UNITED STATES STEEL CORP
Form DEF 14A
March 09, 2018

Table of Contents

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ¨ Filed by a Party other than the Registrant

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2))

Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Under Rule 14a-12

(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

¨ **Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.**

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ **Fee paid previously with preliminary materials.**

¨ **Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.**

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

DEAR FELLOW U. S. STEEL STOCKHOLDER

Thank you for your investment in U. S. Steel and the trust you have placed in the Board of Directors, as stewards of the Corporation. I am honored to be penning my first update to you as U. S. Steel President & CEO and proud to be leading a company that literally helped build the United States and today remains a foundational part of American manufacturing.

Our company experienced some challenges early in the year in terms of our safety, operational and financial performances. However, we pulled together as a team, and by year end we delivered three consecutive quarters of stable, consistent operational and financial performances across our three reporting segments, and our safety performance reflected more positive trends. This focus allowed us to meet or exceed our primary goals for improved EBITDA, cash generation and liquidity by year-end. This represents a good start, but we know we still have work to do to make this kind of stability our new normal, rather than an exception.

After the first quarter, we quickly refocused and rallied around four business drivers we identified as key to achieving operational excellence and advancing our ongoing strategic transformation: safety, quality, delivery, and cost. We knew improving these four pillars would help us:

- create value for all U. S. Steel stakeholders, including employees, customers, unions, suppliers, communities in which we operate and all of you, our stockholders;
- develop distinct competitive advantages and solutions for our customers;
- succeed through business cycles; and
- drive predictable, sustainable, profitable growth in the future, including additional re-investment in our business that provides superior returns.

We quickly decided to accelerate plans around the strategic revitalization of assets in our North American Flat-Rolled operations. Guided by our Carnegie Way methodology, we developed performance measures around EBITDA return, quality and reliability improvements, and capital spending discipline, and we publicly disclosed those goals because we believe in accountability. We also decided to approach this major, multi-year initiative through a high volume of smaller, less complex and well-managed projects. By year end, we completed 700 projects, exceeded our targets for EBITDA return, quality and reliability, and matched our target for capital spending.

However, investing in our facilities isn't enough if we want to strengthen our ability to compete globally. We acted on several additional fronts tied to safety, quality, delivery, and cost in 2017.

At U. S. Steel, the health and well-being of the people coming to our facilities every day and our efforts to minimize the impact our activities and operations have on our shared environment intersect under the umbrella of "safety." For us, it's **always** safety first ... for our employees, our environment, and our assets. Last year, we experienced several serious safety incidents across our company. We implemented improvement plans and made strides to reverse our performance, but when it comes to safety, the only acceptable number for incidents and injuries is zero, and we're committed to consistently hitting that goal. We also judiciously and promptly responded to environmental issues. As we did with safety, we continue to take steps to improve our focus in this important area. You can read more detail about our safety and environmental efforts in the "Corporate Social Responsibility" section.

Throughout 2017, we further strengthened our balance sheet through a series of new and ongoing actions which led to improved credit metrics and a two-level ratings increase by Moody's, as well as an outlook upgrade from stable to positive in our credit ratings by Standard & Poor's, in February 2018. We continued to foster innovation through highly collaborative customer relationships, resulting in the development of new cutting-edge steel solutions such as advanced high-strength steels for automotive customers and proprietary premium tubular connections for the energy industry. We also increased our efforts around training, engagement, and other

workforce-related areas. These efforts ensure we get valuable input from our highly creative employees and then provide them with the right resources to take their performance and that of our company to a new level by further delighting our customers. More detail about these and related efforts are located in the "Highlights and Accomplishments" section of the proxy summary.

Overall, our culture is increasingly rooted in continuous improvement with a steadfast commitment to achieving operational excellence in everything we do from our plant processes to our business practices and everything in between. This made all of last year's progress possible after a tough start, and it will be vital to helping us remain competitive in the global steel industry in the future.

