goals. The interpolated payout percentages for Segment EBITDA, Total EBITDA and CCC shall be rounded independently to the nearest whole percentage point, rounding up in the case of 5 or more and rounding down in the case of 4 or less.

- (c) Maximum Award. No one Participant may receive more than \$20 million in Incentive Awards for any one calendar year, as provided in the Omnibus Plan.

B. Form of Payout.

- (1) Cash and/or Common Stock. The Committee may determine to pay the awards in the form of cash or common stock, or any combination thereof, which determination may be made on a non-uniform basis among Participants.
 - (2) Common Stock Awards. The determination to pay awards in the form of common stock shall be a determination to satisfy the award through shares available under the Omnibus Plan and treat such payment as an Other Stock-Based Award.
 - (3) Award Unit Determination Procedure. If the Committee determines to pay all or a portion of an award in the form of common stock, the value of such award, or portion thereof, under this Plan shall be converted into a number of shares of common stock by dividing (i) the value of such award, or portion thereof, by (ii) the Common Stock Unit Value, which is to be determined as follows:
 - (a) Common Stock Unit Value. The Common Stock Unit Value shall be equal to the Fair Market Value (as defined in Section 2.01(r) of the Omnibus Plan) of a share of common stock on the date of award (Date of Award). The Date of Award shall be established prospectively by the Committee at the time it determines the award, with the goal of setting the date close in proximity to the related payroll processing date for awards under the Omnibus Plan. Unless otherwise established by the Committee, the Date of Award shall be the day prior to the date the Corporation files its report on Form 10-K with the Securities and Exchange Commission for the period ending on the last date of the relevant Performance Period.
 - (4) Netting of Common Stock Shares. To the extent permitted under the Omnibus Plan and unless otherwise determined by the Committee or an election with respect to a different medium of payment is offered to and elected by a Participant in accordance with procedures approved by the Company, the shares of common stock delivered in connection with any common stock award under this Plan shall be net of any tax withholding obligation.
8. **Timing of Payments**. Unless otherwise determined by the Committee in its discretion, payment of Annual Incentive Compensation, if any, under this Plan with respect to any Performance Period will be paid following the Committee's determination of such Incentive Award and following the date the Corporation files its report on Form 10-K with the Securities and Exchange Commission for the period ending on the last date of relevant Performance Period; provided, however, the payment of any such award shall be paid on or

before March 15 of the year following the end of the relevant calendar year Performance Period.

9. **Termination of Employment.** The following provisions apply in the case of a Participant's termination of employment during the Performance Period:

A. **Retirement, Death, or Disability.** Following a Participant's Retirement, Death or Disability, a prorated value of such Participant's Award may be awarded by the Committee based upon the base salary earned during the Performance Period; provided that (i) such Award is calculated and delivered following the relevant Performance Period, (ii) the performance goals are achieved, (iii) the Participant is employed for at least six (6) months during the Performance Period unless otherwise determined by the Committee, and (iv) the Committee retains its negative discretion with respect to such awards.

(1) **Retirement.** Retirement shall mean, for all purposes under the Plan, the applicable Participant's termination of employment that constitutes a separation from service under Section 409A of the Code after having (i) completed 30 years of service, (ii) attained age 60 with five (5) years of service or (iii) attained age 65; provided, however, such term does not include, unless the Committee consents with knowledge of the specific facts, retirement under circumstances in which the Participant accepts employment with a company that owns, or is owned by, a business that competes with the Corporation, or its Subsidiaries or affiliates. Further, to the extent necessary under applicable local law, Retirement may have such other meaning adopted by the Committee and set forth in the applicable Award notice.

(2) **Disability.** Disability shall mean the Participant is "Disabled" as defined in Section 2.01(n) of the Omnibus Plan.

B. **Resignation and Other Terminations.** Following a Participant's resignation or other termination of employment (including but not limited to any voluntary termination by the Participant or any termination by the Corporation for Cause or without Cause), all pending Incentive Awards are forfeited.

10. **Forfeiture and Repayment.** The Committee may determine that an Incentive Award shall be forfeited and/or any value received from the Incentive Award shall be repaid to the Corporation pursuant to any recoupment policies, rules or regulations in effect at the time of the Incentive Award.

UNITED STATES STEEL CORPORATION
2016 OMNIBUS INCENTIVE COMPENSATION PLAN

As Amended and Restated Effective April 27, 2021

SECTION 1. ADOPTION AND PURPOSE

- 1.01 **Adoption.** The United States Steel Corporation 2016 Omnibus Incentive Compensation Plan (the “Plan”) was initially adopted by the Board of Directors of United States Steel Corporation (the “Corporation”) on February 22, 2016, and approved by the stockholders on April 26, 2016. The Plan was amended with the approval of the stockholders effective April 25, 2017, and April 28, 2020, to increase the number of shares authorized for issuance under the Plan. The Plan has been further amended and restated as set forth herein by the Board of Directors, subject to approval by the stockholders on April 27, 2021.
- 1.02 **Purpose.** The purpose of the Plan is to assist the Corporation in attracting, retaining and motivating employees and non-employee directors of outstanding ability and to align their interests with those of the stockholders of the Corporation.

SECTION 2. DEFINITIONS; CONSTRUCTION

- 2.01 **Definitions.** In addition to the terms defined elsewhere in the Plan, the following terms as used in the Plan shall have the following meanings when used with initial capital letters:
- (a) “Affiliate” means any person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Corporation. For purposes of this definition, the term “control” (including the terms “controlled by” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting securities, by contract, or otherwise.
 - (b) “Appreciation Right” means an Award representing, for each Share subject to such Appreciation Right, a right granted to a Participant to receive payment in Shares or cash of an amount equal to the excess, if any, of the Fair Market Value of a Share on the date of exercise of the Appreciation Right over the exercise price which shall be at least the Fair Market Value of a Share as of the grant date.
 - (c) “Available Shares” shall have the meaning provided in Section 4.01 hereof.
 - (d) “Award” means any Option, Restricted Stock, Restricted Stock Unit, Performance Award or Other Stock-Based Award.
 - (e) “Award Agreement” means any agreement, contract or other instrument or document evidencing an Award.
 - (f) “Board” means the Corporation’s Board of Directors.
 - (g) “Business Combination” shall have the meaning provided in Section 2.01(j)(3) hereof.
 - (h) “Cause,” when used with respect to the termination of employment or service of a Participant, means:
 - (1) the willful and continued failure by the Participant to substantially perform his duties with the Corporation or a Subsidiary or Affiliate (other than any such failure resulting from the Participant’s disability), after reasonable notice of such failure and an opportunity to correct it; or

- (2) the willful and continued engaging by the Participant in conduct which is demonstrably and materially injurious to the Corporation or a Subsidiary or Affiliate, monetarily or otherwise, or
- (3) the breach by the Participant of the Corporation's Code of Ethical Business Conduct as determined by the Corporation in its sole discretion.

For purposes of this Plan, no act, or failure to act, on the Participant's part shall be considered "willful" unless done, or omitted to be done, by the Participant in bad faith and without reasonable belief that such action or omission was in the best interest of the Corporation.

- (i) "Code" means the Internal Revenue Code of 1986, as amended from time to time, together with rules, regulations and interpretations promulgated thereunder. References to particular sections of the Code shall include any successor provisions.
- (j) "Change in Control" shall mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act, whether or not the Corporation is then subject to such reporting requirement; provided, that, without limitation, such a change in control shall be deemed to have occurred if:
 - (1) any person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) (a "Person") is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation (not including in the amount of the securities beneficially owned by such person any such securities acquired directly from the Corporation or its Affiliates) representing thirty percent (30%) or more of the combined voting power of the Corporation's then outstanding voting securities; provided, however, that for purposes of this Plan the term "Person" shall not include (A) the Corporation or any of its subsidiaries, (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its subsidiaries, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, (D) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation, or (E) any individual, entity or group involved in the acquisition of the Corporation's voting securities in connection with which, pursuant to Rule 13d-1 promulgated pursuant to the Exchange Act, such individual, entity or group is permitted to, and actually does, report its beneficial ownership on Schedule 13G (or any successor Schedule); provided that, if any such individual, entity or group subsequently becomes required to or does report its beneficial ownership on Schedule 13D (or any successor Schedule), then, for purposes of this paragraph, such individual, entity or group shall be deemed to have first acquired, on the first date on which such individual, entity or group becomes required to or does so report, beneficial ownership of all of the Corporation's then outstanding voting securities beneficially owned by it on such date; and provided, further, however, that for purposes of this paragraph (1), there shall be excluded any Person who becomes such a beneficial owner in connection with an Excluded Transaction (as defined in paragraph (3) below); or
 - (2) the following individuals (the "Incumbent Board") cease for any reason to constitute a majority of the number of directors then serving: individuals who, as of the Effective Date, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest including, but not limited to, a consent solicitation, relating to the election of directors of the Corporation) whose appointment or election by the Board

- or nomination for election by the Corporation's stockholders was approved or recommended by a vote of at least two-thirds ($\frac{2}{3}$) of the directors then still in office who either were directors on the Effective Date or whose appointment, election or nomination for election was previously so approved or recommended; or
- (3) there is consummated a merger or consolidation of the Corporation or any direct or indirect subsidiary thereof with any other corporation (a "Business Combination"), other than a merger or consolidation (an "Excluded Transaction") which would result in:
- (A) at least a majority of the members of the board of directors of the resulting or surviving entity (or any ultimate parent thereof) in such Business Combination (the "New Board") consisting of individuals ("Continuing Directors") who were members of the Incumbent Board (as defined in subparagraph (2) above) immediately prior to consummation of such Business Combination or were appointed, elected or recommended for appointment or election by members of the Incumbent Board prior to consummation of such Business Combination (excluding from Continuing Directors, any individual whose election or appointment, or recommendation for election or appointment, to the New Board was at the request, directly or indirectly, of the entity which entered into the definitive agreement providing for such Business Combination with the Corporation or any direct or indirect subsidiary thereof), unless the Board determines, prior to such consummation, that there does not exist a reasonable assurance that, for at least a two-year period following consummation of such Business Combination, at least a majority of the members of the New Board will continue to consist of Continuing Directors and individuals whose election, or nomination for election by stockholders of the resulting or surviving entity (or any ultimate parent thereof) in such Business Combination, would be approved by a vote of at least a majority of the Continuing Directors and individuals whose election or nomination for election has previously been so approved; or
- (B) a Business Combination that in substance constitutes a disposition or separation of a division, business unit, or subsidiary; or
- (4) the stockholders of the Corporation approve a plan of a complete liquidation or dissolution of the Corporation or there is consummation of a sale or other disposition of all or substantially all of the assets of the Corporation, other than to a corporation with respect to which, following such sale or other disposition, more than 50% of the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of the Corporation's then outstanding voting securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Corporation's then outstanding voting securities.
- (k) "Committee" means (1) with respect to Participants who are employees and other service providers, the Compensation & Organization Committee or such other committee of the Board as may be designated by the Board to administer the Plan, consisting of at least three members of the Board; provided however, that any member of the Committee participating in the taking of any action under the Plan shall qualify as (A) a "non-employee director" as then defined under Rule 16b-3 and (B) an "independent" director under the rules of the

New York Stock Exchange, or (2) with respect to Participants who are non-employee directors, the Board.

- (l) “Common Stock” means shares of the common stock, par value \$1.00 per share, and such other securities of the Corporation or other corporation or entity as may be substituted for Shares pursuant to Section 8.01 hereof.
- (m) “Continuing Directors” shall have the meaning provided in Section 2.01(j)(3) hereof.
- (n) “Disabled” shall mean the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months.
- (o) “Effective Date” means April 26, 2016, the date the Plan was initially effective.
- (p) “Exchange Act” means the Securities Exchange Act of 1934, as amended.
- (q) “Excluded Transaction” shall have the meaning provided in Section 2.01(j)(3) hereof.
- (r) “Fair Market Value” of shares of any stock, including but not limited to Common Stock, or units of any other securities (herein “shares”), shall be the average of the highest and lowest sales prices per share for the date as of which Fair Market Value is to be determined in the principal market in which such shares are traded, as quoted in *The Wall Street Journal* (or in such other reliable publication as the Committee, in its discretion, may determine to rely upon). If the Fair Market Value of shares on any date cannot be determined on the basis set forth in the preceding sentence, or if a determination is required as to the Fair Market Value on any date of property other than shares, the Committee shall in good faith determine the Fair Market Value of such shares or other property on such date. Fair Market Value shall be determined without regard to any restriction other than a restriction which, by its terms, will never lapse.
- (s) “Full-Value Shares” shall have the meaning provided in Section 4.01 hereof.
- (t) “Good Reason” shall mean, without the Participant’s express written consent, the occurrence after a Change in Control, of any one or more of the following:
 - (1) the assignment to the Participant of duties inconsistent with the Participant’s position immediately prior to the Change in Control or a reduction or adverse alteration in the nature of the Participant’s position, duties, status or responsibilities from those in effect immediately prior to the Change in Control;
 - (2) a reduction by the Corporation in the Participant’s annualized and monthly or semi-monthly rate of base salary (as increased to incorporate the Participant’s foreign assignment premium, if any, while on foreign assignment) as in effect on the Change in Control or as the same shall be increased from time to time;
 - (3) the Corporation’s requiring the Participant to be based at a location in excess of fifty (50) miles from the location where the Participant is based immediately prior to the Change in Control;
 - (4) the failure by the Corporation to continue, substantially as in effect immediately prior to the Change in Control, all of the Corporation’s employee benefit, incentive compensation, bonus, stock option and stock award plans, programs, policies, practices or arrangements in which the Participant participates (or substantially equivalent successor plans, programs, policies, practices or arrangements) or the failure by the Corporation to continue the Participant’s participation therein on substantially the same basis, both in terms of the amount of benefits provided and the

level of the Participant's participation relative to other participants, as existed immediately prior to the Change in Control; and

- (5) any purported termination by the Corporation of the Participant's employment that is not effected pursuant to a written notice indicating, in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Participant's employment for Cause, which in the absence of such notice shall be ineffective.
 - (u) "Incumbent Board" shall have the meaning provided in Section 2.01(j)(2) hereof.
 - (v) "New Board" shall have the meaning provided in Section 2.01(j)(3) hereof.
 - (w) "Option" means a right, granted under Section 6.02 hereof, to purchase Shares at a specified price during specified time periods.
 - (x) "Other Stock-Based Award" means an Award, granted under Section 6.06 hereof, that is denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares.
 - (y) "Participant" means an employee, other service provider or a non-employee director of the Corporation or any Subsidiary or Affiliate who is granted an Award under the Plan.
 - (z) "Performance Award" means an award granted under Section 6.05 hereof that is subject to certain restrictions.
 - (aa) "Performance Share," "Performance Cash Award," "Performance Goal" and "Performance Period" shall have the meanings provided in Section 6.05.
 - (bb) "Person" shall have the meaning provided in Section 2.01(j)(1) hereof.
 - (cc) "Restricted Stock" means Shares, granted under Section 6.03 hereof, that are subject to certain restrictions.
 - (dd) "Restricted Stock Unit" means a unit, granted under Section 6.04 hereof, that is subject to certain restrictions.
 - (ee) "Rule 16b-3" means Rule 16b-3 under the Exchange Act, as amended from time to time, or any successor to such Rule promulgated by the Securities and Exchange Commission under Section 16 of the Exchange Act.
 - (ff) "Shares" means shares of Common Stock.
 - (gg) "Subsidiary" means any corporation in an unbroken chain of corporations beginning with the Corporation, if each of the corporations other than the last corporation in the chain owns stock possessing at least 50% of the total combined voting power of all classes of stock in one of the other corporations in the chain.
 - (hh) "Termination of Employment" shall have the meaning provided in Section 9.02 hereof.
- 2.02 **Construction.** For purposes of the Plan, the following rules of construction shall apply:
- (a) The word "or" is disjunctive but not necessarily exclusive.
 - (b) Words in the singular include the plural; words in the plural include the singular; words in the neuter gender include the masculine and feminine genders, and words in the masculine or feminine gender include the other and neuter genders.

SECTION 3. PLAN ADMINISTRATION

- 3.01 **Board Committee Administration.** The Plan shall be administered by the Committee. The Committee shall have full and final authority to take the following actions, in each case subject to and consistent with the provisions of the Plan:

- (a) to designate Participants;

- (b) to determine the type or types of Awards to be granted to each Participant;
- (c) to determine the number of Awards to be granted, the number of Shares or amount of cash or other property to which an Award will relate, the terms and conditions of any Award (including, but not limited to, any exercise price, grant price or purchase price, any limitation or restriction, any schedule for lapse of limitations, forfeiture restrictions or restrictions on exercisability or transferability, and accelerations or waivers thereof, and any Performance Goal, based in each case on such considerations as the Committee shall determine subject to the terms of the Plan), and all other matters to be determined in connection with an Award;
- (d) to determine whether, to what extent and under what circumstances an Award may be settled in, or the exercise price of an Award may be paid in cash, Shares, other Awards or other property, or an Award may be accelerated, vested, canceled, forfeited, exchanged or surrendered;
- (e) to interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan;
- (f) to prescribe the form of each Award Agreement, which need not be identical for each Participant;
- (g) to adopt, amend, suspend, waive and rescind such rules and procedures as the Committee may deem necessary or advisable to administer the Plan;
- (h) to correct any defect or supply any omission or reconcile any inconsistency, and to construe and interpret the Plan, the rules and procedures, any Award Agreement or other instrument entered into or Award made under the Plan;
- (i) to make all other decisions and determinations as may be required under the terms of the Plan or as the Committee may deem necessary or advisable for the administration of the Plan; and
- (j) to make such filings and take such actions as may be required from time to time by appropriate state, regulatory and governmental agencies.

Any action of the Committee with respect to the Plan shall be final, conclusive and binding on all persons, including the Corporation, Subsidiaries, Affiliates, Participants, any person claiming any rights under the Plan from or through any Participants, employees, directors and stockholders. The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee. Each member of the Committee shall be entitled to, in good faith, rely or act upon any report or other information furnished to him by an officer, manager or other employee of the Corporation or a Subsidiary, the Corporation's independent certified public accountants, or any executive compensation consultant or other professional retained by the Corporation and/or Committee to assist in the administration of the Plan.

- 3.02 **Committee Delegation.** The Committee may delegate to officers, managers and/or agents of the Corporation or any Subsidiary or Affiliate the authority, subject to such terms as the Committee shall determine and applicable law, to perform administrative and other functions under the Plan. Specifically, the Committee may delegate to one or more officers of the Corporation the authority to grant Awards to Participants who are not directors or officers (as defined under Section 16 of the Exchange Act) of the Corporation, provided the Committee shall have determined the number of Shares available for such grants and the grants are subject to the terms and conditions of the underlying Award Agreements and the Plan. Any such delegation shall be subject to the limitation under Section 157(c) of the Delaware General Corporation Law.

SECTION 4. SHARES SUBJECT TO THE PLAN

- 4.01 The maximum number of Shares which may be issued and in respect of which Awards may be granted under the Plan shall be limited to 32,700,000 Shares, subject to adjustment as provided in Section 8.01, which may be used for all forms of Awards (such Shares may be referred to as “Available Shares”). Each Option or Appreciation Right shall reduce the number of Available Shares by one Share for each Share represented by such Option or Appreciation Right, except to the extent the Award is settled in cash. All other Shares to which an Award other than an Option or Appreciation Right relates shall be referred to as “Full-Value Shares” and, unless such Award is settled in cash, shall reduce the number of Available Shares by 1.78 Shares.

For purposes of this Section 4.01, the number of Shares to which an Award relates shall be counted against the number of Available Shares under the Plan at the time of grant of the Award, unless such number of Shares cannot be determined at that time, in which case the number of Shares actually distributed pursuant to the Award shall be counted against the number of Available Shares under the Plan at the time of distribution; provided, however, that Awards related to or retroactively added to, or granted in tandem with, substituted for or converted into, other Awards shall be counted or not counted against the number of Shares reserved and available under the Plan in accordance with procedures adopted by the Committee so as to ensure appropriate counting but avoid double counting.

If and to the extent any Award granted under this Plan or any award granted under the 2005 Stock Incentive Plan (“2005 Plan”) and outstanding on the Effective Date (a “2005 Plan Award”) is forfeited or otherwise terminates without payment being made to the Participant in the form of Shares or if payment is made to the Participant in the form of cash, cash equivalents or other property other than Shares, any Shares that are not issued with respect to such Award or 2005 Plan Award shall, to the extent of any such forfeiture or termination or alternative payment, again be available for Awards under the Plan. Subject to the provisions of Section 8.01, such Shares shall be added to the number of Available Shares at the rate for which the award was originally subtracted from the number of Available Shares under this Plan or from the number of Shares that were available under the 2005 Plan, as applicable. If the exercise price of an Award is paid by delivering to the Corporation Shares previously owned by the Participant or by withholding Shares issuable upon exercise or if Shares are delivered or withheld for purposes of satisfying a tax withholding obligation or if Shares are repurchased by the Company with Option proceeds, the number of Shares covered by the Award equal to the number of Shares so delivered, withheld or repurchased shall be counted, however, against the number of Shares granted and shall not again be available for Awards under the Plan. In addition, all Shares covered by an Appreciation Right, to the extent that it is exercised and settled in Shares, shall be counted against the number of Shares granted and shall not again be available for Awards under the Plan. Any Shares distributed pursuant to an Award may consist, in whole or part, of authorized and unissued Shares or of treasury Shares, including Shares repurchased by the Corporation for purposes of the Plan.

SECTION 5. ELIGIBILITY, VESTING REQUIREMENTS AND PROHIBITION ON REPRICING AND RELOAD OPTIONS

- 5.01 **Eligibility.** Awards may be granted only to individuals who are employees, other service providers and/or non-employee directors of the Corporation or any Subsidiary or Affiliate.
- 5.02 **Vesting of Awards.** All Awards shall provide for vesting based on employment or service which is at least twelve (12) months from the date on which such Award is granted, and there shall be no acceleration of vesting of an Award to be more rapid than vesting after twelve (12) months, except for the Committee’s discretion to provide for accelerated vesting or exercisability in the terms of an Award or otherwise in connection with death, disability, retirement, involuntary termination of employment or service without Cause or a Change in Control. Notwithstanding any contrary provision of the Plan, up to five percent (5%) of the aggregate number of Shares

authorized for issuance under the Plan may be issued pursuant to Awards without regard to the limitations of this Section 5.02.

- 5.03 **Repricing and Reload Options Prohibited.** Except as provided in Section 8 (Adjustment Provisions), the Corporation may not, without obtaining stockholder approval: (a) amend or modify the terms of any outstanding Option or Appreciation Right to reduce the exercise price of such outstanding Option or Appreciation Right; (b) cancel, exchange or permit or accept the surrender of any outstanding Option or Appreciation Right in exchange for an Option or Appreciation Right with an exercise price that is less than the exercise price of the original Option or Appreciation Right; or (c) cancel, exchange or permit or accept the surrender of any outstanding Option or Appreciation Right in exchange for any other Award, cash or other securities for purposes of repricing such Option or Appreciation Right. No Option may be granted to any individual on account of the use of Shares by such individual to exercise a prior Option.

SECTION 6. SPECIFIC TERMS OF AWARDS

- 6.01 **General.** Subject to the terms of the Plan and any applicable Award Agreement, Awards may be granted as set forth in this Section 6. In addition, the Committee may impose on any Award or the exercise thereof, at the date of grant or thereafter (subject to the terms of Section 10.01), such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including separate escrow provisions and terms requiring forfeiture of Awards in the event of termination of employment or service by the Participant. Except as required by applicable law, Awards may be granted for no consideration other than prior and/or future services. Dividends and dividend equivalents shall not be paid on Options, Appreciation Rights and unvested Full-Value Shares. Dividends and dividend equivalents may not be paid with respect to Performance Awards before the Performance Goals are achieved and the Performance Awards are earned.
- 6.02 **Options.** The Committee is authorized to grant Options to Participants, subject to the following terms and conditions:
- (a) Exercise Price. The exercise price per Share of an Option shall not be less than 100% of the Fair Market Value of a Share on the date of grant of such Option.
 - (b) Option Term. The term of each Option shall be determined by the Committee, except that, consistent with the provisions of Section 7.04, no Option shall be exercisable after the expiration of ten years from the date of grant. The Option shall be evidenced by a form of written Award Agreement, and subject to the terms thereof.
 - (c) Times and Methods of Exercise. The Committee shall determine the time or times at which an Option may be exercised in whole or in part, the methods by which the exercise price may be paid or deemed to be paid, and the form of such payment, including, without limitation, cash, Shares, or other property or any combination thereof, having a Fair Market Value on the date of exercise equal to the exercise price, provided, however, that in the case of a Participant who is at the time of exercise subject to Section 16 of the Exchange Act, any portion of the exercise price representing a fraction of a Share shall in any event be paid in cash or in property other than any equity security (as defined by the Exchange Act) of the Corporation.

Delivery of Shares in payment of the exercise price of an Option, if authorized by the Committee, may be accomplished through the effective transfer to the Corporation of Shares held by a broker or other agent. Unless otherwise determined by the Committee, the Corporation will also cooperate with any person exercising an Option who participates in a cashless exercise program of a broker or other agent under which all or part of the Shares received upon exercise of the Option are sold through the broker or other agent, for the

purpose of paying the exercise price of an Option. Additionally, if authorized by the Committee, a Participant may elect the withholding of shares to be acquired upon exercise, valued at the Fair Market Value on the date of exercise, for the purpose of paying the exercise price of an Option. Notwithstanding any of the preceding, unless the Committee, in its discretion, shall otherwise determine, the exercise of the Option shall not be deemed to occur, and no Shares will be issued by the Corporation upon exercise of an Option, until the Corporation has received payment in full of the exercise price. Notwithstanding language in any grant form to the contrary, if the optionee is subject to taxation on the benefit received from the Option in a jurisdiction outside the United States the optionee (i) shall not be permitted to pay the exercise price by surrendering shares of Common Stock that he or she already owns or attesting to the ownership of shares of Common Stock and (ii) shall not be permitted to elect the withholding of shares to be acquired upon exercise to satisfy either the exercise price or the tax withholding obligation if, in the opinion of the Committee, such election could cause the participant, or the Corporation, to receive unfavorable tax treatment.

(d) Termination of Employment. In the case of Participants who are employees or other service providers, unless otherwise determined by the Committee and reflected in the Award Agreement or award program:

- (1) if a Participant shall die while employed or engaged by the Corporation or a Subsidiary or Affiliate or during a period following termination of employment or engagement during which an Option otherwise remains exercisable under this Section 6.02(d), Options granted to the Participant, to the extent exercisable at the time of the Participant's death, may be exercised within three years after the date of the Participant's death, but not later than the expiration date of the Option, by the executor or administrator of the Participant's estate or by the Person or Persons to whom the Participant shall have transferred such right by will or by the laws of descent and distribution;
- (2) if the employment or engagement of a Participant with the Corporation and its Subsidiaries and Affiliates shall be involuntarily terminated under circumstances which would qualify the Participant for benefits under a severance plan of the Corporation, or if a Participant shall retire under the terms of any retirement plan of the Corporation or a Subsidiary, or shall terminate his or her employment or engagement with the written consent of the Corporation or a Subsidiary specifically permitting such exercise, or shall become Disabled, Options granted to the Participant, to the extent exercisable at the date of the Participant's termination of employment or engagement, may be exercised within three years after the date of termination of employment or engagement, but not later than the expiration date of the Option; and
- (3) except to the extent an Option remains exercisable under paragraph (1) or (2) above or under Section 9.01, any Option granted to a Participant shall terminate immediately upon the termination of all employment or engagement of the Participant with the Corporation or a Subsidiary or Affiliate.

(e) Termination of Service. In the case of Participants who are non-employee directors, unless otherwise determined by the Board and reflected in the Award Agreement or award program:

- (1) if a Participant shall die while in service with the Corporation or a Subsidiary or during a period following termination of service during which an Option otherwise remains exercisable under this Section 6.02(e), Options granted to the Participant, to the extent exercisable at the time of the Participant's death, may be exercised within

three years after the date of the Participant's death, but not later than the expiration date of the Option, by the executor or administrator of the Participant's estate or by the Person or Persons to whom the Participant shall have transferred such right by will or by the laws of descent and distribution;

- (2) if the service of a Participant with the Corporation and its Subsidiaries shall be terminated for reasons other than removal for Cause, Options granted to the Participant, to the extent exercisable at the date of the Participant's termination of service, may be exercised within three years after the date of termination of service, but not later than the expiration date of the Option; and
 - (3) except to the extent an Option remains exercisable under paragraph (1) or (2) above or under Section 9.01, any Option granted to a Participant shall terminate immediately upon the termination of all service of the Participant with the Corporation or a Subsidiary.
- (f) Individual Limit. The aggregate number of Shares for which Options may be granted under the Plan to any single Participant in any calendar year shall not exceed 1,000,000 Shares.

6.03 **Restricted Stock.** The Committee is authorized to grant Restricted Stock to Participants, subject to the following terms and conditions:

- (a) Issuance and Restrictions. Restricted Stock shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends thereon), which restrictions may lapse separately or in combination at such times, under such circumstances, in such installments or otherwise, as the Committee shall determine at the time of grant or thereafter.
- (b) Forfeiture. Except as otherwise determined by the Committee at the time of grant or thereafter subject to the limitations of the Plan, upon termination of employment, engagement or other service (as determined under criteria established by the Committee) during the applicable restriction period, Restricted Stock that is at such time subject to restrictions shall be forfeited and reacquired by the Corporation.
- (c) Certificates for Shares. Restricted Stock granted under the Plan may be evidenced in such manner as the Committee shall determine, including, without limitation, issuance of certificates representing Shares, which may be held in escrow. Certificates representing Shares of Restricted Stock shall be registered in the name of the Participant and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Restricted Stock.
- (d) Maximum Individual Performance-Based Restricted Stock Limit. Restricted Stock may be subject to Performance Goals. No Participant shall be granted within any calendar year one or more Restricted Stock Awards under the Plan subject to Performance Goals for more than 1,000,000 Shares.

6.04 **Restricted Stock Units.** The Committee is authorized to grant Restricted Stock Units to Participants, subject to the following terms and conditions:

- (a) Issuance and Restrictions. Restricted Stock Units shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock Units or the right to receive dividends thereon), which restrictions may lapse separately or in combination at such times, under such circumstances, in such installments or otherwise, as the Committee shall determine at the time of grant or thereafter.

- (b) Forfeiture. Except as otherwise determined by the Committee at the time of grant or thereafter subject to the limitations of the Plan, upon termination of employment, engagement or other service (as determined under criteria established by the Committee) during the applicable restriction period, Restricted Stock Units that are at such time subject to restrictions shall be forfeited.
- (c) Maximum Individual Performance-Based Restricted Stock Unit Limit. Restricted Stock may be subject to Performance Goals. No Participant shall be granted within any calendar year one or more Restricted Stock Unit Awards under the Plan subject to Performance Goals for more than 1,000,000 Shares.

