

Side by Side Comparison: Cleveland-Cliffs Tentative Agreement and U. S. Steel Proposals

	Cleveland-Cliffs Tentative Agreement 8/28 (Source: USW Website unless otherwise noted)	U. S. Steel 7/26 Proposal	U. S. Steel 8/30 Proposal
Length of Contract	4 years	4 years	4 years
Wages	8%, 4%, 4%, 4%	3%, 2.5%, 2.5%, 2.5%	3%*, 3%, 3%, 4%
Bonuses	No bonuses	<p>\$4,000 appreciation + \$3,000 ratification (ratification bonus only applied if tentative agreement is reached by 9/1/2022 and ratified shortly thereafter)</p> <p>*Base pay + proposed bonuses amount to a 10% increase on average for the first year (3% base pay + 7% bonus, based on average salary)</p> <p>Follows U. S. Steel’s philosophy of “When We Do Well, You Do Well”</p>	
Profit Sharing	<p>Maintain at ArcelorMittal levels:</p> <p>\$18,226 Total (based on 480 hours/quarter)</p> <p>Recent Profit-Sharing at Burns Harbor</p> <ul style="list-style-type: none"> - Q2-2022: \$5.72/hour - Q1-2022: \$6.90/hour - Q4-2021: \$6.95/hour - Q3-2021: \$9.92/hour - Q2-2021: \$5.74/hour - Q1-2021: \$0.64/hour 	<p>No changes to uncapped U. S. Steel levels:</p> <p>\$66,605 Total (based on 480 hours/quarter)</p> <p>Recent Profit-Sharing at USS</p> <ul style="list-style-type: none"> - Q2-2022: \$30.72/hour - Q1-2022: \$21.03/hour - Q4-2021: \$30.24/hour - Q3-2021: \$34.44/hour - Q2-2021: \$19.59/hour - Q1-2021: \$2.74/hour <p>(The average U. S. Steel employee earned over 3.5 times more in profit sharing)</p> <p>Follows U. S. Steel’s philosophy of “When We Do Well, You Do Well”</p>	
Active Health Care	<ul style="list-style-type: none"> -No premiums -No network changes -No changes to cost sharing like copays, deductibles, coinsurance, out of pocket maximums -Eliminates requirement for spouse to elect coverage 	<ul style="list-style-type: none"> - No premiums and no benefit reductions - Responsibly manage the rising cost of healthcare through programs that secure savings from healthcare providers, not employees, such as the Highmark Blue Cross Blue Shield High Performance Network. - Manage the increasing cost of specialty drugs, which now account for over 47% of total drug spend at U. S. Steel, with responsible co-pay assistance programs such as SaveOn (which the USW has agreed to at Arconic/Alcoa)** - Responsibly manage 3rd party medical and drug costs to help sustain affordable health insurance for the long-term 	

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Holiday	Added Juneteenth	Verbally informed USW we were willing to add Juneteenth to list of Holidays if another holiday was eliminated	Offered to add Juneteenth to list of Holidays in Basic Labor Agreement if another holiday was eliminated
Vacations	After probationary: 1 week 1 yr but less than 5 yrs: 2 wks 5 yrs but less than 15 yrs: 3 wks 15 yrs but less than 24 yrs: 4 wks 24 yrs but less than 30 yrs: 5 wks 30 yrs or more: 6 weeks	No change to industry standard maximum of 5 weeks	
Leaves of Absence	2 weeks paid parental leave, paid time off for victims of domestic abuse	No Change	Under Discussion
Capital Investment	\$4 billion	\$1 billion U. S. Steel already invested \$5.3 billion in USW-represented facilities in the past-five years to modernize equipment, machinery and technology to better serve our customers in the automotive, energy, industrial, appliance and container industries and facilitated greater safety, quality and reliability, which led to greater profit sharing This amount far exceeds the \$2.5 billion investment agreed to in the 2018 Basic Labor Agreement	
Pension	<u>Cleveland-Cliffs defined benefit</u> -Effective 1/1/23, all years of service prior to 1/1/23 will have multiplier of \$115 -Effective 1/1/23, all years of service going forward at multiplier of \$126 <u>Steelworkers Pension Trust</u> -Effective 12/1/22, increase hourly contributions by \$0.50 NOTE: Per Cleveland-Cliffs' 2021 Annual Report, pension plans are underfunded by \$430M (see page 115) (Source: https://www.clevelandcliffs.com/investors/sec-filings/annual-reports)	Maintain current multipliers and Steelworkers Pension Trust contribution levels to help preserve the long-term viability of retirement benefits for our employees and retirees Your retirement benefits are secure NOTE: Per U. S. Steel's 2021 annual report, our pension plan is fully funded (see page 98) (Source: https://investors.ussteel.com/financials/sec-filings/default.aspx)	
Retiree Health Care	Post 2016 hires, raise 401(k) contribution from \$0.65 to \$0.75	No change to current contribution levels of \$0.65	

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S&A (Sickness & Accident)	No change	Provide for a balanced method of reestablishing S&A benefit weeks after returning to work from disability Employees will earn 1 week of future S&A benefits for every 2 weeks worked after returning from disability	

If you have questions about any of our proposals or descriptions, you should direct them to the USW since they are your bargaining representative, and we respect their role in this process.

** <https://www.forbes.com/sites/brucejapsen/2022/05/03/health-plans-brace-for-specialty-drugs-eclipsing-50-of-prescription-spending/?sh=714d2b88307d>

<https://www.evernorth.com/articles/specialty-drug-trends-and-utilization>