In keeping with our commitment to continuous improvement, we are also looking at ways to improve our workplace culture companywide. At U. S. Steel, we are committed to getting better, stronger and more effective every day in everything we do for our customers, for our communities, for our stockholders, and for one another. We will do better in creating and sustaining a more profitable company with a more supportive workplace culture. I am pleased to have the Board's full support for these efforts.

Also vital to our future is the need to address unfair trade. We were pleased with actions taken last year to combat this long-standing challenge. However, the fundamental cause behind the need for these actions global overcapacity remains. Until substantive steps are taken to address this issue and create a level playing field, we will continue to fight for our rights under the law using all available means because we wholeheartedly believe a healthy domestic manufacturing sector needs a healthy domestic steel industry. Regardless of the outcome of current or future trade-related efforts, we will remain focused on all the things we can control that make us a better company, beginning with safety, quality, delivery, and cost.

Our success in all of these areas is predicated on having dedicated and experienced leadership, starting with the Board of Directors. We are grateful for the service of Mario Longhi, who retired in 2017, and Jack Drosdick, Bob Stevens and Glenda McNeal, who all will complete their service on our Board in April. This year we also welcomed Gene Sperling to the U. S. Steel Board of Directors. Our company is fortunate to be guided by a Board that is invested in and enthusiastic about our future.

In closing, we recognize and appreciate the support we've received from our many stakeholders, including our customers, suppliers, unions and all of you, our stockholders. Our commitment to creating real, sustainable value for you is as strong as the products we make every day.

We encourage our stockholders to vote your shares on the proposals discussed in the accompanying proxy statement. Your involvement and support are important to the future of our company.

I can confidently say our company is in a much better position today, but we know we still have work to do. We look forward to getting that work done and achieving our goals. Now, let's get back to work safely helping our customers be successful.

Sincerely,

David B. Burritt
President & Chief Executive Officer

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO STOCKHOLDERS OF UNITED STATES STEEL CORPORATION:

You are invited to attend the 2018 Annual Meeting of Stockholders of United States Steel Corporation. If you plan to attend the meeting, please see the instructions contained in the attached proxy statement.

ITEMS OF BUSINESS:

To elect ten directors nominated by our Board of Directors;

To consider and act on an advisory vote regarding the approval of compensation paid to certain executive officers;

To ratify the appointment of PricewaterhouseCoopers LLP as the Corporation's independent public registered accounting firm for 2018; and

To transact any other business properly brought before the meeting and any adjournment or postponement thereof.

Only holders of record of the common stock of United States Steel Corporation at the close of business on February 26, 2018, the record date fixed by the Board of Directors, will be entitled to vote on each matter submitted to a vote of stockholders at the meeting. Any stockholder of record attending the Annual Meeting may vote in person (even if she or he has voted over the Internet, by telephone or returned a completed proxy card). Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain a valid form issued in your name from that record holder. Each holder of common stock is entitled to one vote for each share of stock held at the close of business on February 26, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

Robert T. Garretson
Acting Corporate Secretary
March 9, 2018

To assure your representation at the Annual Meeting, you are urged to cast your vote, as instructed in the Notice of Internet Availability of Proxy Materials, over the Internet or by telephone as promptly as possible. You may also request a paper proxy card to submit your vote by mail, if you prefer.

IMPORTANT NOTICE: The proxy statement and 2017 annual report of United States Steel Corporation are available at www.proxyvote.com.

ADMISSION TO MEETING: Admission to the Annual Meeting will be limited to persons who: (i) (a) are listed on United States Steel Corporation's records as stockholders as of February 26, 2018 (the "record date"); or (b) bring documentation to the meeting that demonstrates their beneficial ownership of the Corporation's common stock through a broker, bank or other nominee as of the record date; and (ii) present a form of government-issued photo identification.