6.05 **Performance Awards.** The Committee is authorized to grant Performance Awards to Participants, subject to the following terms and conditions:

- (a) Types of Performance Awards. Performance Awards may be granted in the form of Performance Shares or Performance Cash Awards. Performance Shares shall be denominated in Shares and may be payable in Shares or in cash. Performance Cash Awards shall be denominated in dollars, have an initial value that is established by the Committee at the time of grant, and may be payable in cash or in Shares.
- (b) Right to Payment. A Performance Award shall represent the right to receive Shares or a dollar amount based on the achievement, or the level of achievement, during a specified Performance Period of one or more Performance Goals established by the Committee at the time of the Award. Performance Goals may include threshold Corporation performance goals and Participant performance goals.
- (c) Terms of Performance Awards. At or prior to the time a Performance Award is granted, the Committee shall cause to be set forth in the Award Agreement or otherwise in writing
 - (i) the Performance Goals applicable to the Award and the period during which achievement of the Performance Goals shall be measured (the “Performance Period”),
 - (ii) the amount which may be earned by the Participant based on the achievement, or the level of achievement, of the Performance Goals or the formula by which such amount shall be determined and
 - (iii) such other terms and conditions applicable to the Award as the Committee may, in its discretion, determine to include therein; provided, however, dividends and dividend equivalents may accrue, but shall not be paid with respect to Performance Awards before the Performance Goals are achieved and the Performance Awards are earned. The terms so established by the Committee shall be objective such that a third party having knowledge of the relevant facts could determine whether or not any Performance Goal has been achieved, or the extent of such achievement, and the amount, if any, which has been earned by the Participant based on such performance. The Committee may retain the discretion to reduce (but not to increase) the amount of a Performance Award which will be earned based on the achievement of Performance Goals; provided, however, that the exercise of such negative discretion shall not be permitted to result in any increase in the amount of any Performance Award payable to any other Participant. When the Performance Goals are established, the Committee shall also specify the manner in which the level of achievement of such Performance Goals shall be calculated and the weighting assigned to such Performance Goals. The Committee may determine that certain specified events or occurrences, including changes in accounting standards or tax laws and the effects of non-operational items or unusual or infrequently occurring items as defined by generally accepted accounting principles, shall be excluded from the calculation.
- (d) Performance Goals. The outcome of the Performance Goals must be substantially uncertain at the time the goals are established. “Performance Goals” shall mean one or more preestablished, objective measures of performance during a specified Performance Period, selected by the Committee in its discretion. Performance Goals may be based upon one or

more of the following objective performance measures and expressed in either, or a combination of, absolute or relative values or rates of change and on a gross or net basis: safety performance, stock price, capital expenditures, earnings per share, earnings per share growth, return on capital employed, return on invested capital, return on capital, costs, net income, net income growth, operating margin, revenues, revenue growth, revenue from operations, net sales, expenses, income from operations as a percent of capital employed, income from operations, income from operations per ton shipped, tons shipped, cash flow, market share, return on equity, return on assets, earnings (including EBITDA and EBIT), operating cash flow, operating cash flow as a percent of capital employed, economic value added, gross margin, total shareholder return, shareholder equity, debt, debt to shareholder equity, debt to earnings (including EBITDA and EBIT), interest expense and/or other fixed charges, earnings (including EBITDA and EBIT) to interest expense and/or other fixed charges, environmental emissions improvement, workforce diversity, number of accounts, workers' compensation claims, budgeted amounts, cost per hire, turnover rate, and/or training costs and expenses. Performance Goals based on such performance measures may be based either on the performance of the Participant, Corporation, a Subsidiary or Subsidiaries, an Affiliate or Affiliates, any branch, department, business unit or other portion thereof under such measure for the Performance Period and/or upon a comparison of such performance with the performance of a peer group of corporations, prior Performance Periods or other measure selected or defined by the Committee at the time of making a Performance Award. The Committee may in its discretion also determine to use other objective performance measures as Performance Goals.

- (e) Committee Certification. Following completion of the applicable Performance Period, and prior to any payment of a Performance Award to the Participant, the Committee shall determine in accordance with the terms of the Performance Award and shall certify in writing whether the applicable Performance Goal or Goals were achieved, or the level of such achievement, and the amount, if any, earned by the Participant based upon such performance. For this purpose, approved minutes of the meeting of the Committee at which certification is made shall be sufficient to satisfy the requirement of a written certification. Performance Awards are not intended to provide for the deferral of compensation, such that Performance Awards shall be paid upon vesting and in no event later than the day which is two and one-half months following the end of the calendar year in which the Performance Period ends, or such other time period as may be required under Section 409A of the Code to avoid characterization of such Awards as deferred compensation.
- (f) Maximum Individual Performance Award Limit. No Participant shall be granted within any calendar year (i) Performance Shares which could result in such Participant receiving pursuant to such Performance Shares more than 1,000,000 Shares or the Fair Market Value thereof if paid in cash, or (ii) Performance Cash Awards which could result in such Participant receiving more than \$20,000,000 in value.
- (g) Performance Award Pool. The Committee may establish a Performance Award pool, which shall be an unfunded pool, based upon the achievement of one or more Performance Goals during the Performance Period, as specified by the Committee. The amount of the Award Pool at the threshold, target and maximum performance levels may be a stated percentage of the Award Pool at the applicable level for the specified Performance Goals. The maximum amount payable to any Participant shall be stated in terms of a percentage of the award pool and the sum of such percentages shall not exceed 100%.
- (h) Performance Cash Awards. Notwithstanding any contrary provision of the Plan or applicable Award Agreement, with respect to Performance Cash Awards, the Committee has full authority and discretion to: (i) establish Performance Goals that are based on

objective or subjective factors as the Committee deems relevant, (ii) modify, amend, discontinue or terminate, and establish new Performance Goals at any time, (iii) establish a Performance Period that is less than twelve (12) months, and (iv) exercise positive or negative discretion in determining the amount of any Performance Cash Award payable under the Plan.

- 6.06 **Other Stock-Based Awards.** The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares, including, without limitation, purchase rights, Appreciation Rights, Shares awarded which are not subject to any restrictions or conditions, subject to the limitations of the Plan, convertible securities, exchangeable securities or other rights convertible or exchangeable into Shares, as the Committee in its discretion may determine. In the discretion of the Committee, such Other Stock-Based Awards, including Shares, or other types of Awards authorized under the Plan, may be used in connection with, or to satisfy obligations of the Corporation or a Subsidiary or an Affiliate under, other compensation or incentive plans, programs or arrangements of the Corporation or any Subsidiary or Affiliate for eligible Participants, including without limitation the Deferred Compensation Program for Non-Employee Directors, the Non-Employee Director Stock Program, other or successor programs and executive contracts.

The Committee shall determine the terms and conditions of Other Stock-Based Awards. Shares or securities delivered pursuant to a purchase right or Appreciation Right granted under this Section 6.06 shall be purchased for such consideration, paid for by such methods and in such forms, including, without limitation, cash, Shares, or other property or any combination thereof, as the Committee shall determine.

The aggregate number of Shares for which Appreciation Rights may be granted under the Plan to any single Participant in any calendar year shall not exceed 1,000,000 Shares.

- 6.07 **Limitation on Awards to Non-Employee Directors.** Notwithstanding any other provision of the Plan to the contrary, the aggregate grant date fair value (computed as of the date of grant in accordance with applicable financial accounting rules) of all Awards granted to any non-employee director for any single calendar year shall not exceed \$500,000; provided, however, that such limit shall not apply to any Awards made at the election of a non-employee director to receive Awards in lieu of all or a portion of any annual committee cash retainers or other similar cash based payments.

SECTION 7. GENERAL TERMS OF AWARDS

- 7.01 **Stand-Alone, Tandem and Substitute Awards.** Awards granted under the Plan may, in the discretion of the Committee, be granted either alone or in addition to, or in tandem with, any other Award granted under the Plan or any award granted under any other plan, program or arrangement of the Corporation or any Subsidiary or any business entity acquired or to be acquired by the Corporation or a Subsidiary. Awards granted in addition to or in tandem with other Awards or awards may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- 7.02 **Term of Awards.** The term of each Award shall be for such period as may be determined by the Committee; provided, however, that in no event shall the term of any Option, other purchase right or Appreciation Right exceed a period of ten (10) years from the date of its grant.
- 7.03 **Form of Payment of Awards.** Subject to the terms of the Plan and any applicable Award Agreement, payments or substitutions to be made by the Corporation upon the grant, exercise or other payment or distribution of an Award may be made in such forms as the Committee shall determine at the time of grant or thereafter, including, without limitation, cash, Shares, or other

property or any combination thereof, in each case in accordance with rules and procedures established, or as otherwise determined, by the Committee.

- 7.04 **Limits on Transfer of Awards; Beneficiaries.** No right or interest of a Participant in any Award shall be pledged, encumbered or hypothecated to or in favor of any person other than the Corporation, or shall be subject to any lien, obligation or liability of such Participant to any person other than the Corporation or a Subsidiary. No Award and no rights or interests therein shall be assignable or transferable by a Participant otherwise than by will or the laws of descent and distribution, and any Option or other right to purchase or acquire Shares granted to a Participant under the Plan shall be exercisable during the Participant's lifetime only by such Participant. A beneficiary, guardian, legal representative or other person claiming any rights under the Plan from or through any Participant shall be subject to all the terms and conditions of the Plan and any Award Agreement applicable to such Participant as well as any additional restrictions or limitations deemed necessary or appropriate by the Committee.
- 7.05 **Registration and Listing Compliance.** No Award shall be paid and no Shares or other securities shall be distributed with respect to any Award in a transaction subject to the registration requirements of the Securities Act of 1933, as amended, or any state securities law or subject to a listing requirement under any listing agreement between the Corporation and any national securities exchange, and no Award shall confer upon any Participant rights to such payment or distribution until such laws and contractual obligations of the Corporation have been complied with in all material respects. Except to the extent required by the terms of an Award Agreement or another contract between the Corporation and the Participant, neither the grant of any Award nor anything else contained herein shall obligate the Corporation to take any action to comply with any requirements of any such securities laws or contractual obligations relating to the registration (or exemption therefrom) or listing of any Shares or other securities, whether or not necessary in order to permit any such payment or distribution.
- 7.06 **Stock Certificates.** Awards representing Shares under the Plan may be recorded in book entry form until the lapse of restrictions or limitations thereon, or issued in the form of certificates. All certificates for Shares delivered under the terms of the Plan shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under federal or state securities laws, rules and regulations thereunder, and the rules of any national securities exchange or automated quotation system on which Shares are listed or quoted. The Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions or any other restrictions or limitations that may be applicable to Shares. In addition, during any period in which Awards or Shares are subject to restrictions or limitations under the terms of the Plan or any Award Agreement, the Committee may require any Participant to enter into an agreement providing that certificates representing Shares issuable or issued pursuant to an Award shall remain in the physical custody of the Corporation or such other person as the Committee may designate.
- 7.07. **Forfeiture and Repayment.** Notwithstanding any other provisions of the Plan, any Award which is subject to recovery under any law, government regulation, stock exchange listing requirement or recoupment policy adopted by the Corporation, will be subject to such deduction, clawback or cancellation as may be made pursuant to such law, government regulation, stock exchange listing requirement or recoupment policy, as may be in effect from time to time.

SECTION 8. ADJUSTMENT PROVISIONS

- 8.01 If a dividend or other distribution shall be declared upon the Common Stock payable in shares of the Common Stock, then equitable adjustment shall be made to outstanding Awards, the maximum number of Shares specified in Section 4.01 that may be issued under the Plan but are not then subject to outstanding Awards and the maximum number of Shares specified under

Sections 6.02(f), 6.03(d), 6.04(d), 6.05(f). Any shares of Common Stock distributed with respect to any Restricted Stock held in escrow shall also be held by the Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock on which they were distributed.

If the outstanding shares of Common Stock shall be changed into or exchangeable for a different number or kind of shares of stock or other securities of the Corporation or another corporation, or cash or other property, whether through reorganization, reclassification, recapitalization, stock split-up, combination of shares, merger or consolidation, then equitable adjustments shall be made to the Awards, the Shares specified in Section 4.01 that may be issued under the Plan but which is not then subject to any outstanding Award, and the maximum number of Shares under Sections 6.02(f), 6.03(d), 6.04(d), 6.05(f). Unless otherwise determined by the Committee in its discretion, any such stock or securities, as well as any cash or other property, into or for which any Restricted Stock held in escrow shall be changed or exchangeable in any such transaction shall also be held by the Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock in respect of which such stock, securities, cash or other property was issued or distributed.

In case of any adjustment or substitution as provided for in this Section 8.01, the aggregate option price for all Shares subject to each then outstanding Option, Restricted Stock Unit, Performance Award or Other Stock Based Award, prior to such adjustment or substitution shall be the aggregate option price for all shares of stock or other securities (including any fraction), cash or other property to which such Shares shall have been adjusted or which shall have been substituted for such Shares. Any new option price per share or other unit shall be carried to at least three decimal places with the last decimal place rounded upwards to the nearest whole number.

If the outstanding shares of the Common Stock shall be changed in value by reason of any spin-off, split-off or split-up, or dividend in partial liquidation, dividend in property other than cash, or extraordinary distribution to stockholders of the Common Stock, (i) the Committee shall make any adjustments to any then outstanding Option, Restricted Stock Unit, Performance Award or Other Stock Based Award, which it determines are equitably required to prevent dilution or enlargement of the rights of optionees and awardees which would otherwise result from any such transaction, and (ii) unless otherwise determined by the Committee in its discretion, any stock, securities, cash or other property distributed with respect to any Restricted Stock held in escrow or for which any Restricted Stock held in escrow shall be exchanged in any such transaction shall also be held by the Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock in respect of which such stock, securities, cash or other property was distributed or exchanged.

No adjustment or substitution provided for in this Section 8.01 shall require the Corporation to issue or sell a fraction of a Share or other security. Accordingly, all fractional Shares or other securities which result from any such adjustment or substitution shall be eliminated and not carried forward to any subsequent adjustment or substitution. Owners of Restricted Stock held in escrow shall be treated in the same manner as owners of Common Stock not held in escrow with respect to fractional Shares created by an adjustment or substitution of Shares, except that, unless otherwise determined by the Committee in its discretion, any cash or other property paid in lieu of a fractional Share shall be subject to restrictions similar to those applicable to the Restricted Stock exchanged therefore. In the event of any other change in or conversion of the Common Stock, the Committee may in its discretion adjust the outstanding Awards and other amounts provided in the Plan in order to prevent the dilution or enlargement of rights of Participants.

SECTION 9. CHANGE IN CONTROL PROVISIONS

- 9.01 **Acceleration of Exercisability and Lapse of Restrictions.** Unless otherwise determined by the Committee at the time of grant of an Award or unless otherwise provided in the applicable Award Agreement, if (i) a Change in Control shall occur, and (ii) a Termination of Employment occurs, then, in addition to any other rights of post-termination exercise which the Participant (or other holder of the Award) may have under the Plan or the applicable Award Agreement: (i) all outstanding Awards pursuant to which the Participant may have exercise rights, which are restricted or limited, shall become fully exercisable and shall remain exercisable until the expiration date of the award; and (ii) all restrictions or limitations, including risks of forfeiture, on outstanding Awards subject to restrictions or limitations under the Plan shall lapse.

In addition, upon the occurrence of a Change in Control, all performance criteria and other conditions to payment of Awards under which payments of Shares or other property are subject to conditions shall be determined using the abbreviated performance period ending upon the date of the Change in Control. Notwithstanding the foregoing, unless otherwise determined by the Committee at the time of grant of an Award or unless otherwise provided in the applicable Award Agreement, if a Change in Control shall occur, (i) scheduled vesting dates for performance-based Awards will not be affected by a Change in Control and (ii) all Awards shall remain payable on the dates provided in the underlying Award Agreements and the Plan.

- 9.02 **Termination of Employment or Service in connection with a Change in Control.** If within the two-year period beginning on the date of a Change in Control the employment or service of a Participant shall be terminated (i) involuntarily for any reason other than for Cause or (ii) in the case of Participants who have been determined by the Committee to be executive management prior to the time of the Change in Control, voluntarily for Good Reason, such termination shall be a "Termination of Employment" for purposes of this Plan.

The Participant's right to terminate his or her employment pursuant to this Section shall not be affected by the Participant's incapacity due to physical or mental illness or eligibility for retirement. The Participant's continued employment shall not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder.

SECTION 10. AMENDMENTS TO AND TERMINATION OF THE PLAN

- 10.01 The Board may amend, alter, suspend, discontinue or terminate the Plan without the consent of stockholders or Participants, except that, without the approval of the stockholders of the Corporation, no amendment, alteration, suspension, discontinuation or termination shall be made if stockholder approval is required by any federal or state law or regulation or by the rules of any stock exchange on which the Shares may then be listed, or if the Board in its discretion determines that obtaining such stockholder approval is for any reason advisable; provided, however, that without the written consent of the Participant, no amendment, alteration, suspension, discontinuation or termination of the Plan may materially and adversely affect the rights of such Participant under any Award theretofore granted to him. The Committee may, consistent with the terms of the Plan, waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate, any Award theretofore granted, prospectively or retrospectively; provided, however, that without the consent of a Participant, no amendment, alteration, suspension, discontinuation or termination of any Award may materially and adversely affect the rights of such Participant under any Award theretofore granted to him.

SECTION 11. GENERAL PROVISIONS

- 11.01 **No Right to Awards; No Stockholder Rights.** No Participant, employee or director shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Participants, employees and directors, except as provided in any other compensation,

fee or other arrangement. No Award shall confer on any Participant any of the rights of a stockholder of the Corporation unless and until Shares are in fact issued to such Participant in connection with such Award.

- 11.02 **Withholding.** To the extent required by applicable Federal, state, local or foreign law, the Participant or his successor shall make arrangements satisfactory to the Corporation, in its discretion, for the satisfaction of any withholding tax obligations that arise in connection with an Award. The Corporation shall not be required to issue any Shares or make any other payment under the Plan until such obligations are satisfied.

The Corporation is authorized to withhold from any Award granted or any payment due under the Plan, including from a distribution of Shares, amounts of withholding taxes due with respect to an Award, its exercise or any payment thereunder, or to any other payment of compensation by the Corporation to a Participant outside of the Plan, and to take such other action as the Committee may deem necessary or advisable to enable the Corporation and Participants to satisfy obligations for the payment of such taxes. This authority shall include authority to withhold or receive Shares, Awards or other property and to make cash payments in respect thereof in satisfaction of such tax obligations. The Fair Market Value of any Shares withheld or tendered to satisfy any such tax withholding obligations shall not exceed the amount determined by the applicable minimum statutory withholding rates or such other limitations as will not cause adverse accounting consequences or cost, except as otherwise specifically provided in any Award Agreement with respect to a Participant subject to tax withholding in any foreign jurisdiction in which there is no minimum statutory withholding rates.

- 11.03 **No Right to Employment or Continuation of Service.** Nothing contained in the Plan or any Award Agreement shall confer, and no grant of an Award shall be construed as conferring, upon any Participant any right to continue in the employ or service of the Corporation, any Subsidiary or any Affiliate or to interfere in any way with the right of the Corporation, any Subsidiary or any Affiliate or stockholders to terminate his employment or service at any time or increase or decrease his compensation, fees, or other payments from the rate in existence at the time of granting of an Award, except as provided in any Award Agreement or other compensation, fee or other arrangement.

- 11.04 **Unfunded Status of Awards; Creation of Trusts.** The Plan is intended to constitute an “unfunded” plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Agreement shall give any such Participant any rights that are greater than those of a general unsecured creditor of the Corporation; provided, however, that the Committee may authorize the creation of trusts or make other arrangements to meet the Corporation’s obligations under the Plan to deliver Shares or other property pursuant to any Award, which trusts or other arrangements shall be consistent with the “unfunded” status of the Plan unless the Committee otherwise determines.

- 11.05 **No Limit on Other Compensatory Arrangements.** Nothing contained in the Plan shall prevent the Corporation from adopting other or additional compensation, fee or other arrangements (which may include, without limitation, employment agreements with executives and arrangements which relate to Awards under the Plan), and such arrangements may be either generally applicable or applicable only in specific cases. Notwithstanding anything in the Plan to the contrary, the terms of each Award shall be construed so as to be consistent with such other arrangements in effect at the time of the Award.

- 11.06 **No Fractional Shares.** No fractional Shares shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, other Awards or other property shall be issued or paid in lieu of fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated.

- 11.07 **Governing Law.** The validity, interpretation, construction and effect of the Plan and any rules and procedures relating to the Plan shall be governed by the laws of the Commonwealth of Pennsylvania (without regard to the conflicts of laws thereof), and applicable Federal law.
- 11.08 **Severability.** If any provision of the Plan or any Award is or becomes or is deemed invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or Award, it shall be deleted and the remainder of the Plan or Award shall remain in full force and effect; provided, however, that, unless otherwise determined by the Committee, the provision shall not be construed or deemed amended or deleted with respect to any Participant whose rights and obligations under the Plan are not subject to the law of such jurisdiction or the law deemed applicable by the Committee.

SECTION 12. TERM OF THE PLAN

- 12.01 The Plan shall continue in effect until the earlier of its termination by the Board or the date on which all of the Shares available for issuance under the Plan have been issued and all restrictions on such Shares under the terms of the Plan and the agreements evidencing Awards granted under the Plan have lapsed. However, Awards shall not be granted later than the tenth anniversary of the Effective Date.

United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Share Award Grant Agreement

United States Steel Corporation, a Delaware Corporation (herein called the “Corporation”), grants to the employee of the employing company identified below (the “Participant”) a Performance Share Award representing the right to receive a specified number of shares of the common stock of the Corporation (“Shares”) set forth below, which right, if payable, shall be paid in Shares:

Name of Participant:	PARTICIPANT NAME
Name of Employing Company on Date Hereof:	(the company recognized by the Corporation as employing the Participant)
Target Number of Shares Subject to Award:	# SHARES
Maximum Number of Shares Subject to Award:	(Two times the Number of Shares Subject to the Award)
Performance Period:	January 1, 2021 through December 31, 2023
Performance Goals:	(See Exhibit A, attached)
Date of Grant:	GRANT DATE

By accepting this Award in any manner and within the time period prescribed by the Corporation, the Participant agrees that (1) this Performance Share Award is granted under and governed by the terms and conditions of the Corporation’s 2016 Omnibus Incentive Compensation Plan, as amended from time to time (the “Plan”), and the provisions of this Performance Share Award Grant Agreement, including (i) the Terms and Conditions contained herein, (ii) the Performance Goals set forth in Exhibit A, (iii) if applicable to the Participant under Section 11 hereof, the Confidentiality and Proprietary Rights Agreement attached as Exhibit B and the Non-Competition Agreement attached as Exhibit C, and (iv) the special provisions for the Participant’s country of residence, if any, attached hereto as Exhibit D (collectively, the “Agreement”), (2) he or she has reviewed the Plan and the Agreement in their entirety, and (3) he or she has had an opportunity to obtain the advice of counsel prior to accepting this Award and fully understands all provisions of the Plan and the Agreement.

United States Steel Corporation

By: _____
Authorized Officer

Terms and Conditions

1. Grant of Performance Share Award: The Performance Period for purposes of determining whether the Performance Goals have been met shall be the three-year Performance Period specified herein. The Performance Goals for purposes of determining whether, and the extent to which, the Performance Share Award is earned and payable are set forth in Exhibit A to this Agreement. Subject to the provisions of this Agreement, the Performance Share Award shall become payable, if vested, following the Committee’s determination and certification after the end of the Performance Period, as to whether and the extent to which the Performance Goals have been achieved; provided that the Committee retains no discretion to reduce or increase Performance Share Awards that become payable as a result of performance measured against the Performance Goals.

2. Payment of Award: If and to the extent the Performance Share Award is vested, earned and payable, the Corporation shall cause a stock certificate to be issued in the Participant’s name, for no cash consideration, for the number of shares of common stock of the Corporation determined by the Committee to be payable pursuant to paragraph 1 hereof. Payment shall be made following the end of the Performance Period and certification by the Committee, and in no event more than two and one-half months following the end of the calendar year in which the Performance Period ends, except as otherwise provided in Section 12. No dividends or dividend equivalents shall be payable with respect to the Performance Share Award before the Performance Goal has been achieved and the Performance Share Award has been determined to be earned.

3. Transferability: The Participant shall not sell, transfer, assign, pledge or otherwise encumber or dispose of any portion of the Performance Share Award and the right to receive Shares, and any attempt to sell, transfer, assign, pledge or encumber any portion of the Shares prior to the payment, if at all, of a stock certificate in the name of the Participant shall have no effect, regardless of whether voluntary, involuntary, by operation of law or otherwise.

4. Change in Control: Notwithstanding anything to the contrary stated herein, in the case of a Change in Control of the Corporation, (a) the Performance Period shall automatically end on the business day immediately preceding the closing date of the Change in Control, (b) the actual performance for the abbreviated Performance Period calculated as set forth below shall be measured against the established Performance Goals, the performance criteria shall be deemed satisfied only to the extent the actual performance was achieved (the “Achieved Performance Share Award”), and the balance of the Performance Share Award, if any, shall be forfeited, and (c) the Achieved Performance Share Award shall remain subject to forfeiture until the third anniversary of the Date of Grant of this Performance Share Award if the Participant’s employment is terminated after the Change in Control but before the

third anniversary of the Date of Grant; provided, however, notwithstanding Section 5, (i) if the Participant's employment is terminated by the Corporation other than for Cause or is terminated voluntarily by the Participant for Good Reason in the case of participants designated as executive management at the time of the Change in Control ("Executive Management"), within 24 months following a Change in Control, then, except as otherwise determined by the Corporation if the Participant is not Executive Management, the Achieved Performance Share Award shall not be forfeited upon such Termination; rather, the Achieved Performance Share Award shall vest immediately upon the termination, (ii) if the Participant's employment is terminated by reason of death, due to the Participant becoming Disabled, or following attainment of Normal Retirement Age, then the Achieved Performance Share Award shall not be forfeited upon such Termination; rather, the Achieved Performance Share Award shall vest immediately upon such Termination; and (iii) if the Participant's employment is terminated following attainment of Early Retirement Age, then a prorated portion of the Achieved Performance Share Award will vest, based upon the number of complete months worked during the original Performance Period in relation to the number of whole months in the original Performance Period and the remainder shall be forfeited. In calculating the performance for the abbreviated Performance Period and the Achieved Performance Share Award, the ROCE for the year in which the Change in Control occurs shall be determined as the combination of the ROCE (x) actually achieved through the business day immediately preceding the closing date of the Change in Control and (y) measured at target for the period from the Change in Control through the end of the year in which the Change in Control occurs (applying the target ROCE for the year pro-rata over the number of whole and partial months remaining in the year). In the event the Change in Control occurs in the first year of the Performance Period, the ROCE as so calculated for the year in which the Change in Control occurs shall be the ROCE for the abbreviated Performance Period. In the event the Change in Control occurs in the second year of the Performance Period, the weighted average ROCE shall be calculated for the years in the abbreviated Performance Period using a weighting of 40% for the actual ROCE achieved in the first year of the Performance Period and 60% for the ROCE as so calculated for the year in which the Change in Control occurs. In the event the Change in Control occurs in the third year of the Performance Period, the weighted average ROCE shall be calculated for the years in the abbreviated Performance Period using a weighting of 20% for the actual ROCE achieved in the first year of the Performance Period, 30% for the actual ROCE achieved in the second year of the Performance Period, and 50% for the ROCE as so calculated for the year in which the Change in Control occurs.

5. Vesting: To vest in this Performance Share Award, the Participant must continue as an active employee of an Employing Company during the Performance Period and through the date on which the Committee certifies whether the Performance Goal relating to the Performance Period has been achieved, subject to the following:

- (a) In the event of a Termination of the Participant's employment due to death or becoming Disabled, the Performance Share Award will become vested in accordance with the following Schedule:

Termination	Vested Parentage
During First Year of Performance Period	0%
During Second Year of Performance Period	50%
During Third Year of Performance Period	100%

- (b) The Performance Share Award will immediately vest upon the Participant's attainment of Normal Retirement Age.
(c) The Performance Share Award will vest based upon the number of complete months worked by the Participant during the Performance Period, in the event of a Participant's termination of employment during the Performance Period on or after attainment of Early Retirement Age or under circumstances which would qualify the Participant for benefits under a severance plan of the Corporation, including execution of any general release required under the severance plan.
(d) The Performance Share Award will be forfeited automatically upon any other Termination of employment (including but not limited to any voluntary termination by the Participant or any Termination by the Corporation or the Employing Company for Cause or without Cause) prior to the date on which the Committee certifies whether the Performance Goal relating to the Performance Period has been achieved, such forfeiture being without consideration or without further action required of the Corporation or Employing Company.

6. Termination of Employment: Notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in the event of the Participant's Termination of employment, regardless of the reason for such Termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any, the Participant's rights under this Agreement will terminate effective as of the date that the Participant is no longer actively employed by an Employing Company and will not be extended by any notice period. For purposes of the Performance Share Award, active employment does not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any. The Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed for purposes of the Performance Share Award.

7. Adjustments and Recoupment: The Target and Maximum number of Shares are subject to adjustment as provided in Section 8 of the Plan. The Participant shall be notified of such adjustment and such adjustment shall be binding upon the Corporation and the Participant. Consistent with Section 8 of this Agreement, this Award shall be administered in accordance with, and is subject to, any recoupment policies and provisions prescribed by the Plan at the time of such Award; notwithstanding the foregoing, this Award shall be subject to all recoupment provisions required by law from time to time. In its sole discretion, the Committee shall have the authority to amend, waive or apply the terms of any recoupment policies or provisions not required by law, in whole or in part, to the extent necessary or advisable to comply with applicable local laws, as determined by the Committee.

8. Interpretation and Amendments: This Award and the issuance, vesting and delivery of Shares are subject to, and shall be administered in accordance with, the provisions of the Plan. No amendment of this Agreement or the Plan may, without the consent of the Participant, affect the rights of the Participant under this Award in a materially adverse manner. For purposes of the foregoing sentence, an amendment that affects the tax treatment of the Performance Share Award or that is necessary to comply with securities or other laws applicable to the issuance of Shares shall not be considered as affecting the Participant's rights in a materially adverse manner. In the event of a conflict between the Plan and this Agreement, unless this Agreement specifies otherwise, the Plan shall control. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Plan.

9. Compliance with Laws: The obligations of the Corporation and the rights of the Participant are subject to all applicable laws, rules and regulations including, without limitation, the U.S. Securities Exchange Act of 1934, as amended; the U.S. Securities Act of 1933, as amended; the U.S. Internal Revenue Code of 1986, as amended; and any other applicable laws, whether U.S. origin or otherwise. No Shares will be issued or delivered to the Participant under the Plan unless and until there has been compliance with such applicable laws.

10. Acceptance of Award: This Award is contingent on the Participant's acceptance of the Award in the manner and within the time period established by the Corporation. The Award shall be forfeited without further action by the Corporation and shall not be payable if it is not accepted by the Participant in the manner and within the time period established by the Corporation.