U. S. Steel Tower I 600 Grant Street I Pittsburgh, PA 15219

PROXY STATEMENT

MARCH 9, 2018

INFORMATION REGARDING THE ANNUAL MEETING

This proxy statement is provided in connection with a solicitation of proxies by the Board of Directors of United States Steel Corporation to be used at the Annual Meeting of Stockholders to be held on Tuesday, April 24, 2018 at 8:00 a.m., Eastern Time, and at any adjournment or postponement thereof. The Annual Meeting will be held at the U. S. Steel Tower, 600 Grant Street, thirty-third floor, Pittsburgh, PA 15219. This proxy statement is first being provided to our stockholders on or about March 9, 2018. Throughout this proxy statement, "U. S. Steel," the "Corporation," "we," "our," or "us" are intended to refer to United States Steel Corporation and its consolidated subsidiaries, unless specifically indicated otherwise. You are invited to attend the Annual Meeting and we request that you vote on the proposals described in this proxy

statement as recommended by the Board of Directors. You do not need to attend the meeting to vote your shares. If you have received a printed copy of these materials by mail, you may complete, sign and return your proxy card, or submit your proxy vote by telephone or over the Internet. If you did not receive a printed copy of these materials by mail and are accessing them via the Internet, you may follow the instructions under the heading, "Questions and Answers About the Annual Meeting and Voting" beginning on page 60 of this proxy statement to submit your proxy vote via the Internet or by telephone. Also, other information about voting is provided under the heading, "Questions and Answers About the Annual Meeting and Voting."

On pages iv and 23, we refer to our 2017 adjusted EBITDA results and net debt. Adjusted EBITDA and net debt are non-GAAP measures. See the reconciliation to the corresponding GAAP measure set forth in Appendix A of this proxy statement.

Table of Contents

PROXY SUMMARY

This proxy summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement before voting. For more information regarding the Corporation's 2017

performance, please see the Compensation Discussion and Analysis section of this proxy statement and the Corporation's Annual Report on Form 10-K for the year-ended December 31, 2017.

OVERVIEW OF VOTING MATTERS

Stockholders are being asked to vote on the following matters at the 2018 Annual Meeting of Stockholders:

	Board Recommendation
Proposal 1. Election of Directors (page 1)	**FOR** each Director Nominee
Proposal 2. Advisory Vote to Approve Compensation of Certain Executive Officers (page 20)	**FOR**
Proposal 3. Ratification of the Appointment of PricewaterhouseCoopers LLP as Independent Registered Public Accounting Firm (page 59)	**FOR**

CORPORATE GOVERNANCE (PAGE 9)

The Corporation is committed to good corporate governance, which promotes the long-term interests of stockholders, strengthens Board and management accountability, and helps build public trust in the Corporation. Our governance highlights include:

- Annual Election of each Director
- 13 Directors (12 Independent)
- Independent Audit, Compensation & Organization, and Corporate Governance & Public Policy Committees
- Regular Executive Sessions of Independent Directors
- Risk Oversight by Full Board and Committees
- Annual Board and Committee Self-Evaluations
- Executive Compensation Driven by Pay-For-Performance Philosophy

Market Standard Proxy Access Right

Stock Ownership and Holding Guidelines for Directors and Executives

Best in Class Compliance Commitment

Annual Stockholder Engagement

A robust Code of Ethical Business Conduct that is based on the Corporation's Gary Principles

Ability of our Board and its committees, at their sole discretion, to hire independent advisers, including counsel, at the Corporation's expense

Active Board refreshment approach with thoughtful intent to align director skills with company strategy

Commitment to Stockholder Engagement

The Board, as well as management, prioritizes constructive communication with our investors to learn about their views of the Corporation and our governance and compensation practices. In addition to the frequent communication our CEO and Investor Relations team has with our stockholders, we have maintained ongoing dialogue with our largest stockholders regarding our corporate governance and executive compensation program since 2012. The feedback we receive from these discussions is carefully considered by the Board and the Compensation & Organization Committee. We believe the strong support we've received for our proposals, including director elections and say-on-pay, over the last few years demonstrates our ability to decisively take action to incorporate our stockholders' perspectives in our programs.