11. Confidentiality and Non-Competition: If a Participant is employed in the United States in a position below the rank of Senior Vice President of the Corporation on the Date of Grant, then the Participant agrees and understands that (a) by accepting this Award the Participant shall be bound by and subject to the terms of the Confidentiality and Proprietary Rights Agreement attached to this Agreement and incorporated herein as Exhibit B and, to the extent permitted by law, the terms and conditions of the Non-Competition Agreement attached to this Agreement and incorporated herein as Exhibit C; provided, however, that the Non-Competition Agreement shall not be applicable to those Participants employed by Big River Steel ("BRS") or Vice Presidents of the Corporation who are subject to similar noncompete provisions in prior agreements outside of the Plan with BRS or the Corporation, as applicable, and (b) notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in addition to any other remedies available at law, if unvested, the Award will be forfeited immediately and without further action by the Corporation in the event the Participant fails to comply with or breaches any of the obligations and restrictions under Exhibits B or C of this Agreement.

12. Taxes/Section 409A: The Participant acknowledges that, regardless of any action taken by the Corporation or the Employing Company, the ultimate liability for any or all income tax, social security, payroll tax, payment on account or other tax-related withholding or liability in connection with any aspect of the Performance Share Award, including the grant, vesting, or settlement of the Performance Share Award or the subsequent sale of Shares ("Tax-Related Items") is and remains his or her responsibility and may exceed the amount withheld by the Corporation or the Employing Company. Furthermore, the Participant acknowledges that the Corporation and/or the Employing Company (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of the Performance Share Award or any aspect of the Participant's participation in the Plan to reduce or eliminate his or her liability for Tax-Related Items or to achieve any particular tax result. Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Participant acknowledges that the Corporation and/or the Employing Company (or former Employing Company, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable event, the Participant shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employing Company to satisfy all Tax-Related Items of the Corporation and/or the Employing Company. In this regard, the Participant shall pay any Tax-Related Items directly to the Corporation or the Employing Company in cash upon request. In addition, the Participant authorizes the Corporation and/or the Employing Company, or their respective agents, at their discretion, to satisfy the obligations with regard to all applicable Tax-Related Items by one or a combination of the following methods: (1) withholding from Participant's wages or other cash compensation paid to Participant by the Corporation and/or the Employing Company; (2) withholding from proceeds of the sale of Shares issued upon payment of the Performance Share Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Participant's behalf pursuant to this authorization) through such means as the Corporation may determine in its sole discretion (whether through a broker or otherwise); or (3) withholding in Shares to be issued upon payment of the Performance Share Award. If the Corporation gives the Participant the power to choose the withholding method, and the Participant does not make a choice, then the Corporation will at its discretion withhold in Shares as stated in alternative (3) herein.

To avoid negative accounting treatment, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Corporation withholds at a rate other than the minimum statutory rate, such as the maximum withholding rate, then the refund of any over-withheld amount shall be paid in cash and the Participant will have no entitlement to the Common Stock equivalent. If the Tax-Related Items are satisfied by withholding in Shares issuable upon vesting of the Performance Share Award, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Performance Share Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. Finally, the Participant shall pay to the Corporation or the Employing Company any amount of Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan. The Participant understands that no Shares or proceeds from the sale of Shares shall be delivered to Participant, notwithstanding the vesting of the Performance Share Award, unless and until the Participant shall have satisfied any obligation for Tax-Related Items with respect thereto.

Notwithstanding anything in this Section 12 to the contrary, if the Performance Share Award is considered nonqualified deferred compensation, the fair market value of the shares withheld together with the amount of cash withheld may not exceed the liability for Tax-Related Items.

It is the intent that the vesting or the payments of this Performance Share Award shall either qualify for exemption from or comply with the requirements of Section 409A of the Code ("Section 409A"), and any ambiguities herein will be interpreted to so comply. The Corporation reserves the right, to the extent the Corporation deems necessary or advisable in its sole discretion, to unilaterally amend or modify this Agreement as may be necessary to ensure that all vesting or settlements provided under this Agreement are made in a manner that qualifies for exemption from or complies with Section 409A; provided, however, that the Corporation makes no representation that the vesting or settlement of the Performance Share Award provided under this Agreement will be exempt from Section 409A and makes no undertaking to preclude Section 409A from applying to the vesting or settlement of Performance Share Awards provided under this Agreement. In the event that any payment to a U.S. taxpayer or Participant otherwise subject to U.S. taxation, with respect to a Performance Share Award is considered to be based upon separation from service, and not compensation the Participant could receive without separating from service, then such amounts may not be paid until the first business day of the seventh month following the date of the Participant's termination if the Participant is a "specified employee" under Section 409A of the Code upon his separation from service.

13. **Nature of the Award:** Nothing herein shall be construed as giving Participant any right to be retained in the employ of an Employing Company or affect any right that the Employing Company may have to terminate the employment of such Participant. Further, by accepting this Performance Share Award, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Corporation, it is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by its terms;
- (b) the grant of the Performance Share Award is voluntary and occasional and does not create any contractual or other right to receive future Performance Awards, or benefits in lieu of Performance Awards, even if Performance Awards have been granted in the past;
- (c) all decisions with respect to future Performance Award grants, if any, will be at the sole discretion of the Committee;
- (d) the Participant is voluntarily participating in the Plan;
- (e) the Performance Share Award and the Shares subject to the Performance Share Award are extraordinary items which do not constitute compensation of any kind for services of any kind rendered to the Corporation or to the Employing Company, and which are outside the scope of the Participant's employment contract, if any;
- (f) the Performance Share Award and the Shares subject to the Performance Share Award are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, dismissal, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Corporation or the Employing Company or any Subsidiary or affiliate of the Corporation;
- (g) the Performance Share Award and the Shares subject to the Performance Share Award are not intended to replace any pension rights or compensation;
- (h) the grant of the Performance Share Award will not be interpreted to form an employment contract or relationship with the Corporation, the Employing Company or any Subsidiary or affiliate of the Corporation;
- (i) the future value of the Shares underlying the Performance Share Award is unknown, indeterminable and cannot be predicted with certainty;
- (j) no claim or entitlement to compensation or damages arises from forfeiture of the Performance Share Award resulting from termination of the Participant's employment by the Corporation or the Employing Company (for any reason whether or not in breach of applicable labor laws or the terms of the Participant's employment agreement, if any), and in consideration of the grant of the Performance Share Award to which the Participant is not otherwise entitled, the Participant irrevocably agrees never to institute any claim against the Corporation or the Employing Company, waives his or her ability, if any, to bring any such claim, and releases the Corporation and the Employing Company from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agreed to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- (k) it is the Participant's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the issuance and delivery of Shares pursuant to the vesting of the Performance Share Award;
- (l) the Corporation and the Employing Company are not providing any tax, legal or financial advice, nor are the Corporation or the Employing Company making any recommendations regarding the Participant's participation in the Plan or the Participant's acquisition or sale of the Shares underlying the Performance Share Award;
- (m) the Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan;
- (n) unless otherwise provided in the Plan or by the Corporation in its discretion, the Performance Share Award and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Share Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Corporation; and
- (o) the following provisions apply only if the Participant is providing services outside the United States:
 - (i) the Performance Share Award and Shares underlying the Performance Share Award are not part of normal or expected compensation for any purpose; and
 - (ii) the Participant acknowledges and agrees that neither the Corporation nor the Employing Company shall be liable for any foreign exchange rate fluctuation between the local currency and the United States Dollar that may affect the value of the Performance Share Award or 80% of any amounts due to the Participant pursuant to the settlement of the Performance Share Award or the subsequent sale of any Shares acquired upon settlement.

14. **Data Privacy:**

(a) The Participant hereby explicitly, unambiguously and voluntarily consents to the collection, use, disclosure and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other Performance Share Award materials ("Data") by and among, as applicable, any Employing Company and the Corporation for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan.

(b) The Participant understands that any Employing Company and the Corporation may collect, maintain, process and disclose certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Corporation, details of all equity awards or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering, and managing the Plan.

(c) The Participant acknowledges that Data will be transferred to any broker as designated by the Corporation and/or one or more stock plan service provider(s) selected by the Corporation, which may assist the Corporation with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Corporation and any other possible recipients

that may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares acquired upon vesting of the Performance Share Awards.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable laws, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these Performance Share Awards, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with any Employing Company and the Corporation will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Corporation will not be able to grant him or her Performance Share Awards under the Plan or administer or maintain Performance Share Awards. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain these Performance Share Awards). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

15. Electronic Delivery: The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Corporation intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Corporation. The Participant consents to the electronic delivery of the Plan documents and the Agreement. The Participant acknowledges that he or she may receive from the Corporation a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Corporation by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Corporation or any designated third-party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Corporation of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

16. Severability: In the event that any provision in this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

17. Language: If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

18. Governing Law and Venue: This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the conflicts of laws thereof. For purposes of litigating any dispute that arises under this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania, and agree that such litigation shall be conducted in the courts of Allegheny County, Pennsylvania, or the federal courts for the United States for the Western District of Pennsylvania, where this grant is made and/or to be performed.

19. Exhibit D: Notwithstanding any provisions in this Agreement, the Performance Share Award shall be subject to any special terms and conditions set forth in Exhibit D to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in Exhibit D, the special terms and conditions for such country will apply to the Participant, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan.

20. Insider Trading Restrictions/Market Abuse Laws: The Participant acknowledges that, depending on the Participant's country of residence, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to acquire or sell Shares or rights to Shares (e.g., Performance Share Awards) under the Plan during such times as the Participant is considered to have "inside information" regarding the Corporation (as defined by any applicable laws in the Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy maintained by the Corporation. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable restrictions, and the Participant is advised to speak to his or her personal advisor on this matter.

21. Imposition of Other Requirements: The Corporation reserves the right to impose other requirements on the Participant's participation in the Plan, on the Performance Share Award and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

22. Headings: Headings of paragraphs and sections used in this Agreement are for convenience only and are not part of this Agreement, and must not be used in construing it.

23. Waiver: The Participant acknowledges that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant.

24. Definitions: In addition to the capitalized terms defined in the Plan, the following terms as used herein shall have the following meanings when used with initial capital letters:

- (a) "Early Retirement Age" shall mean the Participant's (1) attainment of age 55 and completion of ten (10) years of service with the Corporation or an Employing Company, or (2) completion of thirty (30) years of service with the Corporation or an Employing Company.
- (b) "Normal Retirement Age" shall mean, with respect only to a Participant who is a U.S. employee and is not a participant in the United States Steel Corporation Supplemental Pension Program, the later of (1) six (6) months following the Date of Grant, or (2) the earlier of (i) attainment of age 65, or (ii) attainment of age 60 and completion of five (5) years of service with the Corporation or an Employing Company.
- (c) "Termination" shall mean the applicable employee's termination of employment. For purposes of this Agreement, (i) for U.S. taxpayers, Termination and words of similar effect shall be construed consistent with a "separation from service" under Section 409A of the Code to the extent required by Section 409A of the Code, and (ii) for non-U.S. taxpayers, Termination and words of similar effect shall mean that the Participant is no longer actively employed by an Employing Company, without regard to any notice period (i.e., active employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any).

EXHIBIT A

Performance Goals for the Performance Period

			Threshold	Target	Maximum
Performance Goal	U. S. Steel Return on Capital Employed				
Payment Levels	% of Target Amount	0%	50%	100%	200%

Payout Calculation. Return on Capital Employed (“ROCE”) determined by the Committee for the Performance Period shall be weighted 20% for the ROCE achieved in the first year of the Performance Period, 30% for the ROCE achieved in the second year of the Performance Period and 50% for the ROCE achieved in the third year of the Performance Period. Payout shall be based upon a weighted average Return on Capital Employed (“ROCE”), as provided in the chart above over the Performance Period.

- (a) Interpolation will be used to determine actual awards for performance that correlates to an award between threshold and target or target and maximum award levels.
- (b) In calculating the dollar value to be awarded, the Corporation’s annual ROCE for each year of the Performance Period shall be rounded to the nearest decimal place consistent with the number of decimal places approved by the Committee at the time it set the relevant target, rounding up in the case of 5 or more and rounding down in the case of 4 or less. The related payout rate also shall be calculated to the nearest hundredth place using the same rounding procedure. Additionally, the dollar value awarded shall be rounded to the nearest whole dollar.

Return on Capital Employed (ROCE). ROCE shall mean, using a weighted average based on each calendar year of the Performance Period, income or loss from consolidated worldwide operations (including minority interests), divided by consolidated worldwide capital employed (including minority interests) expressed as a percentage.

Income or loss from consolidated worldwide operations (including minority interests) shall mean income or loss from operations as reported in the consolidated statement of operations of United States Steel Corporation for each calendar year of the Performance Period.

Capital employed shall be calculated by using the average of the opening balance at the commencement of each calendar year of the Performance Period, and the balances at the end of each quarter during each calendar year of the Performance Period, of the sum of net fixed assets, inventories, accounts receivable, and equity method investments, less accounts payable.

For purposes of calculating the weighted average ROCE for the Performance Period, the ROCE for the first calendar year of the Performance Period shall be weighted 20%, the ROCE for the second calendar year of the Performance Period shall be weighted 30%, and the ROCE for the third calendar year of the Performance Period shall be weighted 50%.

Adjustments to Return on Capital Employed. For purposes of calculating ROCE for a calendar year within the Performance Period, the following principles shall apply: that if income or loss related to an asset is included in the numerator for any portion of the calendar year within the Performance Period that the related asset’s capital employed shall be included in the denominator for the same portion of the calendar year within the Performance Period (and vice versa) and, similarly, if income or loss related to an asset is excluded from the numerator for any portion of the calendar year within the Performance Period that the related asset’s capital employed shall be excluded from the denominator for the same portion of the calendar year within the Performance Period (and vice versa). The following adjustment provisions shall be made in determining ROCE:

- (a) exclude the gain or loss related to a business disposition or divestiture (whether or not completed during the Performance Period) and all amounts related to a permanent facility shutdown/closure;
- (b) exclude the gain or loss related to an asset sale not made in the ordinary course of business;
- (c) exclude all amounts related to long-lived asset impairments;
- (d) exclude all amounts related to an acquisition or startup (defined as the startup of a previously closed facility or the startup of a new facility);
- (e) exclude all amounts related to workforce reductions and other restructuring charges;
- (f) except for retiree benefits, exclude amounts not allocated to segments; and
- (g) exclude all amounts related to changes in accounting standards and changes in law that affect reported results.

provided, however, none of the above adjustments shall be made to the ROCE calculation to the extent the events or occurrences relating to the adjustments are recognized and/or contemplated in the Corporation’s Business Plan as approved by the Committee for the relevant Performance Period;

provided, further, no adjustment pursuant to any adjustment category shall be made to the extent the total adjustment for such category is less than \$10 million;

provided, further, all the above adjustments shall be calculated in accordance with generally accepted accounting principles at the time of calculation to the extent the nature of the adjustment is addressed therein;

provided, further, none of the above adjustments shall be made to the extent the relevant data is not available; and

provided, further, the ROCE calculations, including all adjustments thereto, shall be determined at the time the Committee makes its award decisions and in accordance with the reporting requirements applicable to the Corporation’s reports on Forms 10-K.

EXHIBIT B

Confidentiality and Proprietary Rights Agreement

This Confidentiality and Proprietary Rights Agreement (“**Agreement**”) is attached as Exhibit B to, and incorporated as a part of, the United States Steel Corporation Performance Share Award Grant Agreement (“**Grant Agreement**”) and is applicable to the Participant named in the Grant Agreement to the extent provided in Section 11 of the Grant Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the Grant Agreement is described as the “**Employee**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. Protection of Confidential Information.

(a) **Confidential Information.** The Employee understands and acknowledges that during the course of employment by the Employer, the Employee will have access to and learn about non-public, confidential, secret, and proprietary documents, materials, data, and other information, in tangible and intangible form, of and relating to the Employer and its businesses and existing and prospective customers, suppliers, investors, and other associated third parties (“**Confidential Information**”).

For purposes of this Agreement, Confidential Information is broadly defined in the Company policy on Protection of Confidential Information and includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, publications, documents, research, operations, services, strategies, techniques, agreements, contracts, transactions, negotiations, know-how, trade secrets, computer programs, applications, databases, manuals, records, articles, supplier information, vendor information, financial information, legal information, marketing information, pricing information, credit information, design information, payroll information, staffing information, personnel information, developments, internal controls, sales information, algorithms, product plans, designs, inventions, unpublished patent applications, original works of authorship, discoveries, experimental processes and results, specifications, manufacturing information of the Employer or its businesses or any existing or prospective customer, supplier, investor, or other associated third party, or of any other person or entity that has entrusted information to the Employer in confidence.

Confidential Information shall not include information that is generally available to and known by the public, provided that such disclosure to the public is through no direct or indirect fault of the Employee or person(s) acting on the Employee's behalf.

(b) **Disclosure and Use Restrictions.**

(i) **Employee agrees:**

(A) to treat all Confidential Information as strictly confidential and to use such Confidential Information only for the benefit of the Company and as required by Employee's job responsibilities;

(B) not to directly or indirectly disclose, publish, communicate, or make available Confidential Information, or allow it to be disclosed, published, communicated, or made available, in whole or part, to any entity or person whatsoever not having a need to know and authority to know and use the Confidential Information in connection with the business of the Employer and, in any event, not to anyone outside of the direct employ of the Employer except as required in the performance of any of the Employee's authorized employment duties to the Employer and only after execution of a confidentiality agreement (such as a Non-Disclosure Agreement) by the third party with whom Confidential Information will be shared;

(C) not to copy any documents, records, files, media, or other resources containing any Confidential Information, or remove any such documents, records, files, media, or other resources from the premises or control of the Employer, except as required in the performance of any of the Employee's authorized employment duties to the Employer or with the prior consent of an authorized officer acting on behalf of the Employer in each instance; and

(D) to return all copies of Confidential Information, and any other property of Employer, to Employer upon termination of employment.

(ii) The Employee understands and acknowledges that the Employee's obligations under this Agreement with regard to any particular Confidential Information shall commence immediately upon his acceptance of the Grant Agreement and shall continue during and after the termination of Employee's employment by the Employer, until such time as such Confidential Information has become public knowledge other than as a result of the Employee's breach of this Agreement or breach by those acting in concert with the Employee or on the Employee's behalf.

(c) **Permitted Disclosures.** Employee understands that the foregoing confidentiality provisions do not prohibit Employee from providing truthful information in good faith to any federal or state governmental agency, entity or official investigating an alleged violation of federal or state law or regulation or when Employee makes other disclosures that are protected under the whistleblower provisions of federal or state law. The Employee acknowledges receipt of Employer's policy regarding Reports by Employees of Illegal or Unethical Conduct setting forth Employer's reporting policy for a suspected violation of law; and the Protection of Confidential Information policy setting forth permissible disclosure of trade secrets if reporting alleged violations of law.

2. Protection of Proprietary Rights.

(a) **Work Product.** The Employee acknowledges and agrees that all writings, works of authorship, technology, inventions, discoveries, ideas and other work product of any nature whatsoever, that are created, prepared, produced, authored, edited, amended, conceived, or reduced to practice by the Employee, individually or jointly with others, during the period of the Employee's employment by the Employer, and relating in any way to the business or contemplated business, research, or development of the Employer and all printed, physical, and electronic copies, all improvements, rights, and claims related to the foregoing, and other tangible embodiments thereof (collectively, "**Work Product**"), as well as any and all rights in and to copyrights, trade secrets, trademarks (and related goodwill), patents, and other intellectual property rights therein arising in any jurisdiction throughout the world and all related rights of priority under international conventions with respect thereto, including all pending and future applications and registrations therefor, and continuations, divisions, continuations-in-part, reissues, extensions, and renewals thereof (collectively, "**Intellectual Property Rights**"), shall be the sole and exclusive property of the Employer. The Employee further acknowledges that the Employee has been provided a copy of the U. S. Steel Patent Rules and the Employee agrees to be bound by and adhere to the U. S. Steel Patent Rules.

(b) **Work Made for Hire; Assignment.** The Employee acknowledges that, by reason of being employed by the Employer at the relevant times, to the extent permitted by law, all of the Work Product consisting of copyrightable subject matter is "work made for hire" as defined in the Copyright Act of 1976 (17 U.S.C. § 101), and such copyrights are therefore owned by the Employer. To the extent that the foregoing does not apply, the Employee hereby irrevocably assigns to the Employer, for no additional consideration, the Employee's entire right, title and interest in and to all Work Product and Intellectual Property Rights therein, including the right to sue, counterclaim, and recover for all past, present, and future infringement, misappropriation, or dilution thereof, and all rights corresponding thereto throughout the world.

(c) **Further Assurances; Power of Attorney.** During and after the Employee's employment, the Employee agrees to reasonably cooperate with the Employer to (i) apply for, obtain, perfect, and transfer to the Employer the Work Product and Intellectual Property Rights in the Work Product in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Employer any and all applications, oaths, declarations, affidavits, waivers, assignments, and other documents and instruments as shall be requested by the Employer. The Employee hereby irrevocably grants the Employer power of attorney to execute and deliver any such documents on the Employee's behalf in the Employee's name and to do all other lawfully permitted acts to transfer the Work Product to the Employer and further the transfer, issuance, prosecution, and maintenance of all Intellectual Property Rights therein, to the full extent permitted by law, if the Employee does not promptly cooperate with the Employer's request (without limiting the rights the Employer shall have in such circumstances by operation of law). The power of attorney is coupled with an interest and shall not be impacted by the Employee's subsequent incapacity.

(d) **Moral Rights.** To the extent any copyrights are assigned under this Agreement, the Employee hereby irrevocably waives, to the extent permitted by applicable law, any and all claims the Employee may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as "moral rights" with respect to all Work Product and all Intellectual Property Rights therein.

(e) **No License.** The Employee understands that this Agreement does not, and shall not be construed to, grant the Employee any license or right of any nature with respect to any Work Product or Intellectual Property Rights or any Confidential Information, materials, software, or other tools made available to the Employee by the Employer.

3. **Security.** The Employee agrees to comply with all Employer security and access policies and procedures, including but not limited to the Code of Ethical Business Conduct, the policy on Use and Protection of Company Computer Systems and Intellectual Property, the policy on Protection of Confidential Information, and Cyber Security Procedure A026 regarding Acceptable Use of Computing Resources.

4. **Certification.** By accepting this Agreement, employee certifies that Employee: (a) has not and will not use or disclose to the Company any confidential information and/or trade secrets belonging to others, including any prior employers; (b) will not use any prior inventions made by employee and which the Company is not legally entitled to learn of or use; and (c) is not subject to any prior agreements that would prevent Employee from fully performing his or her duties for the Company.

5. **Acknowledgment.** Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

6. **Remedies.** The Employee acknowledges that the Employer's Confidential Information and the Employer's ability to reserve it for the exclusive knowledge and use of the Employer is of great competitive importance and commercial value to the Employer, and that improper use or disclosure of the Confidential Information by the Employee will cause irreparable harm to the Employer, for which remedies at law will not be adequate. In the event of a breach or threatened breach by the Employee of any of the provisions of this Agreement, the Employee hereby consents and agrees that the Employer shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages, or other available forms of relief.

7. **Protections for Affiliates and Subsidiaries.** This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

8. **Successors and Assigns.**

(a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.

(b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.

9. **Governing Law.** This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.

10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.

13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT C

Non-Competition Agreement

This Non-Competition Agreement (“**Agreement**”) is attached as Exhibit C to, and incorporated as a part of, the United States Steel Corporation Performance Share Award Grant Agreement (“**Grant Agreement**”) and is applicable to the Participant named in the Grant Agreement to the extent provided in Section 11 of the Grant Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the Grant Agreement is described as the “**Employee**”, “**me**” or “**I**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. Definitions.

- (a) “Competing Products” means products or services sold by the Company, or any prospective product or service the Company took steps to develop for which I had any responsibility during the 24 months preceding the termination of my employment.
- (b) “Restricted Territory” means the geographic territory (i) within sixty miles of the area in which I worked or (ii) over which I had responsibility or (iii) that the nature and scope of my duties could have affected, during the 24 months preceding the termination of my employment, whichever is greatest. Restricted territory may be national or global depending on the nature of my duties and the knowledge acquired in the performance of those duties.

2. Non-Competition. During my employment and for 12 months after termination of my employment for any reason, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) own any business (other than less than 5% ownership in a publicly traded company) that sells Competing Products in the Restricted Territory; or
- (b) work in the Restricted Territory for any person or entity that sells Competing Products, in any role.

3. Non-Solicitation of Customers & Employees. During my employment and for 12 months after termination of my employment, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) solicit or accept business from any customer or prospective customer of the Company with whom I had contact during the last 24 months of my employment, for purposes of offering or accepting goods or services similar to or competitive with those offered by the Company; or
- (b) solicit or hire any employee or independent contractor of the Company, who worked for the Company during the 6 months preceding termination of my employment, to work for me or my new employer.

For purposes of this section, solicit means:

- (a) Any comments, conduct or activity that would influence a customer’s decision to continue doing business with the Company, regardless of who initiates contact; and/or
- (b) Any comments, conduct or activity that would influence an employee’s decision to resign his employment with the Company or accept employment with my new company, regardless of who initiates contact.

4. Acknowledgment. Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

5. Change of Position. If the Employer changes Employee’s position or title with the Employer, or transfers Employee from one affiliate to another, this Agreement and Employee’s obligations hereunder will remain in force.

6. Protections for Affiliates and Subsidiaries. This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

7. Successors and Assigns.

- (a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.
 - (b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.
8. **Governing Law.** This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.
9. **Injunctive Relief and Attorney's Fees.** Employee agrees that in the event Employee breaches this Agreement, the Company will be irreparably harmed and entitled to an injunction restraining any further breach, in addition to any other rights to which it is entitled. Further, Employee will be responsible for all attorneys' fees, costs and expenses incurred by the Company to enforce this Agreement in the event that the Employee breaches the Agreement. Additionally, any time periods for restrictions set forth in Paragraph 2 above will be extended by an amount of time equal to the duration of any time period during which Employee is in violation of this Agreement.
10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.
11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.
12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the Agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.
13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT D

Additional Terms and Conditions of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Share Award Grant Agreement

TERMS AND CONDITIONS

This Exhibit D includes additional terms and conditions that govern the Performance Share Award granted to the Participant under the Plan if he or she works or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the Performance Share Award is granted, the Corporation shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Participant. Certain capitalized terms used but not defined in this Exhibit D have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit D also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the laws in effect in the applicable countries as of January 2021. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information in this Exhibit D as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Participant vests in the Performance Share Award or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of a particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the Performance Share Award is granted, the information contained herein may not be applicable.

SLOVAK REPUBLIC

NOTIFICATIONS

Foreign Assets Reporting Information. If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, podnikateľ), the Participant will be obligated to report his or her foreign assets (including any foreign securities such as Shares acquired under the Plan) to the National Bank of Slovakia if the value of the foreign assets exceeds a certain legally designated amount. These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

Furthermore, if the above preconditions are met (i.e., permanent residence in the Slovak Republic and entrepreneurial activities in addition to the employment), the Participant will be obliged to report certain additional information under Section 34b of Act No. 566/1992 Coll. on National Bank of Slovakia as amended. This information is mostly of general nature and contains personal identification data of the Participant - place and date of birth, birth certificate number, academic degree, etc., as well as telephone and fax number and e-mail address of the Participant, if any.

Securities Disclaimer. The grant of the Performance Share Award is exempt from the requirement to publish a prospectus under current securities rules applicable in the Slovak Republic.

Personal Data Protection. The national identification number (in Slovak: rodné číslo) may be used for identification of the Participant only if required to achieve the determined purpose of processing. It is forbidden to make the national identification number public; the only exception is when the data subject made the national identification number public by itself.

UNITED KINGDOM

NOTIFICATIONS

Securities Disclosure. This Agreement is not an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA") and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The

Plan and the Performance Share Award are exclusively available in the UK to bona fide employees and former employees and any other UK subsidiary of the Corporation.

Taxation. The Performance Share Award is not intended to be qualified for purposes of taxation or National Insurance Contributions applicable in the United Kingdom.

UNITED KINGDOM, EUROPEAN UNION AND EUROPEAN ECONOMIC AREA

For Participants who reside in the United Kingdom, European Union or the European Economic Area, the following provisions replace the Data Privacy provisions in Section 14 of the Agreement.

(a) **Data Collected and Purposes of Collection.** The Participant understands that the Corporation, acting as controller, as well as the Employing Company, may collect, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the Performance Share Awards (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification number, salary, nationality, job title, employment location, any Shares or directorships held in the Corporation (but only where needed for legal or tax compliance), any other information necessary to process mandatory tax withholding and reporting, details of all Performance Share Awards granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable service termination date and reason for termination (all such personal information is referred to as "**Data**"). The Data is collected from the Participant, any Employing Company and the Corporation, for the exclusive purpose of implementing, administering and managing the Plan pursuant to the terms of this Agreement. The legal basis (that is, the legal justification) for processing the Data is to perform this Agreement. The Data must be provided in order for the Participant to participate in the Plan and for the parties to this Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Agreement.

(b) **Transfers and Retention of Data.** The Participant acknowledges and understands that the Employing Company will transfer Data to the Corporation for purposes of plan administration. The Employing Company and the Corporation may also transfer the Participant's Data to other service providers (such as accounting firms, payroll processing firms or tax firms), as may be selected by the Corporation in the future, to assist the Corporation with the implementation, administration and management of this Agreement. The Participant understands that the recipients of the Data may be located in the United States, a country that does not benefit from an adequacy decision issued by the European Commission and is not listed by the Swiss supervisory authority as a country with adequate data protection legislation. Where a recipient is located in a country that does not benefit from an adequacy decision or adequacy listing, the transfer of the Data to that recipient will be made pursuant to European Commission-approved standard contractual clauses when required by applicable law, a copy of which may be obtained by contacting dataprotection@sk.uss.com or complianceofficer@uss.com. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's rights and obligations under this Agreement, and for the duration of the relevant statutes of limitations, which may be longer than the term of this Agreement.

(c) **The Participant's Rights in Respect of Data.** The Corporation will take steps in accordance with applicable legislation to keep Data accurate, complete and up-to-date. The Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). The Participant also has the right to request access to his or her Data as well as additional information about the processing of that Data. Further, the Participant is entitled to object to the processing of Data or have the Participant's Data erased, under certain circumstances. As from May 25, 2018, and subject to conditions set forth in applicable law, the Participant also is entitled to (i) restrict the processing of his or her Data so that it is stored but not actively processed (e.g., while the Corporation assesses whether the Participant is entitled to have Data erased) and (ii) receive a copy of the Data provided pursuant to this Agreement or generated by the Participant, in a common machine-readable format. To exercise his or her rights, the Participant may contact the local human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint. The data protection officer may be contacted at dataprotection@sk.uss.com.

AMENDMENT NO. 2 TO FIFTH AMENDED AND RESTATED CREDIT AGREEMENT

March 26, 2021

This Amendment No. 2 (this “**Amendment**”), dated as of March 26, 2021 is entered into by and among United States Steel Corporation (the “**Borrower**”), U.S. Steel Seamless Tubular Operations, LLC (“**USSSTO**”), United States Steel International, Inc. (“**USSI**”), U.S. Steel Oilwell Services, LLC (“**USSOS**”), U. S. Steel Tubular Products, Inc. (“**USSTP**”), USS-UPI, LLC (formerly known as USS-POSCO Industries) (“**UPI**” and, together with USSSTO, USSI, USSOS and USSTP, the “**Subsidiary Guarantors**”; the Subsidiary Guarantors together with the Borrower, the “**Credit Parties**”), JPMorgan Chase Bank, N.A., as Administrative Agent (the “**Administrative Agent**”) and Collateral Agent (the “**Collateral Agent**”), each LC Issuing Bank and the Lenders party hereto with respect to the Fifth Amended and Restated Credit Agreement, dated as of October 25, 2019 (as amended, restated, amended and restated, supplemented or otherwise modified prior to the date hereof, the “**Credit Agreement**”) among the Borrower, the Lenders from time to time party thereto (the “**Lenders**”), the LC Issuing Banks from time to time party thereto, the Administrative Agent, the Collateral Agent, and the other parties from time to time party thereto.

WHEREAS, pursuant to Section 9.02(b) of the Credit Agreement, the Borrower has requested that (i) each LC Issuing Bank and (ii) Lenders having aggregate Credit Exposures representing at least 75% of the sum of all Credit Exposures of all Lenders as of immediately prior to the Amendment No. 2 Effective Date (as defined below) (collectively, the “**Supermajority Lenders**”) amend certain provisions of the Credit Agreement as set forth herein; and

WHEREAS, each LC Issuing Bank and the Supermajority Lenders, the Administrative Agent and the Collateral Agent have agreed upon the terms and subject to the conditions set forth herein, to amend such provisions of the Credit Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto (which Lenders party hereto constitute the Supermajority Lenders and which LC Issuing Banks party hereto constitute all of the LC Issuing Banks), intending to be legally bound hereby, agree as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the Credit Agreement are used herein as therein defined.

SECTION 2. Amendments. Effective as of the Amendment No. 2 Effective Date, the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended by inserting the following defined term in alphabetical order:

“**Qualified Long Dated Receivables**” means Qualified Receivables (i) with respect to which the scheduled due date is (A) more than 65 days (or, if the Account Debtor with respect thereto has an Investment Grade Rating, 90 days) after the date of the original invoice therefor and (B) not more than 120 days after the date of the original invoice therefor, (ii) which are not unpaid after the original date payment is due (in determining the aggregate amount from the same Account Debtor that is unpaid hereunder, such amount shall be the gross amount due in respect of the applicable Receivables without giving effect to any net credit balances), (iii) which have not

been written off the books of the applicable Credit Party or otherwise designated as uncollectible and (iv) which are not owing by an Account Debtor for which more than 50% of the Receivables owing from such Account Debtor and its Affiliates are unpaid after the original date payment is due; *provided*, that the aggregate amount of Qualified Receivables that shall constitute Qualified Long Dated Receivables shall not exceed \$125,000,000 at any time (it being agreed that, in determining the aggregate amount of Qualified Receivables that shall constitute Qualified Long Dated Receivables hereunder, such amount shall be the gross amount due in respect of the applicable Receivables without giving effect to any net credit balances).

(b) The definition of “Ineligible Receivables” set forth in Section 1.01 of the Credit Agreement is hereby amended by adding the phrase “Unless constituting Qualified Long Dated Receivables,” immediately prior to the first word of clause (c) thereof.

(c) Section 2.11 of the Credit Agreement is hereby amended by deleting the proviso to the first sentence of clause (a) thereof in its entirety and replacing it with the following proviso:

“; *provided* that no Tranche B Loan may be prepaid unless, prior to or simultaneously with such prepayment, all Tranche A Loans and unreimbursed LC Disbursements are repaid or reimbursed, as applicable, in full.”

SECTION 3. Release of Cash Collateral. Promptly upon the occurrence of the Amendment No. 2 Effective Date (and in any event within two (2) Business Days of the Amendment No. 2 Effective Date), the Collateral Agent shall release \$4,922,746.20 of cash on deposit in the Cash Collateral Account as of the Amendment No. 2 Effective Date, which cash was deposited therein to cash collateralize outstanding LC Exposure pursuant to Section 2.11(a) of the Credit Agreement (such cash collateral to be released, the “**Released Cash Collateral**”), and to transfer such Released Cash Collateral to such deposit account or accounts as the Borrower may specify to the Collateral Agent in writing (which may be via email) on or prior to the date hereof. For the avoidance of doubt, each LC Issuing Bank and each Lender party hereto hereby authorizes the Collateral Agent to so release and transfer such Released Cash Collateral in accordance with this Section 3.

SECTION 4. Effectiveness. This Amendment shall become effective on the first date (the “**Amendment No. 2 Effective Date**”) on which the Administrative Agent (or its counsel) shall have received executed signature pages to this Amendment from the Administrative Agent, each LC Issuing Bank, the Supermajority Lenders, the Borrower and the Subsidiary Guarantors.

SECTION 5. Effect of Amendment. Except as expressly set forth herein, this Amendment shall not (a) by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders, the Administrative Agent or the Collateral Agent under the Credit Agreement or any other Loan Document or (b) alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Credit Party to consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. This Amendment shall constitute a Loan Document for purposes of the Credit Agreement and the other Loan Documents. From and after the Amendment No. 2 Effective Date, all references to the Credit Agreement in any other Loan Document and all references in the Credit Agreement to “this

Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement shall, unless expressly provided otherwise, refer to the Credit Agreement as amended by this Amendment.

SECTION 6. Representations and Warranties. The Borrower hereby represents and warrants as of the date hereof that the following statements are true and correct:

(a) the representations and warranties of the Borrower contained in Section 3 of the Credit Agreement are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date in which case they shall be true and correct as of such earlier date; and

(b) no Default or Event of Default has occurred and is continuing.

SECTION 7. Miscellaneous Provisions. The provisions of Sections 9.01, 9.02, 9.03, 9.07, 9.08, 9.10 and 9.11 of the Credit Agreement shall apply to like effect, *mutatis mutandis*, to this Amendment. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when taken together shall constitute a single instrument. Any signature to this Amendment may be delivered by facsimile, electronic mail (including “.pdf”) or any electronic signature complying with the U.S. federal ESIGN Act of 2000 or the New York Electronic Signature and Records Act or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Amendment. Each of the parties hereto represents and warrants to the other parties that, to the extent it executes this Amendment through electronic means, it has the corporate capacity and authority to so execute this Amendment through electronic means and there are no restrictions on doing so in such party’s constitutive documents.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

UNITED STATES STEEL CORPORATION,
as the Borrower

By: /s/ Arne Jahn
Name: Arne Jahn
Title: Vice President – Treasurer and Chief
Risk Officer

**U.S. STEEL SEAMLESS TUBULAR
OPERATIONS, LLC**, as a Credit Party

By: /s/ Arne Jahn
Name: Arne Jahn
Title: Treasurer

**UNITED STATES STEEL
INTERNATIONAL, INC.**, as a Credit Party

By: /s/ Arne Jahn
Name: Arne Jahn
Title: Treasurer

U. S. STEEL OILWELL SERVICES, LLC, as
a Credit Party

By: /s/ Arne Jahn
Name: Arne Jahn
Title: Treasurer

U.S. STEEL TUBULAR PRODUCTS, INC., as
a Credit Party

By: /s/ Arne Jahn
Name: Arne Jahn
Title: Treasurer

USS-UPI, LLC, as a Credit Party

By: /s/ Cory Anderson

Name: Cory Anderson

Title: Secretary & General Counsel

JPMorgan Chase Bank, N.A.,

as Administrative Agent and Collateral Agent

By: /s/ James Shender

Name: James Shender

Title: Executive Director

JPMorgan Chase Bank, N.A.,

as a Lender and LC Issuing Bank

By: /s/ James Shender

Name: James Shender

Title: Executive Director

Bank of America, N.A., as a Lender

By: /s/ Matthew Bourgeois

Name: Matthew Bourgeois

Title: Senior Vice President

Bank of America, N.A., as an LC Issuing Bank

By: /s/ Matthew Bourgeois

Name: Matthew Bourgeois

Title: Senior Vice President

Barclays Bank PLC, as a Lender

By: /s/ Komal Ramkirath

Name: Komal Ramkirath

Title: Assistant Vice President

Barclays Bank PLC, as an LC Issuing Bank

By: /s/ Komal Ramkirath
Name: Komal Ramkirath
Title: Assistant Vice President

Wells Fargo Bank, National Association, as a
Lender and as an LC Issuing Bank

By: /s/ Roberto M. Ruiz
Name: Roberto M. Ruiz
Title: Director

CITIBANK, N.A., as a Lender

By: /s/ Brendan Mackay
Name: Brendan Mackay
Title: Vice President & Director

CITIBANK, N.A., as an LC Issuing Bank

By: /s/ Brendan Mackay
Name: Brendan Mackay
Title: Vice President & Director

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Mahesh Mohan
Name: Mahesh Mohan
Title: Authorized Signatory

BMO Harris Bank, N.A., as a Lender and as an
LC Issuing Bank

By: /s/ Ran Li
Name: Ran Li
Title: Authorized Signatory

CITIZENS BANK, N.A., as a Lender

By: /s/ Terrence Broderick
Name: Terrence Broderick
Title: Senior Vice President

CITIZENS BANK, N.A., as an LC Issuing
Bank

By: /s/ Terrence Broderick
Name: Terrence Broderick
Title: Senior Vice President

CREDIT SUISSE AG, CAYMAN ISLANDS
BRANCH, as a Lender

By: /s/ Judith Smith
Name: Judith Smith
Title: Authorized Signatory

By: /s/ Brady Bingham
Name: Brady Bingham
Title: Authorized Signatory

CREDIT SUISSE AG, CAYMAN ISLANDS
BRANCH, as an LC Issuing Bank

By: /s/ Judith Smith
Name: Judith Smith
Title: Authorized Signatory

By: /s/ Brady Bingham
Name: Brady Bingham
Title: Authorized Signatory

FIFTH THIRD BANK, NATIONAL
ASSOCIATION, as a Lender

By: /s/ Jason Rockwell
Name: Jason Rockwell
Title: Vice President

ING CAPITAL, LLC, as a Lender

By: /s/ Jeffrey Chu
Name: Jeffrey Chu
Title: Director

By: /s/ Michael Chen
Name: Michael Chen
Title: Director

ING CAPITAL, LLC, as an LC Issuing Bank

By: /s/ Jeffrey Chu
Name: Jeffrey Chu
Title: Director

By: /s/ Michael Chen
Name: Michael Chen
Title: Director

MORGAN STANLEY BANK, N.A., as a
Lender

By: /s/ Rikin Pandya
Name: Rikin Pandya
Title: Authorized Signatory

MORGAN STANLEY SENIOR FUNDING,
INC., as a Lender

By: /s/ Rikin Pandya
Name: Rikin Pandya
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Joseph McElhinny
Name: Joseph McElhinny
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as an LC Issuing Bank

By: /s/ Joseph McElhinny
Name: Joseph McElhinny
Title: Vice President

TRUIST BANK, as a Lender

By: /s/ Joseph A. Massaroni
Name: Joseph A. Massaroni
Title: Director

TRUIST BANK, as an LC Issuing Bank

By: /s/ Joseph A. Massaroni
Name: Joseph A. Massaroni
Title: Director

U.S. Bank National Association, as a Lender

By: /s/ Nykole Hanna
Name: Nykole Hanna
Title: Authorized Signatory

THE HUNTINGTON NATIONAL BANK, a
national banking association, as a Lender

By: /s/ Roger F. Reeder

Name: Roger F. Reeder

Title: Vice President

United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Cash Award Grant Agreement

United States Steel Corporation, a Delaware Corporation (herein called the "Corporation"), grants to the employee of the employing company identified below (the "Participant") a Performance Cash Award representing the right to receive a specified amount set forth below:

Name of Participant:	PARTICIPANT NAME
Name of Employing Company on Date Hereof:	(the company recognized by the Corporation as employing the Participant)
Target Amount:	SPECIFY TARGET AMOUNT
Performance Period:	January 1, 2021 through December 31, 2023
Performance Goals:	(See Exhibit A, attached)
Date of Grant:	GRANT DATE

By accepting this Award in any manner and within the time period prescribed by the Corporation, the Participant agrees that (1) this Performance Cash Award is granted under and governed by the terms and conditions of the Corporation's 2016 Omnibus Incentive Compensation Plan, as amended from time to time (the "Plan"), and the provisions of this Performance Cash Award Grant Agreement, including (i) the Terms and Conditions contained herein, (ii) the Performance Goals set forth in Exhibit A, (iii) if applicable to the Participant under Section 11 hereof, the Confidentiality and Proprietary Rights Agreement attached as Exhibit B and the Non-Competition Agreement attached as Exhibit C, and (iv) the special provisions for the Participant's country of residence, if any, attached hereto as Exhibit D (collectively, the "Agreement"), (2) he or she has reviewed the Plan and the Agreement in their entirety, and (3) he or she has had an opportunity to obtain the advice of counsel prior to accepting this Award and fully understands all provisions of the Plan and the Agreement.

United States Steel Corporation

By: _____
Authorized Officer

Terms and Conditions

1. **Grant of Performance Cash Award:** The Performance Period for purposes of determining whether the Performance Goals have been met shall be the three-year Performance Period specified herein. The Performance Goals for purposes of determining whether, and the extent to which, the Performance Cash Award is earned and payable are set forth in Exhibit A to this Agreement. Subject to the provisions of this Agreement, the Performance Cash Award shall become payable, if and to the extent earned, following the Committee's determination and certification after the end of the Performance Period, as to whether and the extent to which the Performance Goals have been achieved; provided that the Committee retains no discretion to reduce or increase Performance Cash Awards that become payable as a result of performance measured against the Performance Goals.

2. **Payment of Award:** If and to the extent the Performance Cash Award is vested, earned and payable, the Corporation shall cause a cash payment to be made to the Participant in the amount determined by the Committee to be payable pursuant to paragraph 1 hereof; provided, however, that, pursuant to Section 6.05 of the Plan, the Committee may provide for payment of the Performance Cash Award in shares of the Corporation's common stock ("Shares"), or any combination thereof, as determined by the Committee in its sole discretion. Payment shall be made following the end of the Performance Period and certification by the Committee, and in no event more than two and one-half months following the end of the calendar year in which the Performance Period ends, except as otherwise provided in Section 12.

3. **Transferability:** The Participant shall not sell, transfer, assign, pledge or otherwise encumber or dispose of any portion of the Performance Cash Award and the right to any payment hereunder, and any attempt to sell, transfer, assign, pledge or encumber any portion of the Performance Cash Award and the right to any payment hereunder shall have no effect, regardless of whether voluntary, involuntary, by operation of law or otherwise.

4. **Change in Control:** Notwithstanding anything to the contrary stated herein, in the case of a Change in Control of the Corporation, (a) the Performance Period shall automatically end on the business day immediately preceding the closing date of the Change in Control, (b) the actual performance for the abbreviated Performance Period calculated as set forth below shall be measured against the established Performance Goals, the performance criteria shall be deemed satisfied only to the extent the actual performance was achieved (the "Achieved Performance Cash Award"), and the balance of the Performance Cash Award, if any, shall be forfeited, and (c) the Achieved Performance Cash Award shall remain subject to forfeiture until the third anniversary of the Date of Grant of this Performance Cash Award if the Participant's employment is terminated after the Change in Control but before the third anniversary of the Date of Grant; provided, however, notwithstanding Section 5, (i) if the Participant's employment is terminated by the Corporation other than for Cause or is terminated voluntarily by the Participant for Good Reason in the case of participants designated as executive management at the time of the Change in Control ("Executive Management"), within 24 months following a Change in Control, then, except as otherwise determined by the Corporation if the Participant is not Executive Management, the Achieved Performance Cash Award shall not be forfeited upon such Termination; rather, the Achieved Performance Cash Award shall vest immediately upon the termination, (ii) if the Participant's employment is terminated by reason of death, due to the Participant becoming Disabled, or following attainment of Normal Retirement Age, then the Achieved Performance Cash Award shall not be forfeited upon such Termination; rather, the Achieved Performance Cash Award shall vest immediately upon such Termination; and (iii) if the Participant's employment is terminated following attainment of Early Retirement Age, then a prorated portion of the Achieved Performance Cash Award will vest, based

upon the number of complete months worked during the original Performance Period in relation to the number of whole months in the original Performance Period and the remainder shall be forfeited. In calculating the performance for the abbreviated Performance Period and the Achieved Performance Cash Award, the ROCE for the year in which the Change in Control occurs shall be determined as the combination of the ROCE (x) actually achieved through the business day immediately preceding the closing date of the Change in Control and (y) measured at target for the period from the Change in Control through the end of the year in which the Change in Control occurs (applying the target ROCE for the year pro-rata over the number of whole and partial months remaining in the year). In the event the Change in Control occurs in the first year of the Performance Period, the ROCE as so calculated for the year in which the Change in Control occurs shall be the ROCE for the abbreviated Performance Period. In the event the Change in Control occurs in the second year of the Performance Period, the weighted average ROCE shall be calculated for the years in the abbreviated Performance Period using a weighting of 40% for the actual ROCE achieved in the first year of the Performance Period and 60% for the ROCE as so calculated for the year in which the Change in Control occurs. In the event the Change in Control occurs in the third year of the Performance Period, the weighted average ROCE shall be calculated for the years in the abbreviated Performance Period using a weighting of 20% for the actual ROCE achieved in the first year of the Performance Period, 30% for the actual ROCE achieved in the second year of the Performance Period, and 50% for the ROCE as so calculated for the year in which the Change in Control occurs.

5. **Vesting:** To vest in this Performance Cash Award, the Participant must continue as an active employee of an Employing Company during the Performance Period and through the date on which the Committee certifies whether the Performance Goal relating to the Performance Period has been achieved, subject to the following:

- (a) In the event of a Termination of the Participant's employment due to death or becoming Disabled, the Performance Cash Award will become vested in accordance with the following Schedule:

Termination	Vested Percentage
During First Year of Performance Period	0%
During Second Year of Performance Period	50%
During Third Year of Performance Period	100%

- (b) The Performance Cash Award will immediately vest upon the Participant's attainment of Normal Retirement Age.
- (c) The Performance Cash Award will vest based upon the number of complete months worked by the Participant during the Performance Period, in the event of a Participant's termination of employment during the Performance Period on or after attainment of Early Retirement Age or under circumstances which would qualify the Participant for benefits under a severance plan of the Corporation, including execution of any general release required under the severance plan.
- (d) The Performance Cash Award will be forfeited automatically upon any other Termination of employment (including but not limited to any voluntary termination by the Participant or any Termination by the Corporation or the Employing Company for Cause or without Cause) prior to the date on which the Committee certifies whether the Performance Goal relating to the Performance Period has been achieved, such forfeiture being without consideration or without further action required of the Corporation or Employing Company.

6. **Termination of Employment:** Notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in the event of the Participant's Termination of employment, regardless of the reason for such Termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any, the Participant's rights under this Agreement will terminate effective as of the date that the Participant is no longer actively employed by an Employing Company and will not be extended by any notice period. For purposes of the Performance Cash Award, active employment does not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any. The Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed for purposes of the Performance Cash Award.

7. **Recoupment:** Notwithstanding anything in the Plan or this Agreement to the contrary, this Performance Cash Award and any amounts that may be paid or payable hereunder shall be subject to all recoupment provisions required by law from time to time. In its sole discretion, the Committee shall have the authority to amend, waive or apply the terms of any recoupment policies or provisions not required by law, in whole or in part, to the extent necessary or advisable to comply with applicable local laws, as determined by the Committee.

8. **Interpretation and Amendments:** This Performance Cash Award and any amounts that may be paid or payable hereunder are subject to, and shall be administered in accordance with, the provisions of the Plan. No amendment of this Agreement or the Plan may, without the consent of the Participant, affect the rights of the Participant under this Award in a materially adverse manner. For purposes of the foregoing sentence, an amendment that affects the tax treatment of the Performance Cash Award or that is necessary to comply with applicable laws shall not be considered as affecting the Participant's rights in a materially adverse manner. In the event of a conflict between the Plan and this Agreement, unless this Agreement specifies otherwise, the Plan shall control. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Plan.

9. **Compliance with Laws:** The obligations of the Corporation and the rights of the Participant are subject to all applicable laws, rules and regulations including, without limitation, the U.S. Securities Exchange Act of 1934, as amended; the U.S. Securities Act of 1933, as amended; the U.S. Internal Revenue Code of 1986, as amended; and any other applicable laws, whether U.S. origin or otherwise.

10. **Acceptance of Award:** This Award is contingent on the Participant's acceptance of the Award in the manner and within the time period established by the Corporation. The Award shall be forfeited without further action by the Corporation and shall not be payable if it is not accepted by the Participant in the manner and within the time period established by the Corporation.

11. **Confidentiality and Non-Competition:** If a Participant is employed in the United States in a position below the rank of Senior Vice President of the Corporation on the Date of Grant, then the Participant agrees and understands that (a) by accepting this Award the Participant shall be bound by and subject to the terms of the Confidentiality and Proprietary Rights Agreement attached to this Agreement and incorporated herein as Exhibit B and, to the extent permitted by law, the terms and conditions of the Non-Competition Agreement attached to this Agreement and incorporated herein as Exhibit C; provided, however, that the Non-Competition Agreement shall not be applicable to those Participants employed by Big River Steel ("BRS") or Vice Presidents of the

Corporation who are subject to similar noncompete provisions in prior agreements outside of the Plan with BRS or the Corporation, as applicable, and (b) notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in addition to any other remedies available at law, if unvested, the Award will be forfeited immediately and without further action by the Corporation in the event the Participant fails to comply with or breaches any of the obligations and restrictions under Exhibits B or C of this Agreement.

12. Taxes/Section 409A: The Participant acknowledges that, regardless of any action taken by the Corporation or the Employing Company, the ultimate liability for any or all income tax, social security, payroll tax, payment on account or other tax-related withholding or liability in connection with any aspect of the Performance Cash Award, including the grant, vesting, or settlement of the Performance Cash Award ("Tax-Related Items") is and remains his or her responsibility and may exceed the amount withheld by the Corporation or the Employing Company. Furthermore, the Participant acknowledges that the Corporation and/or the Employing Company (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of the Performance Cash Award or any aspect of the Participant's participation in the Plan to reduce or eliminate his or her liability for Tax-Related Items or to achieve any particular tax result. Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Participant acknowledges that the Corporation and/or the Employing Company (or former Employing Company, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable event, the Participant shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employing Company to satisfy all Tax-Related Items of the Corporation and/or the Employing Company. In this regard, the Participant shall pay any Tax-Related Items directly to the Corporation or the Employing Company in cash upon request. In addition, the Participant authorizes the Corporation and/or the Employing Company, or their respective agents, at their discretion, to satisfy the obligations with regard to all applicable Tax-Related Items by one or a combination of the following methods (to the extent applicable): (1) withholding from Participant's wages or other cash compensation paid to Participant by the Corporation and/or the Employing Company; (2) withholding from cash payable pursuant to this Performance Cash Award or the proceeds of the sale of Shares that may be issued upon payment of the Performance Cash Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Participant's behalf pursuant to this authorization) through such means as the Corporation may determine in its sole discretion (whether through a broker or otherwise); or (3) withholding in Shares that may be issued upon payment of the Performance Cash Award. If the Corporation gives the Participant the power to choose the withholding method, and the Participant does not make a choice, then the Corporation will at its discretion withhold in Shares as stated in alternative (3) herein.

To the extent the Performance Cash Award is paid in Shares, to avoid negative accounting treatment, the Corporation may in its discretion limit withholding of Shares or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Corporation withholds at a rate other than the minimum statutory rate, such as the maximum withholding rate, then the refund of any over-withheld amount shall be paid in cash and the Participant will have no entitlement to the common stock equivalent. If the Tax-Related Items are satisfied by withholding in Shares issuable upon vesting of the Performance Cash Award, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Performance Cash Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. Finally, the Participant shall pay to the Corporation or the Employing Company any amount of Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan. The Participant understands that no Shares or proceeds from the sale of Shares shall be delivered to Participant, notwithstanding the vesting of the Performance Cash Award, unless and until the Participant shall have satisfied any obligation for Tax-Related Items with respect thereto.

Notwithstanding anything in this Section 12 to the contrary, if the Performance Cash Award is considered nonqualified deferred compensation, the fair market value of the Shares withheld together with the amount of cash withheld may not exceed the liability for Tax-Related Items.

It is the intent that the vesting or the payments of this Performance Cash Award shall either qualify for exemption from or comply with the requirements of Section 409A of the Code ("Section 409A"), and any ambiguities herein will be interpreted to so comply. The Corporation reserves the right, to the extent the Corporation deems necessary or advisable in its sole discretion, to unilaterally amend or modify this Agreement as may be necessary to ensure that all vesting or settlements provided under this Agreement are made in a manner that qualifies for exemption from or complies with Section 409A; provided, however, that the Corporation makes no representation that the vesting or settlement of the Performance Cash Award provided under this Agreement will be exempt from Section 409A and makes no undertaking to preclude Section 409A from applying to the vesting or settlement of Performance Cash Awards provided under this Agreement. In the event that any payment to a U.S. taxpayer or Participant otherwise subject to U.S. taxation, with respect to a Performance Cash Award is considered to be based upon separation from service, and not compensation the Participant could receive without separating from service, then such amounts may not be paid until the first business day of the seventh month following the date of the Participant's termination if the Participant is a "specified employee" under Section 409A of the Code upon his separation from service.

13. Nature of the Award: Nothing herein shall be construed as giving Participant any right to be retained in the employ of an Employing Company or affect any right that the Employing Company may have to terminate the employment of such Participant. Further, by accepting this Performance Cash Award, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Corporation, it is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by its terms;
- (b) the grant of the Performance Cash Award is voluntary and occasional and does not create any contractual or other right to receive future Performance Cash Awards, or benefits in lieu of future Performance Cash Awards, even if Performance Cash Awards have been granted in the past;
- (c) all decisions with respect to future Performance Cash Award grants, if any, will be at the sole discretion of the Committee;
- (d) the Participant is voluntarily participating in the Plan;
- (e) the Performance Cash Award and any cash or any Shares that may be paid pursuant to the Performance Cash Award are extraordinary items which do not constitute compensation of any kind for services of any kind rendered to the Corporation or to the Employing Company, and which are outside the scope of the Participant's employment contract, if any;
- (f) the Performance Cash Award and any cash or any Shares that may be paid pursuant to the Performance Cash Award are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, dismissal, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as

compensation for, or relating in any way to, past services for the Corporation or the Employing Company or any Subsidiary or affiliate of the Corporation;

- (g) the Performance Cash Award and any cash or any Shares that may be paid pursuant to the Performance Cash Award are not intended to replace any pension rights or compensation;
- (h) the grant of the Performance Cash Award will not be interpreted to form an employment contract or relationship with the Corporation, the Employing Company or any Subsidiary or affiliate of the Corporation;
- (i) the future value of the Shares or the amount of cash that may be paid pursuant to the Performance Cash Award is unknown, indeterminable and cannot be predicted with certainty;
- (j) no claim or entitlement to compensation or damages arises from forfeiture of the Performance Cash Award resulting from termination of the Participant's employment by the Corporation or the Employing Company (for any reason whether or not in breach of applicable labor laws or the terms of the Participant's employment agreement, if any), and in consideration of the grant of the Performance Cash Award to which the Participant is not otherwise entitled, the Participant irrevocably agrees never to institute any claim against the Corporation or the Employing Company, waives his or her ability, if any, to bring any such claim, and releases the Corporation and the Employing Company from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agreed to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- (k) it is the Participant's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the issuance and delivery of Shares that may be paid pursuant to the vesting of the Performance Cash Award;
- (l) the Corporation and the Employing Company are not providing any tax, legal or financial advice, nor are the Corporation or the Employing Company making any recommendations regarding the Participant's participation in the Plan or the Participant's acquisition or sale of any Shares that may be issued pursuant to the Performance Cash Award;
- (m) the Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan;
- (n) unless otherwise provided in the Plan or by the Corporation in its discretion, the Performance Cash Award and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Cash Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Corporation; and
- (o) the following provisions apply only if the Participant is providing services outside the United States:
 - (i) the Performance Cash Award and any cash or Shares paid pursuant to the Performance Cash Award are not part of normal or expected compensation for any purpose; and
 - (ii) the Participant acknowledges and agrees that neither the Corporation nor the Employing Company shall be liable for any foreign exchange rate fluctuation between the local currency and the United States Dollar that may affect the value of the Performance Cash Award or any amounts due to the Participant pursuant to the settlement of the Performance Cash Award or the subsequent sale of any Shares acquired upon settlement.

14. Data Privacy:

(a) The Participant hereby explicitly, unambiguously and voluntarily consents to the collection, use, disclosure and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other Performance Cash Award materials ("Data") by and among, as applicable, any Employing Company and the Corporation for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan.

(b) The Participant understands that any Employing Company and the Corporation may collect, maintain, process and disclose certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Corporation, details of all Performance Cash Awards or any other entitlement to Shares awarded, canceled, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering, and managing the Plan.

(c) The Participant acknowledges that Data will be transferred to any broker as designated by the Corporation and/or one or more stock plan service provider(s) selected by the Corporation, which may assist the Corporation with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Corporation and any other possible recipients that may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares acquired upon vesting of the Performance Cash Awards.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable laws, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these Performance Cash Awards, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with any Employing Company and the Corporation will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Corporation will not be able to grant him or her Performance Cash Awards under the Plan or administer or maintain Performance Cash Awards. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain these Performance Cash Awards). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

15. Electronic Delivery: The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Corporation intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Corporation. The Participant consents to the electronic delivery of the Plan documents and the Agreement. The Participant acknowledges that he or she may receive from the Corporation a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Corporation by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Corporation or any designated third-party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Corporation of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

16. Severability: In the event that any provision in this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

17. Language: If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

18. Governing Law and Venue: This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the conflicts of laws thereof. For purposes of litigating any dispute that arises under this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania, and agree that such litigation shall be conducted in the courts of Allegheny County, Pennsylvania, or the federal courts for the United States for the Western District of Pennsylvania, where this grant is made and/or to be performed.

19. Exhibit D: Notwithstanding any provisions in this Agreement, the Performance Cash Award shall be subject to any special terms and conditions set forth in Exhibit D to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in Exhibit D, the special terms and conditions for such country will apply to the Participant, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan.

20. Insider Trading Restrictions/Market Abuse Laws: The Participant acknowledges that, depending on the Participant's country of residence, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to acquire or sell Shares or rights to Shares (e.g., Performance Cash Awards) under the Plan during such times as the Participant is considered to have "inside information" regarding the Corporation (as defined by any applicable laws in the Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy maintained by the Corporation. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable restrictions, and the Participant is advised to speak to his or her personal advisor on this matter.