In 2017, we continued our long-standing practice of engaging with our largest stockholders both during and

outside of the proxy season. In each of the last two years, we've met with or held telephonic meetings with stockholders representing over 20% of our outstanding stock. In addition, some stockholders indicated they did not believe a call was necessary at the time. Our discussions with stockholders focused primarily on our business strategy and the alignment of our compensation program to our strategy and company performance. Some stockholders provided positive feedback on our enhanced disclosures pertaining to our Directors' skills, experience and expertise. We also discussed our ongoing sustainability initiatives in many of these conversations, which will help us as we focus on our sustainability reporting through 2019. Based on our recent meetings, we determined that our stockholders are supportive of our current corporate governance and compensation governance programs.

Table of Contents

PROXY SUMMARY

2017 HIGHLIGHTS AND ACCOMPLISHMENTS (PAGE 23)

Earning the Right to Grow and Driving Sustainable Profitable Growth

We are focused on execution of a two-phased stockholder value creation strategy: (1) earn the right to grow, and (2) drive and sustain profitable growth. Earning the right to grow means delivering consistent, reliable EBITDA across the business cycle by achieving operational excellence through a focused effort by our talented workforce to deliver superior results in four business-critical areas: safety, quality, delivery, and cost. Driving and sustaining profitable growth means earning economic profit across the business cycle and above-average returns for long-term stockholders, which is enabled through stable, reliable facilities that produce innovative product and service solutions for discerning steel customers. Underlying both phases is our unwavering commitment to strengthen our balance sheet, with emphasis on cash flow, liquidity, and financial flexibility. We are on a mission to become an industry leader by striving to create a sustainable competitive advantage with a customer-centric focus on: delivering high-quality, on time value-added products; collaborating with customers to develop innovative solutions that address their most challenging needs, including new advanced high-strength steels to meet fuel efficiency and safety requirements for automotive customers and new premium connections for demanding applications of our energy customers in oil and gas drilling; generating economic profit through active participation in relevant markets; and creating and maintaining a competitive cost structure centered around operational flexibility.

Our successful navigation through the industry downturn in 2015 and 2016 better positioned us to benefit from improved industry conditions in 2017, although we continued to face challenges driven by uncertain geopolitical factors. We delivered significant improvement in our Tubular segment, and had continued success from our European operations. We recognized the need to accelerate our plans to revitalize our assets in our North American Flat-Rolled operations through a strategic investment program. The continued focus of our executive team and employees on our long-term strategic goals of improving our balance sheet, enhancing operating efficiency and reliability, and seeking robust enforcement of our trade laws, led to a successful year and helped move us another step closer to achieving sustainable profitability. We made good progress in 2017, and strive for greater achievement in the year ahead.

2017 Highlights and Accomplishments

Implemented comprehensive safety program enhancements for employees and contractors, to help achieve our goal of a safe return home every day

Out-performed the Bureau of Labor Statistics and AISI industry safety benchmarks in both OSHA Recordable Days and Days Away From Work

Finished 2017 with adjusted EBITDA of $1.087 billion, more than double 2016 adjusted EBITDA; and with positive operating cash flow of $802 million

Strong year-end liquidity of $3.350 billion, highest since 2001, including $1.553 billion of cash on hand, which supports our goal of maintaining a healthy balance sheet

Reduced total debt by over $300 million, contributing to net debt reduction by 50% over the last three years and achieving lowest net debt since 2007

Successfully completed a $750 million debt offering, providing for future financial flexibility

Continued improvement in working capital by achieving cash conversion cycle time at industry leading performance, a 50% reduction over the last four years

Made a $75 million voluntary contribution to our defined benefit pension plan, strengthening our pension plan as part of our liability management strategy, and adding to the over $400 million improvement in the funded status of our pension and other post-employment benefit plans from 2016 to 2017

Improved customer experience by reducing quality claims by 9% in 2017, and implemented delivery improvement projects to achieve the highest service level in past four years

Conducted first-ever company-wide employee inclusion survey

Continue to lead the steel industry's efforts to strengthen and enforce trade laws against unfairly traded imports