21. Imposition of Other Requirements: The Corporation reserves the right to impose other requirements on the Participant's participation in the Plan, on the Performance Cash Award and on any cash that may be paid or Shares that may be acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

22. Headings: Headings of paragraphs and sections used in this Agreement are for convenience only and are not part of this Agreement, and must not be used in construing it.

23. Waiver: The Participant acknowledges that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant.

24. Definitions: In addition to the capitalized terms defined in the Plan, the following terms as used herein shall have the following meanings when used with initial capital letters:

- i. "Early Retirement Age" shall mean the Participant's (1) attainment of age 55 and completion of ten (10) years of service with the Corporation or an Employing Company, or (2) completion of thirty (30) years of service with the Corporation or an Employing Company.
- ii. "Normal Retirement Age" shall mean, with respect only to a Participant who is a U.S. employee and is not a participant in the United States Steel Corporation Supplemental Pension Program, the later of (1) six (6) months following the Date of Grant, or (2) the earlier of (i) attainment of age 65, or (ii) attainment or age 60 and completion of five (5) years of service with the Corporation or an Employing Company.
- iii. "Termination" shall mean the applicable employee's termination of employment. For purposes of this Agreement, (i) for U.S. taxpayers, Termination and words of similar effect shall be construed consistent with a "separation from service" under Section 409A of the Code to the extent required by Section 409A of the Code, and (ii) for non-U.S. taxpayers, Termination and words of similar effect shall mean that the Participant is no longer actively employed by an Employing Company, without regard to any notice period (i.e., active employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any).

EXHIBIT A

Performance Goals for the Performance Period

			Threshold	Target	Maximum
Performance Goal	U. S. Steel Return on Capital Employed				
Payment Levels	% of Target Amount	0%	50%	100%	200%

Payout Calculation. Return on Capital Employed (“ROCE”) determined by the Committee for the Performance Period shall be weighted 20% for the ROCE achieved in the first year of the Performance Period, 30% for the ROCE achieved in the second year of the Performance Period and 50% for the ROCE achieved in the third year of the Performance Period. Payout shall be based upon a weighted average Return on Capital Employed (“ROCE”), as provided in the chart above over the Performance Period.

- (a) Interpolation will be used to determine actual awards for performance that correlates to an award between threshold and target or target and maximum award levels.
- (b) In calculating the dollar value to be awarded, the Corporation’s annual ROCE for each year of the Performance Period shall be rounded to the nearest decimal place consistent with the number of decimal places approved by the Committee at the time it set the relevant target, rounding up in the case of 5 or more and rounding down in the case of 4 or less. The related payout rate also shall be calculated to the nearest hundredth place using the same rounding procedure. Additionally, the dollar value awarded shall be rounded to the nearest whole dollar.

Return on Capital Employed (ROCE). ROCE shall mean, using a weighted average based on each calendar year of the Performance Period, income or loss from consolidated worldwide operations (including minority interests), divided by consolidated worldwide capital employed (including minority interests) expressed as a percentage.

Income or loss from consolidated worldwide operations (including minority interests) shall mean income or loss from operations as reported in the consolidated statement of operations of United States Steel Corporation for each calendar year of the Performance Period.

Capital employed shall be calculated by using the average of the opening balance at the commencement of each calendar year of the Performance Period, and the balances at the end of each quarter during each calendar year of the Performance Period, of the sum of net fixed assets, inventories, accounts receivable, and equity method investments, less accounts payable.

For purposes of calculating the weighted average ROCE for the Performance Period, the ROCE for the first calendar year of the Performance Period shall be weighted 20%, the ROCE for the second calendar year of the Performance Period shall be weighted 30%, and the ROCE for the third calendar year of the Performance Period shall be weighted 50%.

Adjustments to Return on Capital Employed. For purposes of calculating ROCE for a calendar year within the Performance Period, the following principles shall apply: that if income or loss related to an asset is included in the numerator for any portion of the calendar year within the Performance Period that the related asset’s capital employed shall be included in the denominator for the same portion of the calendar year within the Performance Period (and vice versa) and, similarly, if income or loss related to an asset is excluded from the numerator for any portion of the calendar year within the Performance Period that the related asset’s capital employed shall be excluded from the denominator for the same portion of the calendar year within the Performance Period (and vice versa). The following adjustment provisions shall be made in determining ROCE:

- (a) exclude the gain or loss related to a business disposition or divestiture (whether or not completed during the Performance Period) and all amounts related to a permanent facility shutdown/closure;
- (b) exclude the gain or loss related to an asset sale not made in the ordinary course of business;
- (c) exclude all amounts related to long-lived asset impairments;
- (d) exclude all amounts related to an acquisition or startup (defined as the startup of a previously closed facility or the startup of a new facility);
- (e) exclude all amounts related to workforce reductions and other restructuring charges;
- (f) except for retiree benefits, exclude amounts not allocated to segments; and
- (g) exclude all amounts related to changes in accounting standards and changes in law that affect reported results.

provided, however, none of the above adjustments shall be made to the ROCE calculation to the extent the events or occurrences relating to the adjustments are recognized and/or contemplated in the Corporation’s Business Plan as approved by the Committee for the relevant Performance Period;

provided, further, no adjustment pursuant to any adjustment category shall be made to the extent the total adjustment for such category is less than \$10 million;

provided, further, all the above adjustments shall be calculated in accordance with generally accepted accounting principles at the time of calculation to the extent the nature of the adjustment is addressed therein;

provided, further, none of the above adjustments shall be made to the extent the relevant data is not available; and

provided, further, the ROCE calculations, including all adjustments thereto, shall be determined at the time the Committee makes its award decisions and in accordance with the reporting requirements applicable to the Corporation’s reports on Forms 10-K.

EXHIBIT B

Confidentiality and Proprietary Rights Agreement

This Confidentiality and Proprietary Rights Agreement (“**Agreement**”) is attached as Exhibit B to, and incorporated as a part of, the United States Steel Corporation Performance Cash Award Grant Agreement (“**Grant Agreement**”) and is applicable to the Participant named in the Grant Agreement to the extent provided in Section 11 of the Grant Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the Grant Agreement is described as the “**Employee**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. Protection of Confidential Information.

(a) **Confidential Information.** The Employee understands and acknowledges that during the course of employment by the Employer, the Employee will have access to and learn about non-public, confidential, secret, and proprietary documents, materials, data, and other information, in tangible and intangible form, of and relating to the Employer and its businesses and existing and prospective customers, suppliers, investors, and other associated third parties (“**Confidential Information**”).

For purposes of this Agreement, Confidential Information is broadly defined in the Company policy on Protection of Confidential Information and includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, publications, documents, research, operations, services, strategies, techniques, agreements, contracts, transactions, negotiations, know-how, trade secrets, computer programs, applications, databases, manuals, records, articles, supplier information, vendor information, financial information, legal information, marketing information, pricing information, credit information, design information, payroll information, staffing information, personnel information, developments, internal controls, sales information, algorithms, product plans, designs, inventions, unpublished patent applications, original works of authorship, discoveries, experimental processes and results, specifications, manufacturing information of the Employer or its businesses or any existing or prospective customer, supplier, investor, or other associated third party, or of any other person or entity that has entrusted information to the Employer in confidence.

Confidential Information shall not include information that is generally available to and known by the public, provided that such disclosure to the public is through no direct or indirect fault of the Employee or person(s) acting on the Employee's behalf.

(b) **Disclosure and Use Restrictions.**

(i) **Employee agrees:**

(A) **to treat all Confidential Information as strictly confidential and to use such Confidential Information only for the benefit of the Company and as required by Employee's job responsibilities;**

(B) **not to directly or indirectly disclose, publish, communicate, or make available Confidential Information, or allow it to be disclosed, published, communicated, or made available, in whole or part, to any entity or person whatsoever not having a need to know and authority to know and use the Confidential Information in connection with the business of the Employer and, in any event, not to anyone outside of the direct employ of the Employer except as required in the performance of any of the Employee's authorized employment duties to the Employer and only after execution of a confidentiality agreement (such as a Non-Disclosure Agreement) by the third party with whom Confidential Information will be shared;**

(C) **not to copy any documents, records, files, media, or other resources containing any Confidential Information, or remove any such documents, records, files, media, or other resources from the premises or control of the Employer, except as required in the performance of any of the Employee's authorized employment duties to the Employer or with the prior consent of an authorized officer acting on behalf of the Employer in each instance; and**

(A. **to return all copies of Confidential Information, and any other property of Employer, to Employer upon termination of employment.**

(ii) **The Employee understands and acknowledges that the Employee's obligations under this Agreement with regard to any particular Confidential Information shall commence immediately upon his acceptance of the Grant Agreement and shall continue during and after the termination of Employee's employment by the Employer, until such time as such Confidential Information has become public knowledge other than as a result of the Employee's breach of this Agreement or breach by those acting in concert with the Employer or on the Employer's behalf.**

(i) **Permitted Disclosures.** Employee understands that the foregoing confidentiality provisions do not prohibit Employee from providing truthful information in good faith to any federal or state governmental agency, entity or official investigating an alleged violation of federal or state law or regulation or when Employee makes other disclosures that are protected under the whistleblower provisions of federal or state law. The Employee acknowledges receipt of Employer's policy regarding Reports by Employees of Illegal or Unethical Conduct setting forth Employer's reporting policy for a suspected violation of law; and the Protection of Confidential Information policy setting forth permissible disclosure of trade secrets if reporting alleged violations of law.

2. **Protection of Proprietary Rights.**

(a) **Work Product.** The Employee acknowledges and agrees that all writings, works of authorship, technology, inventions, discoveries, ideas and other work product of any nature whatsoever, that are created, prepared, produced, authored, edited, amended, conceived, or reduced to practice by the Employee, individually or jointly with others, during the period of the Employee's employment by the Employer, and relating in any way to the business or contemplated business, research, or development of the Employer and all printed, physical, and electronic copies, all improvements, rights, and claims related to the foregoing, and other tangible embodiments thereof (collectively, "**Work Product**"), as well as any and all rights in and to copyrights, trade secrets, trademarks (and related goodwill), patents, and other intellectual property rights therein arising in any jurisdiction throughout the world and all related rights of priority under international conventions with respect thereto, including all pending and future applications and registrations therefor, and continuations, divisions, continuations-in-part, reissues, extensions, and renewals thereof (collectively, "**Intellectual Property Rights**"), shall be the sole and exclusive property of the Employer. The Employee further acknowledges that the Employee has been provided a copy of the U. S. Steel Patent Rules and the Employee agrees to be bound by and adhere to the U. S. Steel Patent Rules.

(b) **Work Made for Hire; Assignment.** The Employee acknowledges that, by reason of being employed by the Employer at the relevant times, to the extent permitted by law, all of the Work Product consisting of copyrightable subject matter is "work made for hire" as defined in the Copyright Act of 1976 (17 U.S.C. § 101), and such copyrights are therefore owned by the Employer. To the extent that the foregoing does not apply, the Employee hereby irrevocably assigns to the Employer, for no additional consideration, the Employee's entire right, title and interest in and to all Work Product and Intellectual Property Rights therein, including the right to sue, counterclaim, and recover for all past, present, and future infringement, misappropriation, or dilution thereof, and all rights corresponding thereto throughout the world.

(c) **Further Assurances; Power of Attorney.** During and after the Employee's employment, the Employee agrees to reasonably cooperate with the Employer to (i) apply for, obtain, perfect, and transfer to the Employer the Work Product and Intellectual Property Rights in the Work Product in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Employer any and all applications, oaths, declarations, affidavits, waivers, assignments, and other documents and instruments as shall be requested by the Employer. The Employee hereby irrevocably grants the Employer power of attorney to execute and deliver any such documents on the Employee's behalf in the Employee's name and to do all other lawfully permitted acts to transfer the Work Product to the Employer and further the transfer, issuance, prosecution, and maintenance of all Intellectual Property Rights therein, to the full extent permitted by law, if the Employee does not promptly cooperate with the Employer's request (without limiting the rights the Employer shall have in such circumstances by operation of law). The power of attorney is coupled with an interest and shall not be impacted by the Employee's subsequent incapacity.

(d) **Moral Rights.** To the extent any copyrights are assigned under this Agreement, the Employee hereby irrevocably waives, to the extent permitted by applicable law, any and all claims the Employee may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as "moral rights" with respect to all Work Product and all Intellectual Property Rights therein.

(e) **No License.** The Employee understands that this Agreement does not, and shall not be construed to, grant the Employee any license or right of any nature with respect to any Work Product or Intellectual Property Rights or any Confidential Information, materials, software, or other tools made available to the Employee by the Employer.

3. **Security.** The Employee agrees to comply with all Employer security and access policies and procedures, including but not limited to the Code of Ethical Business Conduct, the policy on Use and Protection of Company Computer Systems and Intellectual Property, the policy on Protection of Confidential Information, and Cyber Security Procedure A026 regarding Acceptable Use of Computing Resources.

4. **Certification.** By accepting this Agreement, employee certifies that Employee: (a) has not and will not use or disclose to the Company any confidential information and/or trade secrets belonging to others, including any prior employers; (b) will not use any prior inventions made by employee and which the Company is not legally entitled to learn of or use; and (c) is not subject to any prior agreements that would prevent Employee from fully performing his or her duties for the Company.

5. **Acknowledgment.** Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

6. **Remedies.** The Employee acknowledges that the Employer's Confidential Information and the Employer's ability to reserve it for the exclusive knowledge and use of the Employer is of great competitive importance and commercial value to the Employer, and that improper use or disclosure of the Confidential Information by the Employee will cause irreparable harm to the Employer, for which remedies at law will not be adequate. In the event of a breach or threatened breach by the Employee of any of the provisions of this Agreement, the Employee hereby consents and agrees that the Employer shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages, or other available forms of relief.

7. **Protections for Affiliates and Subsidiaries.** This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

8. **Successors and Assigns.**

(a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.

(b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.

9. **Governing Law.** This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.

10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.

13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT C

Non-Competition Agreement

This Non-Competition Agreement (“**Agreement**”) is attached as Exhibit C to, and incorporated as a part of, the United States Steel Corporation Performance Cash Award Grant Agreement (“**Grant Agreement**”) and is applicable to the Participant named in the Grant Agreement to the extent provided in Section 11 of the Grant Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the Grant Agreement is described as the “**Employee**”, “**me**” or “**I**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. Definitions.

- (a) “Competing Products” means products or services sold by the Company, or any prospective product or service the Company took steps to develop for which I had any responsibility during the 24 months preceding the termination of my employment.
- (b) “Restricted Territory” means the geographic territory (i) within sixty miles of the area in which I worked or (ii) over which I had responsibility or (iii) that the nature and scope of my duties could have affected, during the 24 months preceding the termination of my employment, whichever is greatest. Restricted territory may be national or global depending on the nature of my duties and the knowledge acquired in the performance of those duties.

2. Non-Competition. During my employment and for 12 months after termination of my employment for any reason, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) own any business (other than less than 5% ownership in a publicly traded company) that sells Competing Products in the Restricted Territory; or
- (b) work in the Restricted Territory for any person or entity that sells Competing Products, in any role.

3. Non-Solicitation of Customers & Employees. During my employment and for 12 months after termination of my employment, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) solicit or accept business from any customer or prospective customer of the Company with whom I had contact during the last 24 months of my employment, for purposes of offering or accepting goods or services similar to or competitive with those offered by the Company; or
- (b) solicit or hire any employee or independent contractor of the Company, who worked for the Company during the 6 months preceding termination of my employment, to work for me or my new employer.

For purposes of this section, solicit means:

- (a) Any comments, conduct or activity that would influence a customer’s decision to continue doing business with the Company, regardless of who initiates contact; and/or
- (b) Any comments, conduct or activity that would influence an employee’s decision to resign his employment with the Company or accept employment with my new company, regardless of who initiates contact.

4. Acknowledgment. Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

5. Change of Position. If the Employer changes Employee’s position or title with the Employer, or transfers Employee from one affiliate to another, this Agreement and Employee’s obligations hereunder will remain in force.

6. Protections for Affiliates and Subsidiaries. This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

7. Successors and Assigns.

- (a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.
- (b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.

8. Governing Law. This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.

9. **Injunctive Relief and Attorney's Fees.** Employee agrees that in the event Employee breaches this Agreement, the Company will be irreparably harmed and entitled to an injunction restraining any further breach, in addition to any other rights to which it is entitled. Further, Employee will be responsible for all attorneys' fees, costs and expenses incurred by the Company to enforce this Agreement in the event that the Employee breaches the Agreement. Additionally, any time periods for restrictions set forth in Paragraph 2 above will be extended by an amount of time equal to the duration of any time period during which Employee is in violation of this Agreement.
10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.
11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.
12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the Agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.
13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT D

Additional Terms and Conditions of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Cash Award Grant Agreement

TERMS AND CONDITIONS

This Exhibit D includes additional terms and conditions that govern the Performance Cash Award granted to the Participant under the Plan if he or she works or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the Performance Cash Award is granted, the Corporation shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Participant. Certain capitalized terms used but not defined in this Exhibit D have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit D also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the laws in effect in the applicable countries as of January 2021. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information in this Exhibit D as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Participant vests in the Performance Cash Award or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of a particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the Performance Cash Award is granted, the information contained herein may not be applicable.

SLOVAK REPUBLIC

NOTIFICATIONS

Foreign Assets Reporting Information. If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, podnikateľ), the Participant will be obligated to report his or her foreign assets (including any cash acquired under the Plan) to the National Bank of Slovakia if the value of the foreign assets exceeds a certain legally designated amount. These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

Furthermore, if the above preconditions are met (i.e., permanent residence in the Slovak Republic and entrepreneurial activities in addition to the employment), the Participant will be obliged to report certain additional information under Section 34b of Act No. 566/1992 Coll. on National Bank of Slovakia as amended. This information is mostly of general nature and contains personal identification data of the Participant - place and date of birth, birth certificate number, academic degree, etc., as well as telephone and fax number and e-mail address of the Participant, if any.

Securities Disclaimer. The grant of the Performance Cash Award is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the Slovak Republic.

Personal Data Protection. The national identification number (in Slovak: rodné číslo) may be used for identification of the Participant only if required to achieve the determined purpose of processing. It is forbidden to make the national identification number public; the only exception is when the data subject made the national identification number public by itself.

UNITED KINGDOM

NOTIFICATIONS

Securities Disclosure. The grant of the Performance Cash Award is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the United Kingdom. The Agreement is not an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA") and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The Plan and the Performance Cash Award are exclusively available in the UK to bona fide employees and former employees and any other UK subsidiary of the Corporation.

Taxation. The Performance Cash Award is not intended to be qualified for purposes of taxation or National Insurance Contributions applicable in the United Kingdom.

UNITED KINGDOM, EUROPEAN UNION AND EUROPEAN ECONOMIC AREA

For Participants who reside in the United Kingdom, European Union or the European Economic Area, the following provisions replace the Data Privacy provisions in Section 14 of the Agreement.

(a) **Data Collected and Purposes of Collection.** The Participant understands that the Corporation, acting as controller, as well as the Employing Company, may collect, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the Performance Cash Awards (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification number, salary, nationality, job title, employment location, any Shares or directorships held in the Corporation (but only where needed for legal or tax compliance), any other information necessary to process mandatory tax withholding and reporting, details of all Performance Cash Awards granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable service termination date and reason for termination (all such personal information is referred to as "**Data**"). The Data is collected from the Participant, any Employing Company and the Corporation, for the exclusive purpose of implementing, administering and managing the Plan pursuant to the terms of this Agreement. The legal basis (that is, the legal justification) for processing the Data is to perform this Agreement. The Data must be provided in order for the Participant to participate in the Plan and for the parties to this Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Agreement.

(b) **Transfers and Retention of Data.** The Participant acknowledges and understands that the Employing Company will transfer Data to the Corporation for purposes of plan administration. The Employing Company and the Corporation may also transfer the Participant's Data to other service providers (such as accounting firms, payroll processing firms or tax firms), as may be selected by the Corporation in the future, to assist the Corporation with the implementation, administration and management of this Agreement. The Participant understands that the recipients of the Data may be located in the United States, a country that does not benefit from an adequacy decision issued by the European Commission and is not listed by the Swiss supervisory authority as a country with adequate data protection legislation. Where a recipient is located in a country that does not benefit from an adequacy decision or adequacy listing, the transfer of the Data to that recipient will be made pursuant to European Commission-approved standard contractual clauses when required by applicable law, a copy of which may be obtained by contacting dataprotection@sk.uss.com or complianceofficer@uss.com. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's rights and obligations under this Agreement, and for the duration of the relevant statutes of limitations, which may be longer than the term of this Agreement.

(c) **The Participant's Rights in Respect of Data.** The Corporation will take steps in accordance with applicable legislation to keep Data accurate, complete and up-to-date. The Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). The Participant also has the right to request access to his or her Data as well as additional information about the processing of that Data. Further, the Participant is entitled to object to the processing of Data or have the Participant's Data erased, under certain circumstances. As from May 25, 2018, and subject to conditions set forth in applicable law, the Participant also is entitled to (i) restrict the processing of his or her Data so that it is stored but not actively processed (e.g., while the Corporation assesses whether the Participant is entitled to have Data erased) and (ii) receive a copy of the Data provided pursuant to this Agreement or generated by the Participant, in a common machine-readable format. To exercise his or her rights, the Participant may contact the local human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint. The data protection officer may be contacted at dataprotection@sk.uss.com.

United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Restricted Stock Unit Grant Agreement

United States Steel Corporation, a Delaware Corporation (herein called the "Corporation"), grants to the employee of the employing company identified below (the "Participant") the number of Restricted Stock Units ("RSUs") set forth below, each of which is a bookkeeping entry representing the equivalent in value of one share of the class of common stock of the Corporation set forth below:

Name of Participant:	PARTICIPANT NAME
Name of Employing Company on Date Hereof:	(the company recognized by the Corporation as employing the Participant)
Number of RSUs Granted:	# RSUs
Date of Grant:	GRANT DATE

By accepting this Award in any manner and within the time period prescribed by the Corporation, the Participant agrees that (1) these RSUs are granted under and governed by the terms and conditions of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan, as the same may be amended from time to time (the "Plan") and the provisions of this Restricted Stock Unit Grant Agreement, including (i) the Terms and Conditions contained herein, (ii) if applicable to the Participant under Section 11 hereof, the Confidentiality and Proprietary Rights Agreement attached as Exhibit A and the Non-Competition Agreement attached as Exhibit B, and (iii) any special provisions for the Participant's country of residence set out on Exhibit C (collectively, the "Agreement"), (2) he or she has reviewed the Plan and the Agreement in their entirety, and (3) he or she has had an opportunity to obtain the advice of counsel prior to accepting this Award and fully understands all provisions of the Plan and the Agreement.

United States Steel Corporation

By: _____
Authorized Officer

Terms and Conditions

1. **Award:** The Corporation has granted to the Participant the number of RSUs set forth in this Agreement. Each RSU represents the right to receive one share of the Corporation's common stock (a "Share") on the date specified in Section 6 below in settlement of each RSU that has vested as provided in Sections 3, 4 or 5, below. Unless and until the RSUs are vested in the manner set forth in Section 3, 4 or 5 below, the Participant will have no right to settlement of any such RSUs or any right to receive any Shares. Prior to settlement of any vested RSUs, such RSUs will represent an unsecured obligation of the Corporation, payable (if at all) only from the general assets of the Corporation.

2. **Restriction Period:** The restriction period with regard to the RSUs shall commence on the date the RSUs are granted and end on the date the RSUs are settled as provided in Section 6, below. During the restriction period, the Participant shall not sell, transfer, assign, pledge or otherwise encumber or dispose of any portion of the RSUs, and any attempt to sell, transfer, assign, pledge or encumber any portion of the RSUs prior to the end of the restriction period shall have no effect. During the restriction period, the Participant shall not be entitled to vote any Shares that may be received upon settlement of any vested RSUs and shall not receive dividends paid on those Shares. The Participant shall be entitled to receive dividend equivalents in cash; provided, however, the dividend equivalents shall not vest or be paid to the Participant unless and to the extent the underlying RSUs vest as provided in Section 3, 4 or 5 of this Agreement.

3. **Change in Control:** If the Participant's employment is terminated within two years following a Change in Control involuntarily (except for Cause) or, in the case of a Participant designated by the Corporation as executive management at the time of the Change in Control ("Executive Management"), voluntarily for Good Reason, each unvested RSU will immediately vest, except as otherwise determined by the Corporation with respect to any Participant who is not Executive Management.

4. **Termination of Employment:** The full unvested Number of RSUs Granted will immediately vest upon the Participant's death during employment, upon Termination of employment due to becoming Disabled, or upon a Termination of employment under circumstances which would qualify the Participant for benefits under a severance plan of the Corporation, including execution of any general release required under the severance plan. Unvested RSUs will be forfeited automatically upon any other Termination of employment (including but not limited to any voluntary termination by the Participant or any Termination by the Corporation or the Employing Company for Cause or without Cause), such forfeiture being without consideration or without further action required of the Corporation or Employing Company.

5. Vesting: Subject to Sections 3 and 4, in order to vest in the RSUs, the Participant must continue as an active employee of an Employing Company for three years from the Date of Grant, subject to the Employing Company's right to terminate the Participant's employment at any time for any reason. The RSUs shall vest on the three-year anniversary of the Date of Grant, provided that the Participant is continuously employed by an Employing Company through such anniversary.

Except as provided in Sections 3 and 4 of this Agreement, notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in the event of the Participant's Termination of employment, regardless of the reason for such Termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any, the Participant's right to vest in the RSUs, if any, will terminate effective as of the date that the Participant is no longer actively employed by an Employing Company and will not be extended by any notice period (i.e., active employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any); the Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed for purposes of the RSUs.

6. Settlement: RSUs that have vested shall be paid in Shares, along with any dividend equivalents with respect to those vested RSUs, within 45 days after the vesting date. The Corporation shall have no obligation to issue Shares unless and until the Participant has satisfied any applicable tax withholding obligations pursuant to Section 12 below and such issuance otherwise complies with all applicable law. Upon vesting and settlement of the RSUs, Shares shall be delivered free of all restrictions on transferability or forfeiture except for restrictions required by applicable laws and/or regulations and issued in the Participant's name (or, in the event of the Participant's death prior to such termination or such issuance, to the Participant's estate) for the number of Shares subject to vested RSUs. The Participant shall not be entitled to delivery of any portion of the Shares until the corresponding portion of the RSUs has vested.

7. Adjustments and Recoupment: The number of RSUs awarded is subject to adjustment as provided in Section 8 of the Plan. The Participant shall be notified of such adjustment and such adjustment shall be binding upon the Corporation and the Participant. This Award shall be administered in accordance with, and is subject to, any recoupment policies and provisions prescribed by the Plan, including but not limited to Section 7.07 thereof and all clawback and recoupment policies or provisions required by law from time to time. In its sole discretion, the Committee shall have the authority to amend, waive or apply the terms of any clawback or recoupment policies or provisions to the extent necessary or advisable to comply with applicable laws, as determined by the Committee.

8. Interpretation and Amendments: This Award, the vesting and delivery of RSUs and the issuance of Shares upon vesting are subject to, and shall be administered in accordance with, the provisions of the Plan, as the same may be amended by the Committee from time to time, provided that no amendment may, without the consent of the Participant, affect the rights of the Participant under this Award in a materially adverse manner. For purposes of the foregoing sentence, an amendment that affects the tax treatment of the RSUs or that is necessary to comply with securities or other laws applicable to the issuance of Shares shall not be considered as affecting the Participant's rights in a materially adverse manner. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Plan. In the event of a conflict between the Plan and this Agreement, unless this Agreement specifies otherwise, the Plan shall control.

9. Compliance with Laws: The obligations of the Corporation and the rights of the Participant are subject to all applicable laws, rules and regulations including, without limitation, the U.S. Securities Exchange Act of 1934, as amended; the U.S. Securities Act of 1933, as amended; the U.S. Internal Revenue Code of 1986, as amended; and any other applicable U.S. and foreign laws. No Shares will be issued or delivered to the Participant under the Plan unless and until there has been compliance with such applicable laws.

10. Acceptance of Award: This Award is contingent on the Participant's acceptance of the Award in the manner and within the time period established by the Corporation. The Award shall be forfeited without further action by the Corporation and shall not be payable if it is not accepted by the Participant in the manner and within the time period established by the Corporation.

11. Confidentiality and Non-Competition: If a Participant is employed in the United States in a position below the rank of Senior Vice President of the Corporation on the Date of Grant, then the Participant agrees and understands that (a) by accepting this Award the Participant shall be bound by and subject to the terms of the Confidentiality and Proprietary Rights Agreement attached to this Agreement and incorporated herein as Exhibit A and, to the extent permitted by law, the terms and conditions of the Non-Competition Agreement attached to this Agreement and incorporated herein as Exhibit B; provided, however, that the Non-Competition Agreement shall not be applicable to those Participants employed by Big River Steel ("BRS") or Vice Presidents of the Corporation who are subject to similar noncompete provisions in prior agreements outside of the Plan with BRS or the Corporation, as applicable, and (b) notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in addition to any other remedies available at law, all unvested RSUs will be forfeited immediately and without further action by the Corporation in the event the Participant fails to comply with or breaches any of the obligations and restrictions under Exhibits A or B of this Agreement.

12. Withholding Taxes: The Participant acknowledges that, regardless of any action taken by the Corporation or the Employing Company, the ultimate liability for any or all income tax, social security, payroll tax, payment on account or other tax-related withholding or liability in connection with any aspect of the RSUs, including the grant, vesting, or settlement of the RSUs or the subsequent sale of Shares ("Tax-Related Items"), is and remains his or her responsibility and may exceed the amount withheld by the Corporation or the Employing Company. Furthermore, the Participant acknowledges that the Corporation and/or the Employing Company (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of the RSUs or any aspect of the Participant's participation in the Plan to reduce or eliminate his or her liability for Tax-Related Items or to achieve any particular tax result. Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Participant acknowledges that the Corporation and/or the Employing Company (or former Employing Company, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable event, the Participant shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employing Company to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Corporation and/or the Employing Company, or their respective agents, at their discretion, to satisfy the obligations with regard to all applicable Tax-Related Items by one or a combination of the following methods: (1) withholding from Participant's wages or other cash compensation paid to Participant by the Corporation and/or the Employing Company; (2) withholding from proceeds of the sale of Shares issued upon vesting of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Corporation (on Participant's behalf pursuant to this authorization) through such means as the Corporation may determine in its sole discretion (whether through a broker or otherwise); or (3) withholding in Shares to be issued upon vesting of the RSUs. If the Corporation gives the Participant the power to choose the withholding method, and the Participant does not make a choice, then the Corporation will at its discretion withhold in Shares as stated in alternative (3) herein.

To avoid negative accounting treatment, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Corporation withholds at a rate other than the minimum statutory rate, such as the maximum withholding rate, then the refund of any over-withheld amount shall be paid in cash and the Participant will have no entitlement to the Common Stock equivalent. If the Tax-Related Items are satisfied by withholding in Shares issuable upon vesting of the RSUs, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the RSUs, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. Finally, the Participant shall pay to the Corporation or the Employing Company, any amount of Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan. The Participant understands that no Shares or proceeds from the sale of Shares shall be delivered to Participant, notwithstanding the lapse of the restrictions on the RSUs, unless and until the Participant shall have satisfied any obligation for Tax-Related Items with respect thereto.

Notwithstanding anything in this Section 12 to the contrary, if the RSUs are considered nonqualified deferred compensation subject to Section 409A, the fair market value of the Shares withheld together with the amount of cash withheld may not exceed the liability for Tax-Related Items.

13. Nature of the Award: Nothing herein shall be construed as giving the Participant any right to be retained in the employ of an Employing Company or affect any right which the Employing Company may have to terminate the employment of such Participant. Further, by accepting this grant of RSUs, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Corporation, it is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by its terms;
- (b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past;
- (c) all decisions with respect to future RSU grants, if any, will be at the sole discretion of the Committee or its delegate, as applicable;
- (d) the Participant is voluntarily participating in the Plan;
- (e) the RSUs and the Shares subject to the RSUs are extraordinary items which do not constitute compensation of any kind for services of any kind rendered to the Corporation or to the Employing Company, and which are outside the scope of the Participant's employment contract, if any;
- (f) the RSUs and the Shares subject to the RSUs are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, dismissal, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Corporation or the Employing Company or any Subsidiary or affiliate of the Corporation;
- (g) the RSUs and the Shares subject to the RSUs are not intended to replace any pension rights or compensation;
- (h) the grant of RSUs will not be interpreted to form an employment contract or relationship with the Corporation, the Employing Company or any Subsidiary or affiliate of the Corporation;
- (i) the future value of the Shares underlying the RSUs is unknown, indeterminable and cannot be predicted with certainty;
- (j) no claim or entitlement to compensation or damages arises from forfeiture of the RSUs resulting from termination of the Participant's employment by the Corporation or the Employing Company (for any reason whether or not in breach of applicable labor laws or the terms of the Participant's employment agreement, if any), and in consideration of the grant of the RSUs to which the Participant is not otherwise entitled, the Participant irrevocably agrees never to institute any claim against the Corporation or the Employing Company, waives his or her ability, if any, to bring any such claim, and releases the Corporation and the Employing Company from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agreed to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- (k) it is the Participant's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the issuance and delivery of Shares pursuant to the vesting of the RSUs;
- (l) the Corporation and the Employing Company are not providing any tax, legal or financial advice, nor are the Corporation or the Employing Company making any recommendations regarding the Participant's participation in the Plan or the Participant's acquisition or sale of the Shares underlying the RSUs;
- (m) the Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan;
- (n) unless otherwise provided in the Plan or by the Corporation in its discretion, the RSUs and the benefits evidenced by this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Corporation; and
- (o) the following provisions apply only if the Participant is providing services outside the United States:
 - (i) the RSU and Shares subject to the RSU are not part of normal or expected compensation or salary for any purpose; and
 - (ii) the Participant acknowledges and agrees that neither the Corporation, the Employing Company nor any Subsidiary or affiliate of the Corporation shall be liable for any foreign exchange rate fluctuation between the local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to Participant pursuant to the settlement of the RSUs or the subsequent sale of any Shares acquired upon settlement.

14. Data Privacy:

(a) The Participant hereby explicitly, unambiguously and voluntarily consents to the collection, use, disclosure and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other RSUs materials (“Data”) by and among, as applicable, any Employing Company and the Corporation for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan.

(b) The Participant understands that any Employing Company and the Corporation may collect, maintain, process and disclose certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Corporation, details of all equity awards or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering, and managing the Plan.

(c) The Participant acknowledges that Data will be transferred to any broker as designated by the Corporation and/or one or more stock plan service provider(s) selected by the Corporation, which may assist the Corporation with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient’s country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Corporation and any other possible recipients that may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares acquired upon vesting of the RSUs.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable laws, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these RSUs, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with any Employing Company and the Corporation will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Corporation will not be able to grant him or her RSUs under the Plan or administer or maintain RSUs. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain these RSUs). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

15. Electronic Delivery: The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means or request the Participant’s consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Corporation intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Corporation. The Participant consents to the electronic delivery of the Plan documents and the Agreement. The Participant acknowledges that he or she may receive from the Corporation a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Corporation by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Corporation or any designated third-party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Corporation of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

16. Code Section 409A: It is the intent that the vesting or the payments of RSUs set forth in this Agreement shall either qualify for exemption from or comply with the requirements of Section 409A, and any ambiguities herein will be interpreted to so comply. The Corporation reserves the right, to the extent the Corporation deems necessary or advisable in its sole discretion, to unilaterally amend or modify this Agreement as may be necessary to ensure that all vesting or settlements provided under this Agreement are made in a manner that qualifies for exemption from or complies with Section 409A; provided, however, that the Corporation makes no representation that the vesting or settlement of RSUs provided under this Agreement will be exempt from Section 409A and makes no undertaking to preclude Section 409A from applying to the vesting or settlement of RSUs provided under this Agreement. In the event that any payment to a U.S. taxpayer or Participant otherwise subject to U.S. taxation, with respect to an RSU is considered to be based upon separation from service, and not compensation the Participant could receive without separating from service, then such amounts may not be paid until the first business day of the seventh month following the date of the Participant’s termination if the Participant is a “specified employee” under Section 409A of the Code upon his separation from service.

17. Severability: In the event that any provision in this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

18. Language: If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

19. Governing Law and Venue: This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the conflicts of laws thereof.

For purposes of litigating any dispute that arises under this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania, and agree that such litigation shall be conducted in the courts of Allegheny County, Pennsylvania, or the federal courts for the United States for the Western District of Pennsylvania, where this grant is made and/or to be performed.

20. Exhibit C: Notwithstanding any provisions in this Agreement, the RSUs shall be subject to any special terms and conditions set forth in Exhibit C to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in Exhibit C, the special terms and conditions for such country will apply to the Participant, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan.

21. Insider Trading Restrictions/Market Abuse Laws: The Participant acknowledges that, depending on the Participant's country of residence, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to acquire or sell Shares or rights to Shares (e.g., RSUs) under the Plan during such times as the Participant is considered to have "inside information" regarding the Corporation (as defined by any applicable laws in the Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy maintained by the Corporation. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable restrictions, and the Participant is advised to speak to his or her personal advisor on this matter.

22. Imposition of Other Requirements: The Corporation reserves the right to impose other requirements on the Participant's participation in the Plan, on the RSUs and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

23. Headings: Headings of paragraphs and sections used in this Agreement are for convenience only and are not part of this Agreement, and must not be used in construing it.

24. Waiver: The Participant acknowledges that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant.

25. Definitions: In addition to the capitalized terms defined in the Plan, the following terms as used herein shall have the following meanings when used with initial capital letters:

- a) "Termination" shall mean the applicable employee's termination of employment. For purposes of this Agreement, (i) for U.S. taxpayers, Termination and words of similar effect shall be construed consistent with a "separation from service" under Section 409A of the Code to the extent required by Section 409A of the Code, and (ii) for non-U.S. taxpayers, Termination and words of similar effect shall mean that the Participant is no longer actively employed by an Employing Company, without regard to any notice period (i.e., active employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any).

EXHIBIT A

Confidentiality and Proprietary Rights Agreement

This Confidentiality and Proprietary Rights Agreement (“**Agreement**”) is attached as Exhibit A to, and incorporated as a part of, the United States Steel Corporation Restricted Stock Unit Grant Agreement (“**RSU Agreement**”) and is applicable to the Participant named in the RSU Agreement to the extent provided in Section 11 of the RSU Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the RSU Agreement is described as the “**Employee**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. Protection of Confidential Information.

(a) **Confidential Information.** The Employee understands and acknowledges that during the course of employment by the Employer, the Employee will have access to and learn about non-public, confidential, secret, and proprietary documents, materials, data, and other information, in tangible and intangible form, of and relating to the Employer and its businesses and existing and prospective customers, suppliers, investors, and other associated third parties (“**Confidential Information**”).

For purposes of this Agreement, Confidential Information is broadly defined in the Company policy on Protection of Confidential Information and includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, publications, documents, research, operations, services, strategies, techniques, agreements, contracts, transactions, negotiations, know-how, trade secrets, computer programs, applications, databases, manuals, records, articles, supplier information, vendor information, financial information, legal information, marketing information, pricing information, credit information, design information, payroll information, staffing information, personnel information, developments, internal controls, sales information, algorithms, product plans, designs, inventions, unpublished patent applications, original works of authorship, discoveries, experimental processes and results, specifications, manufacturing information of the Employer or its businesses or any existing or prospective customer, supplier, investor, or other associated third party, or of any other person or entity that has entrusted information to the Employer in confidence.

Confidential Information shall not include information that is generally available to and known by the public, provided that such disclosure to the public is through no direct or indirect fault of the Employee or person(s) acting on the Employee's behalf.

(b) **Disclosure and Use Restrictions.**

(i) Employee agrees:

(A) to treat all Confidential Information as strictly confidential and to use such Confidential Information only for the benefit of the Company and as required by Employee's job responsibilities;

(B) not to directly or indirectly disclose, publish, communicate, or make available Confidential Information, or allow it to be disclosed, published, communicated, or made available, in whole or part, to any entity or person whatsoever not having a need to know and authority to know and use the Confidential Information in connection with the business of the Employer and, in any event, not to anyone outside of the direct employ of the Employer except as required in the performance of any of the Employee's authorized employment duties to the Employer and only after execution of a confidentiality agreement (such as a Non-Disclosure Agreement) by the third party with whom Confidential Information will be shared;

(C) not to copy any documents, records, files, media, or other resources containing any Confidential Information, or remove any such documents, records, files, media, or other resources from the premises or control of the Employer, except as required in the performance of any of the Employee's authorized employment duties to the Employer or with the prior consent of an authorized officer acting on behalf of the Employer in each instance; and

(D) to return all copies of Confidential Information, and any other property of Employer, to Employer upon termination of employment.

(ii) The Employee understands and acknowledges that the Employee's obligations under this Agreement with regard to any particular Confidential Information shall commence immediately upon his acceptance of the RSU Agreement and shall continue during and after the termination of Employee's employment by the Employer, until such time as such Confidential Information has become public knowledge other than as a result of the Employee's breach of this Agreement or breach by those acting in concert with the Employee or on the Employee's behalf.

(c) **Permitted Disclosures.** Employee understands that the foregoing confidentiality provisions do not prohibit Employee from providing truthful information in good faith to any federal or state governmental agency, entity or official investigating an alleged violation of federal or state law or regulation or when Employee makes other disclosures that are protected under the whistleblower provisions of federal or state law. The Employee acknowledges receipt of Employer's policy regarding Reports by Employees of Illegal or Unethical Conduct setting forth Employer's reporting policy

for a suspected violation of law; and the Protection of Confidential Information policy setting forth permissible disclosure of trade secrets if reporting alleged violations of law.

2. Protection of Proprietary Rights.

(a) **Work Product.** The Employee acknowledges and agrees that all writings, works of authorship, technology, inventions, discoveries, ideas and other work product of any nature whatsoever, that are created, prepared, produced, authored, edited, amended, conceived, or reduced to practice by the Employee, individually or jointly with others, during the period of the Employee's employment by the Employer, and relating in any way to the business or contemplated business, research, or development of the Employer and all printed, physical, and electronic copies, all improvements, rights, and claims related to the foregoing, and other tangible embodiments thereof (collectively, "**Work Product**"), as well as any and all rights in and to copyrights, trade secrets, trademarks (and related goodwill), patents, and other intellectual property rights therein arising in any jurisdiction throughout the world and all related rights of priority under international conventions with respect thereto, including all pending and future applications and registrations therefor, and continuations, divisions, continuations-in-part, reissues, extensions, and renewals thereof (collectively, "**Intellectual Property Rights**"), shall be the sole and exclusive property of the Employer. The Employee further acknowledges that the Employee has been provided a copy of the U. S. Steel Patent Rules and the Employee agrees to be bound by and adhere to the U. S. Steel Patent Rules.

(b) **Work Made for Hire; Assignment.** The Employee acknowledges that, by reason of being employed by the Employer at the relevant times, to the extent permitted by law, all of the Work Product consisting of copyrightable subject matter is "work made for hire" as defined in the Copyright Act of 1976 (17 U.S.C. § 101), and such copyrights are therefore owned by the Employer. To the extent that the foregoing does not apply, the Employee hereby irrevocably assigns to the Employer, for no additional consideration, the Employee's entire right, title and interest in and to all Work Product and Intellectual Property Rights therein, including the right to sue, counterclaim, and recover for all past, present, and future infringement, misappropriation, or dilution thereof, and all rights corresponding thereto throughout the world.

(c) **Further Assurances; Power of Attorney.** During and after the Employee's employment, the Employee agrees to reasonably cooperate with the Employer to (i) apply for, obtain, perfect, and transfer to the Employer the Work Product and Intellectual Property Rights in the Work Product in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Employer any and all applications, oaths, declarations, affidavits, waivers, assignments, and other documents and instruments as shall be requested by the Employer. The Employee hereby irrevocably grants the Employer power of attorney to execute and deliver any such documents on the Employee's behalf in the Employee's name and to do all other lawfully permitted acts to transfer the Work Product to the Employer and further the transfer, issuance, prosecution, and maintenance of all Intellectual Property Rights therein, to the full extent permitted by law, if the Employee does not promptly cooperate with the Employer's request (without limiting the rights the Employer shall have in such circumstances by operation of law). The power of attorney is coupled with an interest and shall not be impacted by the Employee's subsequent incapacity.

(d) **Moral Rights.** To the extent any copyrights are assigned under this Agreement, the Employee hereby irrevocably waives, to the extent permitted by applicable law, any and all claims the Employee may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as "moral rights" with respect to all Work Product and all Intellectual Property Rights therein.

(e) **No License.** The Employee understands that this Agreement does not, and shall not be construed to, grant the Employee any license or right of any nature with respect to any Work Product or Intellectual Property Rights or any Confidential Information, materials, software, or other tools made available to the Employee by the Employer.

3. **Security.** The Employee agrees to comply with all Employer security and access policies and procedures, including but not limited to the Code of Ethical Business Conduct, the policy on Use and Protection of Company Computer Systems and Intellectual Property, the policy on Protection of Confidential Information, and Cyber Security Procedure A026 regarding Acceptable Use of Computing Resources.

4. **Certification.** By accepting this Agreement, employee certifies that Employee: (a) has not and will not use or disclose to the Company any confidential information and/or trade secrets belonging to others, including any prior employers; (b) will not use any prior inventions made by employee and which the Company is not legally entitled to learn of or use; and (c) is not subject to any prior agreements that would prevent Employee from fully performing his or her duties for the Company.

5. **Acknowledgment.** Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

6. **Remedies.** The Employee acknowledges that the Employer's Confidential Information and the Employer's ability to reserve it for the exclusive knowledge and use of the Employer is of great competitive importance and commercial value to the Employer, and that improper use or disclosure of the Confidential Information by the Employee will cause irreparable harm to the Employer, for which remedies at law will not be adequate. In the event of a breach or threatened breach by the Employee of any of the provisions of this Agreement, the Employee hereby consents and agrees that the Employer shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages, or other available forms of relief.

7. **Protections for Affiliates and Subsidiaries.** This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

8. **Successors and Assigns.**

(a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.

(b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.

9. **Governing Law.** This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.

10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.

13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT B

Non-Competition Agreement

This Non-Competition Agreement (“**Agreement**”) is attached as Exhibit B to, and incorporated as a part of, the United States Steel Corporation Restricted Stock Unit Grant Agreement (“**RSU Agreement**”) and is applicable to the Participant named in the RSU Agreement to the extent provided in Section 11 of the RSU Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the RSU Agreement is described as the “**Employee**”, “**me**” or “**I**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. **Definitions.**

- (a) “Competing Products” means products or services sold by the Company, or any prospective product or service the Company took steps to develop for which I had any responsibility during the 24 months preceding the termination of my employment.
- (b) “Restricted Territory” means the geographic territory (i) within sixty miles of the area in which I worked or (ii) over which I had responsibility or (iii) that the nature and scope of my duties could have affected, during the 24 months preceding the termination of my employment, whichever is greatest. Restricted territory may be national or global depending on the nature of my duties and the knowledge acquired in the performance of those duties.

2. **Non-Competition.** During my employment and for 12 months after termination of my employment for any reason, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) own any business (other than less than 5% ownership in a publicly traded company) that sells Competing Products in the Restricted Territory; or
- (b) work in the Restricted Territory for any person or entity that sells Competing Products, in any role.

3. **Non-Solicitation Of Customers & Employees.** During my employment and for 12 months after termination of my employment, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) solicit or accept business from any customer or prospective customer of the Company with whom I had contact during the last 24 months of my employment, for purposes of offering or accepting goods or services similar to or competitive with those offered by the Company; or
- (b) solicit or hire any employee or independent contractor of the Company, who worked for the Company during the 6 months preceding termination of my employment, to work for me or my new employer.

For purposes of this section, solicit means:

- (a) Any comments, conduct or activity that would influence a customer’s decision to continue doing business with the Company, regardless of who initiates contact; and/or
- (b) Any comments, conduct or activity that would influence an employee’s decision to resign his employment with the Company or accept employment with my new company, regardless of who initiates contact.

4. **Acknowledgment.** Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

5. **Change of Position.** If the Employer changes Employee’s position or title with the Employer, or transfers Employee from one affiliate to another, this Agreement and Employee’s obligations hereunder will remain in force.

6. **Protections for Affiliates and Subsidiaries.** This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

7. **Successors and Assigns.**

- (a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.
- (b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.

8. **Governing Law.** This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.
9. **Injunctive Relief and Attorney's Fees.** Employee agrees that in the event Employee breaches this Agreement, the Company will be irreparably harmed and entitled to an injunction restraining any further breach, in addition to any other rights to which it is entitled. Further, Employee will be responsible for all attorneys' fees, costs and expenses incurred by the Company to enforce this Agreement in the event that the Employee breaches the Agreement. Additionally, any time periods for restrictions set forth in Paragraph 2 above will be extended by an amount of time equal to the duration of any time period during which Employee is in violation of this Agreement.
10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.
11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.
12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the Agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.
13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT C

Additional Terms and Conditions of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Restricted Stock Unit Grant Agreement

TERMS AND CONDITIONS

This Exhibit C includes additional terms and conditions that govern the RSUs granted to the Participant under the Plan if he or she works or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the RSUs are granted, the Corporation shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Participant. Certain capitalized terms used but not defined in this Exhibit C have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit C also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the laws in effect in the applicable countries as of January 2021. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information in this Exhibit C as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Participant vests in the RSUs or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of a particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the RSUs are granted, the information contained herein may not be applicable.

SLOVAK REPUBLIC

NOTIFICATIONS

Foreign Assets Reporting Information. If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, podnikateľ), the Participant will be obligated to report his or her foreign assets (including any foreign securities such as Shares acquired under the Plan) to the National Bank of Slovakia if the value of the foreign assets exceeds a certain legally designated amount. These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

Furthermore, if the above preconditions are met (i.e., permanent residence in the Slovak Republic and entrepreneurial activities in addition to the employment), the Participant will be obliged to report certain additional information under Section 34b of Act No. 566/1992 Coll. on National Bank of Slovakia as amended. This information is mostly of general nature and contains personal identification data of the Participant - place and date of birth, birth certificate number, academic degree, etc., as well as telephone and fax number and e-mail address of the Participant, if any.

Securities Disclaimer. The grant of the RSUs is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the Slovak Republic.

Personal Data Protection. The national identification number (in Slovak: rodné číslo) may be used for identification of the Participant only if required to achieve the determined purpose of processing. It is forbidden to make the national identification number public; the only exception is when the data subject made the national identification number public by itself.

UNITED KINGDOM

NOTIFICATIONS

Securities Disclosure. The grant of the RSUs is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the United Kingdom. The Agreement is not an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA") and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The Plan and the RSUs are exclusively available in the UK to bona fide employees and former employees and any other UK subsidiary of the Corporation.

Taxation. The RSUs are not intended to be qualified for purposes of taxation or National Insurance Contributions applicable in the United Kingdom.

Tax Consultation. Participant understands that he or she may suffer adverse tax consequences as a result of Participant's acquisition or disposition of the Shares. Participant represents that he or she will consult with any tax advisors that Participant deems appropriate in connection with the acquisition or disposition of the Shares and that Participant is not relying on the Employing Company and the Corporation for any tax advice.

UNITED KINGDOM, EUROPEAN UNION AND EUROPEAN ECONOMIC AREA

For Participants who reside in the United Kingdom, European Union or the European Economic Area, the following provisions replace the Data Privacy provisions in Section 14 of the Agreement.

(a) **Data Collected and Purposes of Collection.** The Participant understands that the Corporation, acting as controller, as well as the Employing Company, may collect, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the RSUs (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification number, salary, nationality, job title, employment location, any Shares or directorships held in the Corporation (but only where needed for legal or tax compliance), any other information necessary to process mandatory tax withholding and reporting, details of all RSUs granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable Service termination date and reason for termination (all such personal information is referred to as "**Data**"). The Data is collected from the Participant, any Employing Company and the Corporation, for the exclusive purpose of implementing, administering and managing the Plan pursuant to the terms of this Agreement. The legal basis (that is, the legal justification) for processing the Data is to perform this Agreement. The Data must be provided in order for the Participant to participate in the Plan and for the parties to this Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Agreement.

(b) **Transfers and Retention of Data.** The Participant acknowledges and understands that the Employing Company will transfer Data to the Corporation for purposes of plan administration. The Employing Company and the Corporation may also transfer the Participant's Data to other service providers (such as accounting firms, payroll processing firms or tax firms), as may be selected by the Corporation in the future, to assist the Corporation with the implementation, administration and management of this Agreement. The Participant understands that the recipients of the Data may be located in the United States, a country that does not benefit from an adequacy decision issued by the European Commission and is not listed by the Swiss supervisory authority as a country with adequate data protection legislation. Where a recipient is located in a country that does not benefit from an adequacy decision or adequacy listing, the transfer of the Data to that recipient will be made pursuant to European Commission-approved standard contractual clauses when required by applicable law, a copy of which may be obtained by contacting dataprotection@sk.uss.com or complianceofficer@uss.com. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's rights and obligations under this Agreement, and for the duration of the relevant statutes of limitations, which may be longer than the term of this Agreement.

(c) **The Participant's Rights in Respect of Data.** The Corporation will take steps in accordance with applicable legislation to keep Data accurate, complete and up-to-date. The Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). The Participant also has the right to request access to his or her Data as well as additional information about the processing of that Data. Further, the Participant is entitled to object to the processing of Data or have the Participant's Data erased, under certain circumstances. As from May 25, 2018, and subject to conditions set forth in applicable law, the Participant also is entitled to (i) restrict the processing of his or her Data so that it is stored but not actively processed (e.g., while the Corporation assesses whether the Participant is entitled to have Data erased) and (ii) receive a copy of the Data provided pursuant to this Agreement or generated by the Participant, in a common machine-readable format. To exercise his or her rights, the Participant may contact the local human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint. The data protection officer may be contacted at dataprotection@sk.uss.com.

United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Restricted Stock Unit Grant Agreement

United States Steel Corporation, a Delaware Corporation (herein called the "Corporation"), grants to the employee of the employing company identified below (the "Participant") the number of Restricted Stock Units ("RSUs") set forth below, each of which is a bookkeeping entry representing the equivalent in value of one share of the class of common stock of the Corporation set forth below:

Name of Participant:	PARTICIPANT NAME
Name of Employing Company on Date Hereof:	(the company recognized by the Corporation as employing the Participant)
Number of RSUs Granted:	# RSUs
Date of Grant:	GRANT DATE

By accepting this Award in any manner and within the time period prescribed by the Corporation, the Participant agrees that (1) these RSUs are granted under and governed by the terms and conditions of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan, as the same may be amended from time to time (the "Plan") and the provisions of this Restricted Stock Unit Grant Agreement, including (i) the Terms and Conditions contained herein, (ii) if applicable to the Participant under Section 11 hereof, the Confidentiality and Proprietary Rights Agreement attached as Exhibit A and the Non-Competition Agreement attached as Exhibit B, and (iii) any special provisions for the Participant's country of residence set out on Exhibit C (collectively, the "Agreement"), (2) he or she has reviewed the Plan and the Agreement in their entirety, and (3) he or she has had an opportunity to obtain the advice of counsel prior to accepting this Award and fully understands all provisions of the Plan and the Agreement.

United States Steel Corporation

By: _____
Authorized Officer

Terms and Conditions

1. **Award:** The Corporation has granted to the Participant the number of RSUs set forth in this Agreement. Each RSU represents the right to receive one share of the Corporation's common stock (a "Share") on the date specified in Section 6 below in settlement of each RSU that has vested as provided in Sections 3, 4 or 5 below. Unless and until the RSUs are vested in the manner set forth in Section 3, 4 or 5 below, the Participant will have no right to settlement of any such RSUs or any right to receive any Shares. Prior to settlement of any vested RSUs, such RSUs will represent an unsecured obligation of the Corporation, payable (if at all) only from the general assets of the Corporation.

2. **Restriction Period:** The restriction period with regard to the RSUs shall commence on the date the RSUs are granted and end on the date the RSUs are settled as provided in Section 6 below. During the restriction period, the Participant shall not sell, transfer, assign, pledge or otherwise encumber or dispose of any portion of the RSUs, and any attempt to sell, transfer, assign, pledge or encumber any portion of the RSUs prior to the end of the restriction period shall have no effect. During the restriction period, the Participant shall not be entitled to vote any Shares that may be received upon settlement of any vested RSUs and shall not receive dividends paid on those Shares. The Participant shall be entitled to receive dividend equivalents in cash; provided, however, the dividend equivalents shall not vest or be paid to the Participant unless and to the extent the underlying RSUs vest as provided in Section 3, 4 or 5 of this Agreement.

3. **Change in Control:** If the Participant's employment is terminated within two years following a Change in Control involuntarily (except for Cause) or, in the case of a Participant designated by the Corporation as executive management at the time of the Change in Control ("Executive Management"), voluntarily for Good Reason, each unvested RSU will immediately vest, except as otherwise determined by the Corporation with respect to any Participant who is not Executive Management.

4. **Termination of Employment:** The full unvested Number of RSUs Granted will immediately vest upon the Participant's death during employment or upon Termination of employment due to becoming Disabled or on or after attainment of Normal Retirement Age, and a prorated Number of RSUs Granted that are scheduled to vest during the current Vesting Year will vest upon Termination of employment on or after attainment of Early Retirement Age or Termination under circumstances which would qualify the Participant for benefits under a severance plan of the Corporation, including execution of any general release required under the severance plan, based upon the number of complete months worked during the Vesting Year in which such Termination of employment occurs. Except as provided in Section 3, in this Section 4 and in Section 5, all unvested RSUs will be forfeited automatically upon any other Termination of employment (including but not limited to any voluntary termination by the Participant or any Termination by the Corporation or the Employing Company for Cause or without Cause), such forfeiture being without consideration or without further action required of the Corporation or Employing Company.

5. **Vesting:** Subject to Sections 3 and 4, the RSUs shall vest as follows: (a) upon the first anniversary of the Date of Grant, one-third of the Number of RSUs Granted shall vest, provided that the Participant is employed by an Employing Company on such anniversary, (b) upon the second anniversary of the Date of Grant, an additional one-third of the Number of RSUs Granted shall vest, provided that the Participant is employed by an Employing Company

on such anniversary, and (c) upon the third anniversary of the Date of Grant, the remaining one-third of the Number of RSUs Granted shall vest, provided that the Participant is employed by an Employing Company on such anniversary. All fractional unvested RSUs, if any, resulting from the ratable vesting shall vest as whole RSUs upon the latest vesting date.

Except as provided in Sections 3 and 4 of this Agreement, notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in the event of the Participant's Termination of employment, regardless of the reason for such Termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any, the Participant's right to vest in the RSUs, if any, will terminate effective as of the date that the Participant is no longer actively employed by an Employing Company and will not be extended by any notice period (i.e., active employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any). The Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed for purposes of the RSUs.

6. Settlement: RSUs that have vested shall be paid in Shares, along with any dividend equivalents with respect to those vested RSUs, within 45 days after the applicable vesting date, provided, however, that any RSUs that vest as a result of attainment of Normal Retirement Age shall be paid as if those RSUs had vested pursuant to Section 5, subject to Section 16 hereof. The Corporation shall have no obligation to issue Shares unless and until the Participant has satisfied any applicable tax withholding obligations pursuant to Section 12 below and such issuance otherwise complies with all applicable law. Upon vesting and settlement of the RSUs, Shares shall be delivered free of all restrictions on transferability or forfeiture except for restrictions required by applicable laws and/or regulations, and issued in the Participant's name (or, in the event of the Participant's death prior to such termination or such issuance, to the Participant's estate) for the number of Shares subject to vested RSUs. The Participant shall not be entitled to delivery of any portion of the Shares until the corresponding portion of the RSUs has vested.

7. Adjustments and Recoupment: The number of RSUs awarded is subject to adjustment as provided in Section 8 of the Plan. The Participant shall be notified of such adjustment and such adjustment shall be binding upon the Corporation and the Participant. This Award shall be administered in accordance with, and is subject to, any recoupment policies and provisions prescribed by the Plan; including but not limited to Section 7.07 thereof and all clawback and recoupment policies or provisions required by law from time to time. In its sole discretion, the Committee shall have the authority to amend, waive or apply the terms of any clawback or recoupment policies or provisions, to the extent necessary or advisable to comply with applicable laws, as determined by the Committee.

8. Interpretation and Amendments: This Award, the vesting and delivery of RSUs and the issuance of Shares upon vesting are subject to, and shall be administered in accordance with, the provisions of the Plan, as the same may be amended by the Committee from time to time, provided that no amendment may, without the consent of the Participant, affect the rights of the Participant under this Award in a materially adverse manner. For purposes of the foregoing sentence, an amendment that affects the tax treatment of the RSUs or that is necessary to comply with securities or other laws applicable to the issuance of Shares shall not be considered as affecting the Participant's rights in a materially adverse manner. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Plan. In the event of a conflict between the Plan and this Agreement, unless this Agreement specifies otherwise, the Plan shall control.

9. Compliance with Laws: The obligations of the Corporation and the rights of the Participant are subject to all applicable laws, rules and regulations including, without limitation, the U.S. Securities Exchange Act of 1934, as amended; the U.S. Securities Act of 1933, as amended; the U.S. Internal Revenue Code of 1986, as amended; and any other applicable U.S. and foreign laws. No Shares will be issued or delivered to the Participant under the Plan unless and until there has been compliance with such applicable laws.

10. Acceptance of Award: This Award is contingent on the Participant's acceptance of the Award in the manner and within the time period established by the Corporation. The Award shall be forfeited without further action by the Corporation and shall not be payable if it is not accepted by the Participant in the manner and within the time period established by the Corporation.