Table of Contents

PROXY SUMMARY

KEY EXECUTIVE COMPENSATION PROGRAM PRACTICES (PAGE 27)

The Compensation & Organization Committee (the "Committee"), which consists solely of independent directors, has implemented the following best practices with respect to executive compensation:

- Considers the results of the most recent say-on-pay advisory vote by stockholders and has implemented proactive communications with stockholders to gain input and feedback when making executive compensation decisions
- Undertakes a goal setting process that is used to arrive at rigorous short-term and long-term performance goals under our incentive plans that are aligned to key corporate strategic and financial goals
- Engages in and leads a robust CEO performance evaluation process
- Engages and consults with its own independent compensation consultant
- Has established formal selection criteria for the executive compensation and relative TSR peer groups and annually reviews peer group composition
- Annually reviews tally sheets analyzing executive compensation levels and structures, including amounts payable in various termination scenarios
- Annually reviews the risks associated with our compensation programs and has implemented various risk mitigating practices and policies, such as:
  - Targeting the majority of our executives' compensation in long-term performance based awards using multiple equity and cash vehicles
  - Implementing rigorous executive stock ownership and holding requirements
  - Utilizing multiple performance measures that focus on company-wide metrics and placing a cap on potential incentive payments
- Our Change in Control Severance Plan establishes a "double trigger," requiring participants to be terminated without "cause," or voluntarily "for good reason" following a change in control prior to receipt of any payment of severance benefits
- Maintains a "clawback" policy that applies to executive officers and provides for the recoupment of incentive awards under certain conditions in the event the Corporation's financial statements are restated

Maintains Anti-Hedging and Pledging Policies that prohibit all employees and directors from engaging in any transaction that is designed to hedge or offset any decrease in our stock price and prohibits executive officers and directors from pledging our stock as collateral for a loan or holding shares in a margin account

Prohibits payment of tax gross-ups to any executives for any payments relating to a change in control

Asset revitalization and Innovation

In 2017 we announced a $2 billion strategic initiative to revitalize the assets in our North American Flat-Rolled segment. The program is focused on improving company critical assets to deliver 15-20% EBITDA returns over three to four years, through a consistent focus on improving safety, quality, delivery and cost. The Corporation views this program as essential to improving predictability and our ability to compete effectively in the industry. As we revitalize our assets, we expect to increase profitability, productivity, operational consistency, and reduce volatility.

In addition to investing in improvements of our leaders and current assets, we're also focused on the future by investing in our global workforce and the innovation that will create tomorrow's steel solutions today. We've continued our

aggressive efforts around the development of the next generation of advanced high-strength steels (AHSS) for the automotive industry to solve its most pressing challenges. Years of work on AHSS technology culminated with the announcement in September 2017 of the commencement of construction of a new continuous galvanizing line at our PRO-TEC Coating Company joint venture that will feature proprietary technology developed in part by our company. We also launched a new proprietary semi-premium tubular connection USS-EAGLE SFH™ and sold our first orders of USS-LIBERTY LD™ connections to meet the needs of our customers in the oil and gas industry and to position U. S. Steel as a stronger company by 2020.

Table of Contents

PROXY SUMMARY

Human Capital Management and our "Pivot to the People"

Success in achieving our long-term goal of top quartile performance in safety, quality, delivery and cost is fully dependent on the leadership, engagement and commitment of our employees. Over the next several years as we focus on improving our physical assets through significant asset revitalization investments, we must concurrently focus

significant investments in our employees to ensure they have the skills and capabilities necessary to deliver our strategic business objectives. The goal of our human resources strategy is to ensure our human resources initiatives fully support our business objectives in a sustainable fashion throughout the business cycles we face.

Corporate Social Responsibility

Over 100 years ago, we adopted the Gary Principles. The Gary Principles were among the first Codes of Conduct adopted by a publicly traded company and continue to guide us today.

U. S. Steel knows that to be a good corporate citizen is not only the right thing to do, but also is essential to our success. We are more than a global leader in the steel industry; we are your friends, neighbors and community partners. Our employees live and work in the same communities as you. We breathe the same air, drink the same water and share the same hopes and dreams for our families.

Every employee who works in one of our facilities has the right to return home safely at the end of every day. We are working to eliminate all injuries and incidents at all of our locations because it is the right thing to do, but also because it improves productivity, quality, reliability and financial performance. By making safety and health a

personal responsibility, our employees are making a daily commitment to follow safe work practices, look out for the safety of co-workers and ensure safe working conditions for everyone. We continue to enhance our safety practices for both employees and contractors, as we pursue our zero safety incident goal.

Ensuring the safety of the environment in which we work is equally important. We recognize that the earth is a shared and finite resource that we all must safeguard for generations to come. It is our commitment to sustainability that drives our operations to adopt management systems and best practices that foster continuous improvement in our processes, preserve vital resources and ensure the future of the industry. We have enhanced our disclosure of actions and results in this area on our website (www.ussteel.com/posts/environmental-stewardship), and plan to release a sustainability report more fully describing our efforts in 2018.

"We must never forget that our rights and interests are and should be subservient to the public welfare, that the rights and interests of the individual must always give way to those of the public."   Gary Principles

U. S. Steel Leads Fight Against Imports for the Domestic Industry and National Security

In 2017, U. S. Steel continued to lead the industry in efforts to address dumped and subsidized imports, as well as imports that threaten national security.

In April 2017, the U.S. Department of Commerce (DOC) initiated an investigation under Section 232 of the Trade Expansion Act of 1962 to determine the effects of steel imports on U.S. national security. U. S. Steel testified at the DOC public hearing and is actively advocating for a meaningful remedy to prevent further harm to the domestic steel industry that is critical to U.S. infrastructure, energy independence, national and economic security.

To address unfair import competition, U. S. Steel focused on maintaining and defending a total of approximately 100 antidumping (AD) and countervailing duty (CVD) orders on flat-rolled and tubular steel products on 26 countries through fierce advocacy before the DOC, the U.S. International Trade Commission (ITC), the Administration, Congress, U.S. Courts, the World Trade Organization, and in the public arena.

In addition to defending the 2016 AD/CVD orders on hot-rolled, cold-rolled, and corrosion-resistant steel, U. S. Steel has led efforts to maintain AD/CVD orders on tubular steel products.

In December 2017, in response to circumvention petitions filed by U. S. Steel and other domestic steel producers in September 2016, the DOC preliminarily found that imports of cold-rolled and corrosion-resistant steel made from Chinese substrate are covered by the AD/CVD orders on such imports from China, and imposed significant cash deposit requirements on U.S. imports of cold-rolled steel from Vietnam made from Chinese hot-rolled steel and U.S. imports of corrosion-resistant steel from Vietnam made from Chinese hot- or cold-rolled steel.

In 2018, U. S. Steel will continue to aggressively and strategically use U.S. trade laws to address unfair import competition.

PROXY STATEMENT TABLE OF CONTENTS

Proposal 1: Election of Directors

PROPOSAL 1: ELECTION OF DIRECTORS

At the 2018 Annual Meeting, ten directors are up for election for a one-year term. Each nominee will be elected to serve until our next annual meeting of stockholders. All of the nominees are presently members of the Board of Directors. The Board is recommending that all ten nominees be elected. John G. Drosdick will retire from the Board as of the expiration of his term at the 2018 Annual Meeting in accordance with our Director Retirement Policy, described on page 13. Additionally Mr. Stevens and Ms. McNeal decided not to stand for re-election.

Except in the case of contested elections, each director nominee is elected if a majority of the votes are cast for that director's election. The term "a majority of the votes cast" means that the number of votes cast "for" a director's election exceeds the number of votes cast "against" the director's election, with abstentions and broker non-votes not counted as votes cast either "for" or "against" the director's election. A "contested election" is one in which the number of nominees exceeds the number of directors to be elected at the meeting.