11. Confidentiality and Non-Competition: If a Participant is employed in the United States in a position below the rank of Senior Vice President of the Corporation on the Date of Grant, then the Participant agrees and understands that (a) by accepting this Award the Participant shall be bound by and subject to the terms of the Confidentiality and Proprietary Rights Agreement attached to this Agreement and incorporated herein as Exhibit A and, to the extent permitted by law, the terms and conditions of the Non-Competition Agreement attached to this Agreement and incorporated herein as Exhibit B; provided, however, that the Non-Competition Agreement shall not be applicable to those Participants employed by Big River Steel ("BRS") or Vice Presidents of the Corporation who are subject to similar noncompete provisions in prior agreements outside of the Plan with BRS or the Corporation, as applicable, and (b) notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in addition to any other remedies available at law, all unvested RSUs will be forfeited immediately and without further action by the Corporation in the event the Participant fails to comply with or breaches any of the obligations and restrictions under Exhibits A or B of this Agreement.

12. Withholding Taxes: The Participant acknowledges that, regardless of any action taken by the Corporation or the Employing Company, the ultimate liability for any or all income tax, social security, payroll tax, payment on account or other tax-related withholding or liability in connection with any aspect of the RSUs, including the grant, vesting, or settlement of the RSUs or the subsequent sale of Shares ("Tax-Related Items") is and remains his or her responsibility and may exceed the amount withheld by the Corporation or the Employing Company. Furthermore, the Participant acknowledges that the Corporation and/or the Employing Company (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of the RSUs or any aspect of the Participant's participation in the Plan to reduce or eliminate his or her liability for Tax-Related Items or to achieve any particular tax result. Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Participant acknowledges that the Corporation and/or the Employing Company (or former Employing Company, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable event, the Participant shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employing Company to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Corporation and/or the Employing Company, or their respective

agents, at their discretion, to satisfy the obligations with regard to all applicable Tax-Related Items by one or a combination of the following methods: (1) withholding from Participant's wages or other cash compensation paid to Participant by the Corporation and/or the Employing Company; (2) withholding from proceeds of the sale of Shares issued upon vesting of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Corporation (on Participant's behalf pursuant to this authorization) through such means as the Corporation may determine in its sole discretion (whether through a broker or otherwise); or (3) withholding in Shares to be issued upon vesting of the RSUs. If the Corporation gives the Participant the power to choose the withholding method, and the Participant does not make a choice, then the Corporation will at its discretion withhold in Shares as stated in alternative (3) herein.

To avoid negative accounting treatment, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Corporation withholds at a rate other than the minimum statutory rate, such as the maximum withholding rate, then the refund of any over-withheld amount shall be paid in cash and the Participant will have no entitlement to the Common Stock equivalent. If the Tax-Related Items are satisfied by withholding in Shares issuable upon vesting of the RSUs, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the RSUs, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. Finally, the Participant shall pay to the Corporation or the Employing Company, any amount of Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan. The Participant understands that no Shares or proceeds from the sale of Shares shall be delivered to Participant, notwithstanding the lapse of the restrictions on the RSUs, unless and until the Participant shall have satisfied any obligation for Tax-Related Items with respect thereto.

Notwithstanding anything in this Section 12 to the contrary, if the RSUs are considered nonqualified deferred compensation subject to Section 409A, the fair market value of the Shares withheld together with the amount of cash withheld may not exceed the liability for Tax-Related Items.

13. Nature of the Award: Nothing herein shall be construed as giving the Participant any right to be retained in the employ of an Employing Company or affect any right which the Employing Company may have to terminate the employment of such Participant. Further, by accepting this grant of RSUs, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Corporation, it is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by its terms;
- (b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past;
- (c) all decisions with respect to future RSU grants, if any, will be at the sole discretion of the Committee or its delegatee, as applicable;
- (d) the Participant is voluntarily participating in the Plan;
- (e) the RSUs and the Shares subject to the RSUs are extraordinary items which do not constitute compensation of any kind for services of any kind rendered to the Corporation or to the Employing Company, and which are outside the scope of the Participant's employment contract, if any;
- (f) the RSUs and the Shares subject to the RSUs are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, dismissal, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Corporation or the Employing Company or any Subsidiary or affiliate of the Corporation;
- (g) the RSUs and the Shares subject to the RSUs are not intended to replace any pension rights or compensation;
- (h) the grant of RSUs will not be interpreted to form an employment contract or relationship with the Corporation, the Employing Company or any Subsidiary or affiliate of the Corporation;
- (i) the future value of the Shares underlying the RSUs is unknown, indeterminable and cannot be predicted with certainty;
- (j) no claim or entitlement to compensation or damages arises from forfeiture of the RSUs resulting from termination of the Participant's employment by the Corporation or the Employing Company (for any reason whether or not in breach of applicable labor laws or the terms of the Participant's employment agreement, if any), and in consideration of the grant of the RSUs to which the Participant is not otherwise entitled, the Participant irrevocably agrees never to institute any claim against the Corporation or the Employing Company, waives his or her ability, if any, to bring any such claim, and releases the Corporation and the Employing Company from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agreed to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- (k) it is the Participant's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the issuance and delivery of Shares pursuant to the vesting of the RSUs;
- (l) the Corporation and the Employing Company are not providing any tax, legal or financial advice, nor are the Corporation or the Employing Company making any recommendations regarding the Participant's participation in the Plan or the Participant's acquisition or sale of the Shares underlying the RSUs;
- (m) the Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan;
- (n) unless otherwise provided in the Plan or by the Corporation in its discretion, the RSUs and the benefits evidenced by this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Corporation; and
- (o) the following provisions apply only if the Participant is providing services outside the United States:
 - (i) the RSU and Shares subject to the RSU are not part of normal or expected compensation or salary for any purpose; and
 - (ii) the Participant acknowledges and agrees that neither the Corporation, the Employing Company nor any Subsidiary or affiliate of the Corporation shall be liable for any foreign exchange rate fluctuation between the local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to Participant pursuant to the settlement of the RSUs or the subsequent sale of any Shares acquired upon settlement.

14. Data Privacy:

(a) The Participant hereby explicitly, unambiguously and voluntarily consents to the collection, use, disclosure and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other RSUs materials ("Data") by and among, as applicable, any Employing Company and the Corporation for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan.

(b) The Participant understands that any Employing Company and the Corporation may collect, maintain, process and disclose certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Corporation, details of all equity awards or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering and managing the Plan.

(c) The Participant acknowledges that Data will be transferred to any broker as designated by the Corporation and/or one or more stock plan service provider(s) selected by the Corporation, which may assist the Corporation with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Corporation and any other possible recipients that may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares acquired upon vesting of the RSUs.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable laws, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these RSUs, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with any Employing Company and the Corporation will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Corporation will not be able to grant him or her RSUs under the Plan or administer or maintain RSUs. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain these RSUs). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

15. Electronic Delivery: The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Corporation intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Corporation. The Participant consents to the electronic delivery of the Plan documents and the Agreement. The Participant acknowledges that he or she may receive from the Corporation a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Corporation by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Corporation or any designated third-party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Corporation of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

16. Code Section 409A: It is the intent that the vesting or the payments of RSUs set forth in this Agreement shall either qualify for exemption from or comply with the requirements of Section 409A, and any ambiguities herein will be interpreted to so comply. The Corporation reserves the right, to the extent the Corporation deems necessary or advisable in its sole discretion, to unilaterally amend or modify this Agreement as may be necessary to ensure that all vesting or settlements provided under this Agreement are made in a manner that qualifies for exemption from or complies with Section 409A; provided, however, that the Corporation makes no representation that the vesting or settlement of RSUs provided under this Agreement will be exempt from Section 409A and makes no undertaking to preclude Section 409A from applying to the vesting or settlement of RSUs provided under this Agreement. In the event that any payment to a U.S. taxpayer or Participant otherwise subject to U.S. taxation, with respect to an RSU is considered to be based upon separation from service, and not compensation the Participant could receive without separating from service, then such amounts may not be paid until the first business day of the seventh month following the date of the Participant's termination if the Participant is a "specified employee" under Section 409A of the Code upon his separation from service.

17. Severability: In the event that any provision in this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

18. Language: If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

19. Governing Law and Venue: This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the conflicts of laws thereof. For purposes of litigating any dispute that arises under this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania, and agree that such litigation shall be conducted in the courts of

Allegheny County, Pennsylvania, or the federal courts for the United States for the Western District of Pennsylvania, where this grant is made and/or to be performed.

20. Exhibit C: Notwithstanding any provisions in this Agreement, the RSUs shall be subject to any special terms and conditions set forth in Exhibit C to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in Exhibit C, the special terms and conditions for such country will apply to the Participant, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan.

21. Insider Trading Restrictions/Market Abuse Laws: The Participant acknowledges that, depending on the Participant's country of residence, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to acquire or sell Shares or rights to Shares (e.g., RSUs) under the Plan during such times as the Participant is considered to have "inside information" regarding the Corporation (as defined by any applicable laws in the Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy maintained by the Corporation. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable restrictions, and the Participant is advised to speak to his or her personal advisor on this matter.

22. Imposition of Other Requirements: The Corporation reserves the right to impose other requirements on the Participant's participation in the Plan, on the RSUs and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

23. Headings: Headings of paragraphs and sections used in this Agreement are for convenience only and are not part of this Agreement, and must not be used in construing it.

24. Waiver: The Participant acknowledges that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant.

25. Definitions: In addition to the capitalized terms defined in the Plan, the following terms as used herein shall have the following meanings when used with initial capital letters:

- (a) "Early Retirement Age" shall mean the Participant's (1) attainment of age 55 and completion of ten (10) years of service with the Corporation or an Employing Company, or (2) completion of thirty (30) years of service with the Corporation or an Employing Company.
- (b) "Normal Retirement Age" shall mean, with respect only to a Participant who is a U.S. employee and is not a participant in the United States Steel Corporation Supplemental Pension Program, the later of (1) six (6) months following the Date of Grant, or (2) the earlier of (i) attainment of age 65, or (ii) attainment of age 60 and completion of five (5) years of service with the Corporation or an Employing Company.
- (c) "Termination" shall mean the applicable employee's termination of employment. For purposes of this Agreement, (i) for U.S. taxpayers, Termination and words of similar effect shall be construed consistent with a "separation from service" under Section 409A of the Code to the extent required by Section 409A of the Code, and (ii) for non-U.S. taxpayers, Termination and words of similar effect shall mean that the Participant is no longer actively employed by an Employing Company, without regard to any notice period (i.e., active employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any).
- (d) "Vesting Year" shall mean, with respect to the period prior to the third anniversary of the Date of Grant, each one-year period commencing on the Date of Grant or the first or second anniversary thereof, as applicable, and ending on the next following anniversary of the Date of Grant.

EXHIBIT A

Confidentiality and Proprietary Rights Agreement

This Confidentiality and Proprietary Rights Agreement (“**Agreement**”) is attached as Exhibit A to, and incorporated as a part of, the United States Steel Corporation Restricted Stock Unit Grant Agreement (“**RSU Agreement**”) and is applicable to the Participant named in the RSU Agreement to the extent provided in Section 11 of the RSU Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the RSU Agreement is described as the “**Employee**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. Protection of Confidential Information.

(a) **Confidential Information.** The Employee understands and acknowledges that during the course of employment by the Employer, the Employee will have access to and learn about non-public, confidential, secret, and proprietary documents, materials, data, and other information, in tangible and intangible form, of and relating to the Employer and its businesses and existing and prospective customers, suppliers, investors, and other associated third parties (“**Confidential Information**”).

For purposes of this Agreement, Confidential Information is broadly defined in the Company policy on Protection of Confidential Information and includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, publications, documents, research, operations, services, strategies, techniques, agreements, contracts, transactions, negotiations, know-how, trade secrets, computer programs, applications, databases, manuals, records, articles, supplier information, vendor information, financial information, legal information, marketing information, pricing information, credit information, design information, payroll information, staffing information, personnel information, developments, internal controls, sales information, algorithms, product plans, designs, inventions, unpublished patent applications, original works of authorship, discoveries, experimental processes and results, specifications, manufacturing information of the Employer or its businesses or any existing or prospective customer, supplier, investor, or other associated third party, or of any other person or entity that has entrusted information to the Employer in confidence.

Confidential Information shall not include information that is generally available to and known by the public, provided that such disclosure to the public is through no direct or indirect fault of the Employee or person(s) acting on the Employee's behalf.

(b) **Disclosure and Use Restrictions.**

(i) **Employee agrees:**

(A) **to treat all Confidential Information as strictly confidential and to use such Confidential Information only for the benefit of the Company and as required by Employee's job responsibilities;**

(B) **not to directly or indirectly disclose, publish, communicate, or make available Confidential Information, or allow it to be disclosed, published, communicated, or made available, in whole or part, to any entity or person whatsoever not having a need to know and authority to know and use the Confidential Information in connection with the business of the Employer and, in any event, not to anyone outside of the direct employ of the Employer except as required in the performance of any of the Employee's authorized employment duties to the Employer and only after execution of a confidentiality agreement (such as a Non-Disclosure Agreement) by the third party with whom Confidential Information will be shared;**

(C) **not to copy any documents, records, files, media, or other resources containing any Confidential Information, or remove any such documents, records, files, media, or other resources from the premises or control of the Employer, except as required in the performance of any of the Employee's authorized employment duties to the Employer or with the prior consent of an authorized officer acting on behalf of the Employer in each instance; and**

(D) **to return all copies of Confidential Information, and any other property of Employer, to Employer upon termination of employment.**

(ii) **The Employee understands and acknowledges that the Employee's obligations under this Agreement with regard to any particular Confidential Information shall commence immediately upon his acceptance of the RSU Agreement and shall continue during and after the termination of Employee's employment by the Employer, until such time as such Confidential Information has become public knowledge other than as a result of the Employee's breach of this Agreement or breach by those acting in concert with the Employee or on the Employee's behalf.**

(c) **Permitted Disclosures.** Employee understands that the foregoing confidentiality provisions do not prohibit Employee from providing truthful information in good faith to any federal or state governmental agency, entity or official investigating an alleged violation of federal or state law or regulation or when Employee makes other disclosures that are protected under the whistleblower provisions of federal or state law. The Employee acknowledges receipt of Employer's policy regarding Reports by Employees of Illegal or Unethical Conduct setting forth Employer's reporting policy

for a suspected violation of law; and the Protection of Confidential Information policy setting forth permissible disclosure of trade secrets if reporting alleged violations of law.

2. **Protection of Proprietary Rights.**

(a) **Work Product.** The Employee acknowledges and agrees that all writings, works of authorship, technology, inventions, discoveries, ideas and other work product of any nature whatsoever, that are created, prepared, produced, authored, edited, amended, conceived, or reduced to practice by the Employee, individually or jointly with others, during the period of the Employee's employment by the Employer, and relating in any way to the business or contemplated business, research, or development of the Employer and all printed, physical, and electronic copies, all improvements, rights, and claims related to the foregoing, and other tangible embodiments thereof (collectively, "**Work Product**"), as well as any and all rights in and to copyrights, trade secrets, trademarks (and related goodwill), patents, and other intellectual property rights therein arising in any jurisdiction throughout the world and all related rights of priority under international conventions with respect thereto, including all pending and future applications and registrations therefor, and continuations, divisions, continuations-in-part, reissues, extensions, and renewals thereof (collectively, "**Intellectual Property Rights**"), shall be the sole and exclusive property of the Employer. The Employee further acknowledges that the Employee has been provided a copy of the U. S. Steel Patent Rules and the Employee agrees to be bound by and adhere to the U. S. Steel Patent Rules.

(b) **Work Made for Hire; Assignment.** The Employee acknowledges that, by reason of being employed by the Employer at the relevant times, to the extent permitted by law, all of the Work Product consisting of copyrightable subject matter is "work made for hire" as defined in the Copyright Act of 1976 (17 U.S.C. § 101), and such copyrights are therefore owned by the Employer. To the extent that the foregoing does not apply, the Employee hereby irrevocably assigns to the Employer, for no additional consideration, the Employee's entire right, title and interest in and to all Work Product and Intellectual Property Rights therein, including the right to sue, counterclaim, and recover for all past, present, and future infringement, misappropriation, or dilution thereof, and all rights corresponding thereto throughout the world.

(c) **Further Assurances; Power of Attorney.** During and after the Employee's employment, the Employee agrees to reasonably cooperate with the Employer to (i) apply for, obtain, perfect, and transfer to the Employer the Work Product and Intellectual Property Rights in the Work Product in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Employer any and all applications, oaths, declarations, affidavits, waivers, assignments, and other documents and instruments as shall be requested by the Employer. The Employee hereby irrevocably grants the Employer power of attorney to execute and deliver any such documents on the Employee's behalf in the Employee's name and to do all other lawfully permitted acts to transfer the Work Product to the Employer and further the transfer, issuance, prosecution, and maintenance of all Intellectual Property Rights therein, to the full extent permitted by law, if the Employee does not promptly cooperate with the Employer's request (without limiting the rights the Employer shall have in such circumstances by operation of law). The power of attorney is coupled with an interest and shall not be impacted by the Employee's subsequent incapacity.

(d) **Moral Rights.** To the extent any copyrights are assigned under this Agreement, the Employee hereby irrevocably waives, to the extent permitted by applicable law, any and all claims the Employee may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as "moral rights" with respect to all Work Product and all Intellectual Property Rights therein.

(e) **No License.** The Employee understands that this Agreement does not, and shall not be construed to, grant the Employee any license or right of any nature with respect to any Work Product or Intellectual Property Rights or any Confidential Information, materials, software, or other tools made available to the Employee by the Employer.

3. **Security.** The Employee agrees to comply with all Employer security and access policies and procedures, including but not limited to the Code of Ethical Business Conduct, the policy on Use and Protection of Company Computer Systems and Intellectual Property, the policy on Protection of Confidential Information, and Cyber Security Procedure A026 regarding Acceptable Use of Computing Resources.

4. **Certification.** By accepting this Agreement, employee certifies that Employee: (a) has not and will not use or disclose to the Company any confidential information and/or trade secrets belonging to others, including any prior employers; (b) will not use any prior inventions made by employee and which the Company is not legally entitled to learn of or use; and (c) is not subject to any prior agreements that would prevent Employee from fully performing his or her duties for the Company.

5. **Acknowledgment.** Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

6. **Remedies.** The Employee acknowledges that the Employer's Confidential Information and the Employer's ability to reserve it for the exclusive knowledge and use of the Employer is of great competitive importance and commercial value to the Employer, and that improper use or disclosure of the Confidential Information by the Employee will cause irreparable harm to the Employer, for which remedies at law will not be adequate. In the event of a breach or threatened breach by the Employee of any of the provisions of this Agreement, the Employee hereby consents and agrees that the Employer shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages, or other available forms of relief.

7. **Protections for Affiliates and Subsidiaries.** This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

8. **Successors and Assigns.**

(a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.

(b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.

9. **Governing Law.** This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.

10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.

13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT B

Non-Competition Agreement

This Non-Competition Agreement (“**Agreement**”) is attached as Exhibit B to, and incorporated as a part of, the United States Steel Corporation Restricted Stock Unit Grant Agreement (“**RSU Agreement**”) and is applicable to the Participant named in the RSU Agreement to the extent provided in Section 11 of the RSU Agreement. For purposes of this Agreement, United States Steel Corporation and its subsidiaries or affiliates are described as the “**Employer**” or “**Company**”, the Participant named in the RSU Agreement is described as the “**Employee**”, “**me**” or “**I**”, and the Employer and the Employee are collectively referred to herein as the “**Parties**”.

1. Definitions.

- (a) “Competing Products” means products or services sold by the Company, or any prospective product or service the Company took steps to develop for which I had any responsibility during the 24 months preceding the termination of my employment.
- (b) “Restricted Territory” means the geographic territory (i) within sixty miles of the area in which I worked or (ii) over which I had responsibility or (iii) that the nature and scope of my duties could have affected, during the 24 months preceding the termination of my employment, whichever is greatest. Restricted territory may be national or global depending on the nature of my duties and the knowledge acquired in the performance of those duties.

2. Non-Competition. During my employment and for 12 months after termination of my employment for any reason, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) own any business (other than less than 5% ownership in a publicly traded company) that sells Competing Products in the Restricted Territory; or
- (b) work in the Restricted Territory for any person or entity that sells Competing Products, in any role.

3. Non-Solicitation of Customers & Employees. During my employment and for 12 months after termination of my employment, I will not directly or indirectly, on behalf of myself or in conjunction with any other person or entity:

- (a) solicit or accept business from any customer or prospective customer of the Company with whom I had contact during the last 24 months of my employment, for purposes of offering or accepting goods or services similar to or competitive with those offered by the Company; or
- (b) solicit or hire any employee or independent contractor of the Company, who worked for the Company during the 6 months preceding termination of my employment, to work for me or my new employer.

For purposes of this section, solicit means:

- (a) Any comments, conduct or activity that would influence a customer’s decision to continue doing business with the Company, regardless of who initiates contact; and/or
- (b) Any comments, conduct or activity that would influence an employee’s decision to resign his employment with the Company or accept employment with my new company, regardless of who initiates contact.

4. Acknowledgment. Nothing in this Agreement shall alter the at-will status of the employment relationship between the Employer and the Employee, pursuant to which either the Employer or the Employee may terminate the employment relationship at any time, with or without cause, and with or without notice.

5. Change of Position. If the Employer changes Employee’s position or title with the Employer, or transfers Employee from one affiliate to another, this Agreement and Employee’s obligations hereunder will remain in force.

6. Protections for Affiliates and Subsidiaries. This Agreement is intended to benefit all Company subsidiaries and affiliates for which Employee performs services, has customer contact, or about which Employee receives Confidential Information. Therefore, any subsidiary or affiliate of Employer that may be adversely affected by a breach may enforce this Agreement regardless of which entity employs Employee at the time.

7. Successors and Assigns.

- (a) The Employer may assign this Agreement to any subsidiary or corporate affiliate, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all the business or assets of the Employer. This Agreement shall inure to the benefit of the Employer and permitted successors and assigns.
- (b) No Assignment by the Employee. The Employee may not assign this Agreement or any part hereof. Any purported assignment by the Employee shall be null and void from the initial date of purported assignment.

8. **Governing Law.** This Agreement, for all purposes, shall be construed in accordance with the laws of Pennsylvania without regard to conflicts-of-law principles.
9. **Injunctive Relief and Attorney's Fees.** Employee agrees that in the event Employee breaches this Agreement, the Company will be irreparably harmed and entitled to an injunction restraining any further breach, in addition to any other rights to which it is entitled. Further, Employee will be responsible for all attorneys' fees, costs and expenses incurred by the Company to enforce this Agreement in the event that the Employee breaches the Agreement. Additionally, any time periods for restrictions set forth in Paragraph 2 above will be extended by an amount of time equal to the duration of any time period during which Employee is in violation of this Agreement.
10. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all the understandings and representations between the Employee and the Employer pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.
11. **Modification and Waiver.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by a duly authorized officer of the Employer (other than the Employee). No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.
12. **Severability.** If any portion of this Agreement shall be held unenforceable, the parties agree that a court of competent jurisdiction may modify the Agreement (by adding or removing language) or sever unenforceable provisions in order to render this Agreement enforceable to the fullest extent permitted by law.
13. **Captions.** Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

EXHIBIT C

Additional Terms and Conditions of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Restricted Stock Unit Grant Agreement

TERMS AND CONDITIONS

This Exhibit C includes additional terms and conditions that govern the RSUs granted to the Participant under the Plan if he or she works or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the RSUs are granted, the Corporation shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Participant. Certain capitalized terms used but not defined in this Exhibit C have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit C also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the laws in effect in the applicable countries as of January 2021. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information in this Exhibit C as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Participant vests in the RSUs or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of a particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the RSUs are granted, the information contained herein may not be applicable.

SLOVAK REPUBLIC

NOTIFICATIONS

Foreign Assets Reporting Information. If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, podnikateľ), the Participant will be obligated to report his or her foreign assets (including any foreign securities such as Shares acquired under the Plan) to the National Bank of Slovakia if the value of the foreign assets exceeds a certain legally designated amount. These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

Furthermore, if the above preconditions are met (i.e., permanent residence in the Slovak Republic and entrepreneurial activities in addition to the employment), the Participant will be obliged to report certain additional information under Section 34b of Act No. 566/1992 Coll. on National Bank of Slovakia as amended. This information is mostly of general nature and contains personal identification data of the Participant - place and date of birth, birth certificate number, academic degree, etc., as well as telephone and fax number and e-mail address of the Participant, if any.

Securities Disclaimer. The grant of the RSUs is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the Slovak Republic.

Personal Data Protection. The national identification number (in Slovak: rodné číslo) may be used for identification of the Participant only if required to achieve the determined purpose of processing. It is forbidden to make the national identification number public; the only exception is when the data subject made the national identification number public by itself.

UNITED KINGDOM

NOTIFICATIONS

Securities Disclosure. The grant of the RSUs is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the United Kingdom. The Agreement is not an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA") and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The Plan and the RSUs are exclusively available in the UK to bona fide employees and former employees and any other UK subsidiary of the Corporation.

Taxation. The RSUs are not intended to be qualified for purposes of taxation or National Insurance Contributions applicable in the United Kingdom.

Tax Consultation. Participant understands that he or she may suffer adverse tax consequences as a result of Participant's acquisition or disposition of the Shares. Participant represents that he or she will consult with any tax advisors that Participant deems appropriate in connection with the acquisition or disposition of the Shares and that Participant is not relying on the Employing Company and the Corporation for any tax advice.

UNITED KINGDOM, EUROPEAN UNION AND EUROPEAN ECONOMIC AREA

For Participants who reside in the United Kingdom, European Union or the European Economic Area, the following provisions replace the Data Privacy provisions in Section 14 of the Agreement.

(a) **Data Collected and Purposes of Collection.** The Participant understands that the Corporation, acting as controller, as well as the Employing Company, may collect, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the RSUs (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification number, salary, nationality, job title, employment location, any Shares or directorships held in the Corporation (but only where needed for legal or tax compliance), any other information necessary to process mandatory tax withholding and reporting, details of all RSUs granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable service termination date and reason for termination (all such personal information is referred to as "**Data**"). The Data is collected from the Participant, any Employing Company and the Corporation, for the exclusive purpose of implementing, administering and managing the Plan pursuant to the terms of this Agreement. The legal basis (that is, the legal justification) for processing the Data is to perform this Agreement. The Data must be provided in order for the Participant to participate in the Plan and for the parties to this Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Agreement.

(b) **Transfers and Retention of Data.** The Participant acknowledges and understands that the Employing Company will transfer Data to the Corporation for purposes of plan administration. The Employing Company and the Corporation may also transfer the Participant's Data to other service providers (such as accounting firms, payroll processing firms or tax firms), as may be selected by the Corporation in the future, to assist the Corporation with the implementation, administration and management of this Agreement. The Participant understands that the recipients of the Data may be located in the United States, a country that does not benefit from an adequacy decision issued by the European Commission and is not listed by the Swiss supervisory authority as a country with adequate data protection legislation. Where a recipient is located in a country that does not benefit from an adequacy decision or adequacy listing, the transfer of the Data to that recipient will be made pursuant to European Commission-approved standard contractual clauses when required by applicable law, a copy of which may be obtained by contacting dataprotection@sk.uss.com or complianceofficer@uss.com. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's rights and obligations under this Agreement, and for the duration of the relevant statutes of limitations, which may be longer than the term of this Agreement.

(c) **The Participant's Rights in Respect of Data.** The Corporation will take steps in accordance with applicable legislation to keep Data accurate, complete and up-to-date. The Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). The Participant also has the right to request access to his or her Data as well as additional information about the processing of that Data. Further, the Participant is entitled to object to the processing of Data or have the Participant's Data erased, under certain circumstances. As from May 25, 2018, and subject to conditions set forth in applicable law, the Participant also is entitled to (i) restrict the processing of his or her Data so that it is stored but not actively processed (e.g., while the Corporation assesses whether the Participant is entitled to have Data erased) and (ii) receive a copy of the Data provided pursuant to this Agreement or generated by the Participant, in a common machine-readable format. To exercise his or her rights, the Participant may contact the local human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint. The data protection officer may be contacted at dataprotection@sk.uss.com.

United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Share Award Grant Agreement

United States Steel Corporation, a Delaware Corporation (herein called the "Corporation"), grants to the employee of the employing company identified below (the "Participant") a Performance Share Award representing the right to receive a specified number of shares of the common stock of the Corporation ("Shares") set forth below, which right, if payable, shall be paid in Shares:

Name of Participant:	PARTICIPANT NAME
Name of Employing Company on Date Hereof:	(the company recognized by the Corporation as employing the Participant)
Target Number of Shares Subject to Award:	# SHARES
Maximum Number of Shares Subject to Award:	(Two times the Number of Shares Subject to the Award)
Performance Period:	January 1, 2021 through December 31, 2023
Performance Goals:	(See Exhibit A, attached)
Date of Grant:	GRANT DATE

By accepting this Award in any manner and within the time period prescribed by the Corporation, the Participant agrees that (1) this Performance Share Award is granted under and governed by the terms and conditions of the Corporation's 2016 Omnibus Incentive Compensation Plan, as amended from time to time (the "Plan"), and the provisions of this Performance Share Award Grant Agreement, including the Terms and Conditions contained herein, the Performance Goals set forth in Exhibit A attached hereto, and the special provisions for the Participant's country of residence, if any, attached hereto as Exhibit B (collectively, the "Agreement"), (2) he or she has reviewed the Plan and the Agreement in their entirety, and (3) he or she has had an opportunity to obtain the advice of counsel prior to accepting this Award and fully understands all provisions of the Plan and the Agreement.

United States Steel Corporation

By: _____
Authorized Officer

Terms and Conditions

1. Grant of Performance Share Award: The Performance Period for purposes of determining whether the Performance Goals have been met shall be the three-year Performance Period specified herein. The Performance Goals for purposes of determining whether, and the extent to which, the Performance Share Award is earned and payable are set forth in Exhibit A to this Agreement. Subject to the provisions of this Agreement, the Performance Share Award shall become payable, if vested, following the Committee's determination and certification after the end of the Performance Period, as to whether and the extent to which the Performance Goals have been achieved; provided that the Committee retains no discretion to reduce or increase Performance Share Awards that become payable as a result of performance measured against the Performance Goals.

2. Payment of Award: If and to the extent the Performance Share Award is vested, earned and payable, the Corporation shall cause a stock certificate to be issued in the Participant's name, for no cash consideration, for the number of shares of common stock of the Corporation determined by the Committee to be payable pursuant to paragraph 1 hereof. Payment shall be made following the end of the Performance Period and certification by the Committee, and in no event more than two and one-half months following the end of the calendar year in which the Performance Period ends, except as otherwise provided in Section 11. No dividends or dividend equivalents shall be payable with respect to the Performance Share Award before the Performance Goal has been achieved and the Performance Share Award has been determined to be earned.

3. Transferability: The Participant shall not sell, transfer, assign, pledge or otherwise encumber or dispose of any portion of the Performance Share Award and the right to receive Shares, and any attempt to sell, transfer, assign, pledge or encumber any portion of the Shares prior to the payment, if at all, of a stock certificate in the name of the Participant shall have no effect, regardless of whether voluntary, involuntary, by operation of law or otherwise.

4. Change in Control: Notwithstanding anything to the contrary stated herein, in the case of a Change in Control of the Corporation, (a) the Performance Period shall automatically end on the business day immediately preceding the closing date of the Change in Control, (b) the actual performance for the abbreviated Performance Period as calculated below shall be measured against the established Performance Goals, the performance criteria shall be deemed satisfied only to the extent the actual performance was achieved (the "Achieved Performance Share Award"), and the balance of the Performance Share Award, if any, shall be forfeited, and (c) the Achieved Performance Share Award shall remain subject to forfeiture until the third anniversary of the Date of Grant of this Performance Share Award if the Participant's employment is terminated after the Change in Control but before the third anniversary of the Date of Grant; provided, however, notwithstanding Section 5, (i) if the Participant's employment is terminated by the Corporation other than for Cause or is terminated voluntarily by the Participant for Good Reason in the case of participants designated as executive management at the time of the Change in

Control (“Executive Management”), within 24 months following a Change in Control, then, except as otherwise determined by the Corporation if the Participant is not Executive Management, the Achieved Performance Share Award shall not be forfeited upon such Termination; rather, the Achieved Performance Share Award shall vest immediately upon the termination, (ii) if the Participant’s employment is terminated by reason of death, due to the Participant becoming Disabled, or following attainment of Normal Retirement Age, then the Achieved Performance Share Award shall not be forfeited upon such Termination; rather, the Achieved Performance Share Award shall vest immediately upon such Termination; and (iii) if the Participant’s employment is terminated following attainment of Early Retirement Age, then a prorated portion of the Achieved Performance Share Award will vest, based upon the number of complete months worked during the original Performance Period in relation to the number of whole months in the original Performance Period and the remainder shall be forfeited. The Corporation’s actual performance for the abbreviated Performance Period shall be calculated as follows: completed measurement periods shall be measured against the established Performance Goals and the performance criteria shall be deemed satisfied only to the extent the actual performance was achieved; and incomplete measurement periods shall be deemed achieved at the established target Performance Goal.

5. Vesting: To vest in this Performance Share Award, the Participant must continue as an active employee of an Employing Company during the Performance Period and through the date on which the Committee certifies whether the Performance Goal relating to the Performance Period has been achieved, subject to the following:

- (a) In the event of a Termination of the Participant’s employment due to death or becoming Disabled, the Performance Share Award will become vested in accordance with the following Schedule:

Termination	Vested Percentage
During First Year of Performance Period	0%
During Second Year of Performance Period	50%
During Third Year of Performance Period	100%

- (b) The Performance Share Award will immediately vest upon the Participant’s attainment of Normal Retirement Age.
(c) The Performance Share Award will vest based upon the number of complete months worked by the Participant during the Performance Period, in the event of a Participant’s termination of employment during the Performance Period on or after attainment of Early Retirement Age or under circumstances which would qualify the Participant for benefits under a severance plan of the Corporation, including execution of any general release required under the severance plan.
(d) The Performance Share Award will be forfeited automatically upon any other Termination of employment (including but not limited to any voluntary termination by the Participant or any Termination by the Corporation or the Employing Company for Cause or without Cause) prior to the date on which the Committee certifies whether the Performance Goal relating to the Performance Period has been achieved, such forfeiture being without consideration or without further action required of the Corporation or Employing Company.

6. Termination of Employment: Notwithstanding any other terms or conditions of the Plan or this Agreement to the contrary, in the event of the Participant’s Termination of employment, regardless of the reason for such Termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant’s employment agreement, if any, the Participant’s rights under this Agreement will terminate effective as of the date that the Participant is no longer actively employed by an Employing Company and will not be extended by any notice period. For purposes of the Performance Share Award, active employment does not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant’s employment agreement, if any. The Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed for purposes of the Performance Share Award.

7. Adjustments and Recoupment: The Target and Maximum number of Shares are subject to adjustment as provided in Section 8 of the Plan. The Participant shall be notified of such adjustment and such adjustment shall be binding upon the Corporation and the Participant. Consistent with Section 8 of this Agreement, this Award shall be administered in accordance with, and is subject to, any recoupment policies and provisions prescribed by the Plan at the time of such Award; notwithstanding the foregoing, this Award shall be subject to all recoupment provisions required by law from time to time. In its sole discretion, the Committee shall have the authority to amend, waive or apply the terms of any recoupment policies or provisions not required by law, in whole or in part, to the extent necessary or advisable to comply with applicable local laws, as determined by the Committee.

8. Interpretation and Amendments: This Award and the issuance, vesting and delivery of Shares are subject to, and shall be administered in accordance with, the provisions of the Plan. No amendment of this Agreement or the Plan may, without the consent of the Participant, affect the rights of the Participant under this Award in a materially adverse manner. For purposes of the foregoing sentence, an amendment that affects the tax treatment of the Performance Share Award or that is necessary to comply with securities or other laws applicable to the issuance of Shares shall not be considered as affecting the Participant’s rights in a materially adverse manner. In the event of a conflict between the Plan and this Agreement, unless this Agreement specifies otherwise, the Plan shall control. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Plan.

9. Compliance with Laws: The obligations of the Corporation and the rights of the Participant are subject to all applicable laws, rules and regulations including, without limitation, the U.S. Securities Exchange Act of 1934, as amended; the U.S. Securities Act of 1933, as amended; the U.S. Internal Revenue Code of 1986, as amended; and any other applicable laws, whether U.S. origin or otherwise. No Shares will be issued or delivered to the Participant under the Plan unless and until there has been compliance with such applicable laws.

10. Acceptance of Award: The Award shall not be payable unless it is accepted by the Participant and notice of such acceptance is received by the Corporation.

11. Taxes/Section 409A: The Participant acknowledges that, regardless of any action taken by the Corporation or the Employing Company, the ultimate liability for any or all income tax, social security, payroll tax, payment on account or other tax-related withholding or liability in connection with any aspect of the Performance Share Award, including the grant, vesting, or settlement of the Performance Share Award or the subsequent sale of Shares

("Tax-Related Items") is and remains his or her responsibility and may exceed the amount withheld by the Corporation or the Employing Company. Furthermore, the Participant acknowledges that the Corporation and/or the Employing Company (a) make no representations or undertakings regarding the treatment of any Tax-Related Items; and (b) do not commit to and are under no obligation to structure the terms of the grant of the Performance Share Award or any aspect of the Participant's participation in the Plan to reduce or eliminate his or her liability for Tax-Related Items or to achieve any particular tax result. Further, if the Participant has become subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Participant acknowledges that the Corporation and/or the Employing Company (or former Employing Company, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable event, the Participant shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employing Company to satisfy all Tax-Related Items of the Corporation and/or the Employing Company. In this regard, the Participant shall pay any Tax-Related Items directly to the Corporation or the Employing Company in cash upon request. In addition, the Participant authorizes the Corporation and/or the Employing Company, or their respective agents, at their discretion, to satisfy the obligations with regard to all applicable Tax-Related Items by one or a combination of the following methods: (1) withholding from Participant's wages or other cash compensation paid to Participant by the Corporation and/or the Employing Company; (2) withholding from proceeds of the sale of Shares issued upon payment of the Performance Share Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Participant's behalf pursuant to this authorization) through such means as the Corporation may determine in its sole discretion (whether through a broker or otherwise); or (3) withholding in Shares to be issued upon payment of the Performance Share Award. If the Corporation gives the Participant the power to choose the withholding method, and the Participant does not make a choice, then the Corporation will at its discretion withhold in Shares as stated in alternative (3) herein.

To avoid negative accounting treatment, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Corporation withholds at a rate other than the minimum statutory rate, such as the maximum withholding rate, then the refund of any over-withheld amount shall be paid in cash and the Participant will have no entitlement to the Common Stock equivalent. If the Tax-Related Items are satisfied by withholding in Shares issuable upon vesting of the Performance Share Award, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Performance Share Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. Finally, the Participant shall pay to the Corporation or the Employing Company any amount of Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan. The Participant understands that no Shares or proceeds from the sale of Shares shall be delivered to Participant, notwithstanding the vesting of the Performance Share Award, unless and until the Participant shall have satisfied any obligation for Tax-Related Items with respect thereto.

Notwithstanding anything in this Section 11 to the contrary, if the Performance Share Award is considered nonqualified deferred compensation, the fair market value of the shares withheld together with the amount of cash withheld may not exceed the liability for Tax-Related Items.

It is the intent that the vesting or the payments of this Performance Share Award shall either qualify for exemption from or comply with the requirements of Section 409A of the Code ("Section 409A"), and any ambiguities herein will be interpreted to so comply. The Corporation reserves the right, to the extent the Corporation deems necessary or advisable in its sole discretion, to unilaterally amend or modify this Agreement as may be necessary to ensure that all vesting or settlements provided under this Agreement are made in a manner that qualifies for exemption from or complies with Section 409A; provided, however, that the Corporation makes no representation that the vesting or settlement of the Performance Share Award provided under this Agreement will be exempt from Section 409A and makes no undertaking to preclude Section 409A from applying to the vesting or settlement of Performance Share Awards provided under this Agreement. In the event that any payment to a U.S. taxpayer or Participant otherwise subject to U.S. taxation, with respect to a Performance Share Award is considered to be based upon separation from service, and not compensation the Participant could receive without separating from service, then such amounts may not be paid until the first business day of the seventh month following the date of the Participant's termination if the Participant is a "specified employee" under Section 409A of the Code upon his separation from service.

12. Nature of the Award: Nothing herein shall be construed as giving Participant any right to be retained in the employ of an Employing Company or affect any right that the Employing Company may have to terminate the employment of such Participant. Further, by accepting this Performance Share Award, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Corporation, it is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by its terms;
- (b) the grant of the Performance Share Award is voluntary and occasional and does not create any contractual or other right to receive future Performance Awards, or benefits in lieu of Performance Awards, even if Performance Awards have been granted in the past;
- (c) all decisions with respect to future Performance Award grants, if any, will be at the sole discretion of the Committee;
- (d) the Participant is voluntarily participating in the Plan;
- (e) the Performance Share Award and the Shares subject to the Performance Share Award are extraordinary items which do not constitute compensation of any kind for services of any kind rendered to the Corporation or to the Employing Company, and which are outside the scope of the Participant's employment contract, if any;
- (f) the Performance Share Award and the Shares subject to the Performance Share Award are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, dismissal, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Corporation or the Employing Company or any Subsidiary or affiliate of the Corporation;
- (g) the Performance Share Award and the Shares subject to the Performance Share Award are not intended to replace any pension rights or compensation;
- (h) the grant of the Performance Share Award will not be interpreted to form an employment contract or relationship with the Corporation, the Employing Company or any Subsidiary or affiliate of the Corporation;
- (i) the future value of the Shares underlying the Performance Share Award is unknown, indeterminable and cannot be predicted with certainty;
- (j) no claim or entitlement to compensation or damages arises from forfeiture of the Performance Share Award resulting from termination of the Participant's employment by the Corporation or the Employing Company (for any reason whether or not in breach of applicable labor laws or the terms of the Participant's employment agreement, if any), and in consideration of the grant of the Performance Share Award to

which the Participant is not otherwise entitled, the Participant irrevocably agrees never to institute any claim against the Corporation or the Employing Company, waives his or her ability, if any, to bring any such claim, and releases the Corporation and the Employing Company from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agreed to execute any and all documents necessary to request dismissal or withdrawal of such claim;

- (k) it is the Participant's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the issuance and delivery of Shares pursuant to the vesting of the Performance Share Award;
- (l) the Corporation and the Employing Company are not providing any tax, legal or financial advice, nor are the Corporation or the Employing Company making any recommendations regarding the Participant's participation in the Plan or the Participant's acquisition or sale of the Shares underlying the Performance Share Award;
- (m) the Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan;
- (n) unless otherwise provided in the Plan or by the Corporation in its discretion, the Performance Share Award and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Share Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Corporation; and
- (o) the following provisions apply only if the Participant is providing services outside the United States:
 - (i) the Performance Share Award and Shares underlying the Performance Share Award are not part of normal or expected compensation for any purpose; and
 - (ii) the Participant acknowledges and agrees that neither the Corporation nor the Employing Company shall be liable for any foreign exchange rate fluctuation between the local currency and the United States Dollar that may affect the value of the Performance Share Award or 80% of any amounts due to the Participant pursuant to the settlement of the Performance Share Award or the subsequent sale of any Shares acquired upon settlement.

13. Data Privacy:

(a) The Participant hereby explicitly, unambiguously and voluntarily consents to the collection, use, disclosure and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other Performance Share Award materials ("Data") by and among, as applicable, any Employing Company and the Corporation for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan.

(b) The Participant understands that any Employing Company and the Corporation may collect, maintain, process and disclose certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Corporation, details of all equity awards or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering, and managing the Plan.

(c) The Participant acknowledges that Data will be transferred to any broker as designated by the Corporation and/or one or more stock plan service provider(s) selected by the Corporation, which may assist the Corporation with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different, including less stringent, data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Corporation and any other possible recipients that may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares acquired upon vesting of the Performance Share Awards.

(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan, including to maintain records regarding participation. The Participant understands that if he or she resides in certain jurisdictions, to the extent required by applicable laws, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these Performance Share Awards, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a service provider with any Employing Company and the Corporation will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Corporation will not be able to grant him or her Performance Share Awards under the Plan or administer or maintain Performance Share Awards. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain these Performance Share Awards). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.

14. Electronic Delivery: The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Corporation intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Corporation. The Participant consents to the electronic delivery of the Plan documents and the

Agreement. The Participant acknowledges that he or she may receive from the Corporation a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Corporation by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Corporation or any designated third-party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Corporation of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. The Participant agrees that the foregoing online or electronic participation in the Plan shall have the same force and effect as documentation executed in hardcopy written form. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

15. Severability: In the event that any provision in this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

16. Language: If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

17. Governing Law and Venue: This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the conflicts of laws thereof. For purposes of litigating any dispute that arises under this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania, and agree that such litigation shall be conducted in the courts of Allegheny County, Pennsylvania, or the federal courts for the United States for the Western District of Pennsylvania, where this grant is made and/or to be performed.

18. Exhibit B: Notwithstanding any provisions in this Agreement, the Performance Share Award shall be subject to any special terms and conditions set forth in Exhibit B to this Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in Exhibit B, the special terms and conditions for such country will apply to the Participant, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan.

19. Insider Trading Restrictions/Market Abuse Laws: The Participant acknowledges that, depending on the Participant's country of residence, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to acquire or sell Shares or rights to Shares (e.g., Performance Share Awards) under the Plan during such times as the Participant is considered to have "inside information" regarding the Corporation (as defined by any applicable laws in the Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy maintained by the Corporation. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable restrictions, and the Participant is advised to speak to his or her personal advisor on this matter.

20. Imposition of Other Requirements: The Corporation reserves the right to impose other requirements on the Participant's participation in the Plan, on the Performance Share Award and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

21. Headings: Headings of paragraphs and sections used in this Agreement are for convenience only and are not part of this Agreement, and must not be used in construing it.

22. Waiver: The Participant acknowledges that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant.

23. Definitions: In addition to the capitalized terms defined in the Plan, the following terms as used herein shall have the following meanings when used with initial capital letters:

- (a) "Early Retirement Age" shall mean the Participant's (1) attainment of age 55 and completion of ten (10) years of service with the Corporation or an Employing Company, or (2) completion of thirty (30) years of service with the Corporation or an Employing Company.
- (b) "Normal Retirement Age" shall mean, with respect only to a Participant who is a U.S. employee and is not a participant in the United States Steel Corporation Supplemental Pension Program, the later of (1) six (6) months following the Date of Grant, or (2) the earlier of (i) attainment of age 65, or (ii) attainment of age 60 and completion of five (5) years of service with the Corporation or an Employing Company.
- (c) "Termination" shall mean the applicable employee's termination of employment. For purposes of this Agreement, (i) for U.S. taxpayers, Termination and words of similar effect shall be construed consistent with a "separation from service" under Section 409A of the Code to the extent required by Section 409A of the Code, and (ii) for non-U.S. taxpayers, Termination and words of similar effect shall mean that the Participant is no longer actively employed by an Employing Company, without regard to any notice period (i.e., active employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any).

EXHIBIT A

Performance Goals for the Performance Period

			Threshold	Target	Maximum
Performance Goal	U. S. Steel's TSR Performance Relative to Peer Group Companies				
Payment Levels	% of Target Number of Shares Subject to Award	0%	50%	100%	200%

Payout Calculation. Payout shall be based upon the Corporation's TSR compared to the TSR for the companies in the Peer Group using the PERCENTILE function in Microsoft Excel to determine the TSR value at the threshold, target, and maximum award levels.

- (a) The payout shall be determined as follows: 20% of the Award based on the Annual TSR for each separate one-year measurement period in the three-year Performance Period and 40% of the Award based on the Annualized TSR for the measurement period consisting of the full three-year Performance Period. All payouts shall be made following the end of the Performance Period in accordance with Section 2 of the Agreement.
- (b) Interpolation will be used to determine the payout for the actual awards for performance that correlates to an award between threshold and target or target and maximum award levels.
- (c) In calculating the number of shares to be awarded, the Corporation's TSR shall be rounded to the nearest hundredth of a percent, rounding up if the thousandth's place is 5 or more and truncating if the thousandth's place is 4 or less. The related payout rate also shall be calculated to the nearest hundredth's place using the same rounding procedure. Additionally, the calculated number of shares shall be rounded to the nearest whole share, rounding up if the fractional share is 5 tenths or more and truncating the fractional share if it is less than 5 tenths.
- (d) The payout of the total TSR Award shall be capped as shown in the table below based on the Corporation's Annualized TSR for the three-year Performance Period. The Payout Cap shall not apply to the separate measurement periods described in paragraph (a) above or in the event of a Change in Control.

Negative TSR Cap

Corporation's 3-Year Annualized TSR	Payout Cap
0% to -5%	Target
Less than -5% to -10%	Threshold
Less than -10%	No Payout

Definitions.

- (a) Annual TSR = (Final Price + all dividends paid during the applicable measurement period)/Initial Price.
- (b) Annualized TSR = ((Final Price + all dividends paid during the relevant Performance Period)/Initial Price)^(1/3)-1.
- (c) Initial Price = the Average Measurement Period Price for the 20 business days prior to the first business day of the applicable measurement period.
- (d) Final Price = the Average Measurement Period Price for the 20 business days ending on the last business day of the applicable measurement period or, in the event of a Change in Control, the closing price on the business day immediately preceding the closing date of the Change in Control.
- (e) Average Measurement Period Price = the average of the closing stock price for each of the 20 days during a specified 20 business day period.
- (f) Stock prices may be determined using (a) any reputable online stock quote service, such as Yahoo! Finance or Bloomberg, or (b) the financial pages of The Wall Street Journal.

Peer Group:

Olympic Steel Inc.	Reliance Steel & Aluminum Co.
Allegheny Technologies Inc.	Schnitzer Steel Industries, Inc.
Carpenter Technology Corp.	Steel Dynamics Inc.
Cleveland-Cliffs Inc.	

Commercial Metals Company
Nucor Corporation

Timken Steel Corporation
Worthington Industries Inc.

Peer Group Adjustments. At the commencement of the Performance Period, the Committee may determine that specific guidance be considered in connection with possible adjustments to the Peer Group, to include U. S. Steel should the circumstances arise, involved in the calculation of the Corporation's comparative performance with respect to the Performance Goals during the Performance Period. Any such determination will be in addition to, or will amend if it conflicts with, the following guidelines, which will be used in connection with the calculation:

- (a) If a Peer Group Company becomes bankrupt, the bankrupt company will remain in the Peer Group positioned at one level below the lowest performing non-bankrupt Peer Group Company. In the case of multiple bankruptcies, the bankrupt companies will be positioned below the non-bankrupt companies in chronological order by bankruptcy date with the first to be bankrupt at the bottom.
- (b) If a Peer Group Company is acquired by another company or entity, including through a management buy-out or going-private transaction, the acquired Peer Group Company will be removed from the Peer Group for the Performance Period; provided that if the acquired company became bankrupt prior to its acquisition it shall be treated as provided in paragraph (a), above, or if it shall become delisted according to paragraph (e), below, prior to its acquisition it shall be treated as provided in paragraph (e).
- (c) If a Peer Group Company sells, spins-off, or disposes of a portion of its business, the selling Peer Group Company will remain in the Peer Group for the Performance Period unless such disposition(s) results in the disposition of more than 50% of the company's total assets during the Performance Period.
- (d) If a Peer Group Company acquires another company, the acquiring Peer Group Company will remain in the Peer Group for the Performance Period.
- (e) If a Peer Group Company is delisted from either the New York Stock Exchange (NYSE) or the National Association of Securities Dealers Automated Quotations (NASDAQ) such that it is no longer listed on either exchange, such delisted Peer Group Company will remain in the Peer Group positioned at one level below the lowest performing listed company and above the highest ranked bankrupt Peer Group Company. In the case of multiple delistings, the delisted companies will be positioned below the listed and above the bankrupt companies in chronological order by delisting date with the first to be delisted at the bottom of the delisted companies. If a delisted company shall become bankrupt, it shall be treated as provided in paragraph (a), above. If a delisted company shall be later acquired, it shall be treated as a delisted company under this paragraph. If a delisted company shall relist during the Performance Period, it shall remain in its relative delisted position determined under this paragraph.
- (f) If the Corporation's and/or any Peer Group Company's stock splits, such company's TSR performance will be adjusted for the stock split so as not to give an advantage or disadvantage to such company by comparison to the other companies, using the principles set forth in Section 8 of the LTI Plan.
- (g) The adjustments described above shall be applied to each one-year measurement period. Any such adjustment shall not affect the Peer Group for any measurement period completed prior to the occurrence of the adjustment.

EXHIBIT B

Additional Terms and Conditions of the United States Steel Corporation 2016 Omnibus Incentive Compensation Plan Performance Share Award Grant Agreement

TERMS AND CONDITIONS

This Exhibit B includes additional terms and conditions that govern the Performance Share Award granted to the Participant under the Plan if he or she works or resides in one of the countries listed below. If the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the Performance Share Award is granted, the Corporation shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Participant. Certain capitalized terms used but not defined in this Exhibit B have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit B also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the laws in effect in the applicable countries as of January 2021. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information in this Exhibit B as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Participant vests in the Performance Share Award or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of a particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than that in which the Participant is currently working or transfers employment to another country after the Performance Share Award is granted, the information contained herein may not be applicable.

SLOVAK REPUBLIC

NOTIFICATIONS

Foreign Assets Reporting Information. If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, podnikateľ), the Participant will be obligated to report his or her foreign assets (including any foreign securities such as Shares acquired under the Plan) to the National Bank of Slovakia if the value of the foreign assets exceeds a certain legally designated amount. These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

Furthermore, if the above preconditions are met (i.e. permanent residence in the Slovak Republic and entrepreneurial activities in addition to the employment), the Participant will be obliged to report certain additional information under Section 34b of Act No. 566/1992 Coll. on National Bank of Slovakia as amended. This information is mostly of general nature and contains personal identification data of the Participant - place and date of birth, birth certificate number, academic degree, etc., as well as telephone and fax number and e-mail address of the Participant, if any.

Securities Disclaimer. The grant of the Performance Share Award is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the Slovak Republic.

Personal Data Protection. The national identification number (in Slovak: rodné číslo) may be used for identification of the Participant only if required to achieve the determined purpose of processing. It is forbidden to make national identification number public; the only exception is when the data subject made the national identification number public by itself.

UNITED KINGDOM

NOTIFICATIONS

Securities Disclosure. The grant of the Performance Share Award is exempt from the requirement to publish a prospectus under the EU Prospectus Regulation as implemented in the United Kingdom. The Agreement is not an approved prospectus for the purposes of section 85(1) of the Financial Services and Markets Act 2000 ("FSMA") and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan. The Plan and the Performance Share Award are exclusively available in the UK to bona fide employees and former employees and any other UK subsidiary of the Corporation.

Taxation. The Performance Share Award is not intended to be qualified for purposes of taxation or National Insurance Contributions applicable in the United Kingdom.

Tax Consultation. Participant understands that he or she may suffer adverse tax consequences as a result of Participant's acquisition or disposition of the Shares. Participant represents that he or she will consult with any tax advisors that Participant deems appropriate in connection with the acquisition or disposition of the Shares and that Participant is not relying on the Employing Company and the Corporation for any tax advice.

UNITED KINGDOM, EUROPEAN UNION AND EUROPEAN ECONOMIC AREA

For Participants who reside in the United Kingdom, European Union or the European Economic Area, the following provisions replace the Data Privacy provisions in Section 13 of the Agreement.

1. **Data Collected and Purposes of Collection.** The Participant understands that the Corporation, acting as controller, as well as the Employing Company, may collect, to the extent permissible under applicable law, certain personal information about the Participant, including name, home address and telephone number, information necessary to process the Performance Share Awards (e.g., mailing address for a check payment or bank account wire transfer information), date of birth, social insurance number or other identification number, salary, nationality, job title, employment location, any Shares or directorships held in the Corporation (but only where needed for legal or tax compliance), any other information necessary to process mandatory tax withholding and reporting, details of all Performance Share Awards granted, canceled, vested, unvested or outstanding in the Participant's favor, and where applicable service termination date and reason for termination (all such personal information is referred to as "**Data**"). The Data is collected from the Participant, any Employing Company and the Corporation, for the exclusive purpose of implementing, administering and managing the Plan pursuant to the terms of this Agreement. The legal basis (that is, the legal justification) for processing the Data is to perform this Agreement. The Data must be provided in order for the Participant to participate in the Plan and for the parties to this Agreement to perform their respective obligations thereunder. If the Participant does not provide Data, he or she will not be able to participate in the Plan and become a party to this Agreement.

2. **Transfers and Retention of Data.** The Participant acknowledges and understands that the Employing Company will transfer Data to the Corporation for purposes of plan administration. The Employing Company and the Corporation may also transfer the Participant's Data to other service providers (such as accounting firms, payroll processing firms or tax firms), as may be selected by the Corporation in the future, to assist the Corporation with the implementation, administration and management of this Agreement. The Participant understands that the recipients of the Data may be located in the United States, a country that does not benefit from an adequacy decision issued by the European Commission and is not listed by the Swiss supervisory authority as a country with adequate data protection legislation. Where a recipient is located in a country that does not benefit from an adequacy decision or adequacy listing, the transfer of the Data to that recipient will be made pursuant to European Commission-approved standard contractual clauses when required by applicable law, a copy of which may be obtained by contacting dataprotection@sk.uss.com or complianceofficer@uss.com. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's rights and obligations under this Agreement, and for the duration of the relevant statutes of limitations, which may be longer than the term of this Agreement.

3. **The Participant's Rights in Respect of Data.** The Corporation will take steps in accordance with applicable legislation to keep Data accurate, complete and up-to-date. The Participant is entitled to have any inadequate, incomplete or incorrect Data corrected (that is, rectified). The Participant also has the right to request access to his or her Data as well as additional information about the processing of that Data. Further, the Participant is entitled to object to the processing of Data or have the Participant's Data erased, under certain circumstances. As from May 25, 2018, and subject to conditions set forth in applicable law, the Participant also is entitled to (i) restrict the processing of his or her Data so that it is stored but not actively processed (e.g., while the Corporation assesses whether the Participant is entitled to have Data erased) and (ii) receive a copy of the Data provided pursuant to this Agreement or generated by the Participant, in a common machine-readable format. To exercise his or her rights, the Participant may contact the local human resources representative. The Participant may also contact the relevant data protection supervisory authority, as he or she has the right to lodge a complaint. The data protection officer may be contacted at dataprotection@sk.uss.com.

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, David B. Burritt, certify that:

1. I have reviewed this quarterly report on Form 10-Q of United States Steel Corporation;
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 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 most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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 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.

April 30, 2021

/s/ David B. Burritt

David B. Burritt

President and Chief Executive Officer

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Christine S. Breves, certify that:

1. I have reviewed this quarterly report on Form 10-Q of United States Steel Corporation;
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 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 most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) 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 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.

April 30, 2021

/s/ Christine S. Breves

Christine S. Breves

Senior Vice President and Chief Financial Officer

CHIEF EXECUTIVE OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

I, David B. Burritt, President and Chief Executive Officer of United States Steel Corporation, certify that:

- (1) The Quarterly Report on Form 10-Q of United States Steel Corporation for the period ending March 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 the foregoing report fairly presents, in all material respects, the financial condition and results of operations of United States Steel Corporation.

/s/ David B. Burritt

David B. Burritt
President and Chief Executive Officer

April 30, 2021

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to United States Steel Corporation and will be retained by United States Steel Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

CHIEF FINANCIAL OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

I, Christine S. Breves, Senior Vice President and Chief Financial Officer of United States Steel Corporation, certify that:

- (1) The Quarterly Report on Form 10-Q of United States Steel Corporation for the period ending March 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 the foregoing report fairly presents, in all material respects, the financial condition and results of operations of United States Steel Corporation.

/s/ Christine S. Breves

Christine S. Breves

Senior Vice President and Chief Financial Officer

April 30, 2021

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to United States Steel Corporation and will be retained by United States Steel Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

United States Steel Corporation
Mine Safety Disclosure
(Unaudited)

For the quarter ended March 31, 2021

Mine (Federal Mine Safety and Health Administration (MSHA) ID)	Total # of Significant & Substantial violations under §104(a) ^(a)	Total # of orders under §104(b) ^(a)	Total # of unwarrantable failure citations and orders under §104(d) ^(a)	Total # of violations under §110(b)(2) ^(a)	Total # of orders under §107(a) ^(a)	Total dollar value of proposed assessments from MSHA	Total # of mining related fatalities	Received Notice of Pattern of Violations under §104(e) ^(a) (yes/no)?	Received Notice of Potential to have Pattern under §104(e) ^(a) (yes/no)?	Total # of Legal Actions Pending with the Mine Safety and Health Review Commission as of Last Day of Period ^(b)	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Mt. Iron (2100820, 2100282)	40	—	—	—	—	\$474,753	—	no	no	3	3	74
Keewatin (2103352)	5	—	—	—	—	\$—	—	no	no	—	—	4

^(a) References to Section numbers are to sections of the Federal Mine Safety and Health Act of 1977.

^(b) Includes all legal actions pending before the Federal Mine Safety and Health Review Commission, together with the Administrative Law Judges thereof, for each of our iron ore operations. These actions may have been initiated in prior quarters. All of the legal actions were initiated by us to contest citations, orders or proposed assessments issued by the Federal Mine Safety and Health administration, and if we are successful, may result in the reduction or dismissal of those citations, orders or assessments. As of the last day of the period, all 3 legal actions were to contest citations and proposed assessments.