If a nominee who is currently serving as a director is not re-elected, Delaware law provides that the director would continue to serve on the Board until the director's successor is duly elected and qualified or until the director's earlier resignation or removal. Under our by-laws, in order for any incumbent director to become a nominee for election by the stockholders as a director, that director must tender an irrevocable offer to resign from the Board of Directors, contingent upon acceptance of such offer of resignation by the Board of Directors, if the director fails to receive a majority of the votes cast in an election that is not a contested election. If an incumbent director fails to receive a majority of the votes cast in an election that is not a contested election, the Corporate Governance & Public Policy Committee, or such other independent committee designated by the Board of Directors, must make a recommendation to the Board of Directors as to whether to accept or reject the offer of resignation of the incumbent director, or to take other action.

The Board of Directors must act on the offer of resignation, taking into account the committee's recommendation, within 90 days following certification of the election results. Each of the Corporate Governance & Public Policy Committee, in making its recommendation, and the Board of Directors, in making its decision, may consider such factors and other information as it may consider appropriate and relevant to the circumstances.

A brief statement about the background and qualifications of each nominee is provided on the following pages. No director has a familial relationship to any other director, nominee for director or executive officer. The independence of Board members and other information related to the Board of Directors is described under the heading, "Corporate Governance Independence" in this proxy statement. Mr. Sperling is the only nominee who has not been previously elected to the Board by our stockholders. His nomination was recommended by the Chairman of the Board after consultation with certain stakeholders.

If any nominee for whom you have voted becomes unable to serve, your proxy may be voted for another person designated by the Board.

The Board recommends a vote "FOR" the election of each nominee.

Selection of Director Nominees

The Corporate Governance & Public Policy Committee is responsible for identifying nominees for election to the Board. The Corporate Governance & Public Policy Committee may consider nominees suggested by several sources, including outside search firms, incumbent Board members and stockholders.

As provided in its charter, the Corporate Governance & Public Policy Committee seeks candidates with experience and abilities relevant to serving as a director of the Corporation and who will represent the best interests of stockholders as a whole, and not any specific interest group or constituency.

The Corporate Governance & Public Policy Committee, with input from the Chairman of the Board and other directors, evaluates the qualifications of each director candidate in accordance with the criteria described in the director qualification standards section of our Corporate Governance Principles. In evaluating the qualifications of director nominees, the Corporate Governance & Public Policy Committee considers factors including, but not limited to, the following:

Independence. Directors should neither have, nor appear to have, a conflict of interest that would impair the director's ability to represent the interests of all the Corporation's stakeholders and to fulfill the responsibilities of a director.

Commitment. Directors should be able to contribute the time necessary to be actively involved in the Board and its decision making and should be able and willing to prepare for and attend Board and committee meetings.

Diversity. Though the Board does not have a formal policy regarding the consideration of diversity in identifying nominees for director, directors should be selected so that the Board represents diverse experience at various policy making and executive levels in business, government, education and in industries that are relevant to the Corporation's business operations. The Board considers the

Proposal 1: Election of Directors

term "diversity" to include differences of viewpoint, professional experience, education, skill and other individual qualities and attributes that contribute to board heterogeneity.

Experience. Directors should be or have been in leadership positions in their field of endeavor and have a record of excellence in that field.

Integrity. Directors should have a reputation of integrity and be of the highest ethical character.

Judgment. Directors should have the ability to exercise sound business judgment on a large number of matters.

Knowledge. Directors should have a firm understanding of business strategy, corporate governance and board operations and other relevant business matters.

Skills. Directors should be selected so that the Board has an appropriate mix of skills in critical core areas, including, but not limited to: accounting, compensation, finance,

government relations, legal, management, risk oversight and strategic planning.

These director qualification standards are evaluated by the Corporate Governance & Public Policy Committee each time a new candidate is considered for Board membership. The Corporate Governance & Public Policy Committee and the Board may take into account such other factors they consider to be relevant to the success of a publicly traded company operating in the steel industry. As part of the annual nomination process, the Corporate Governance & Public Policy Committee reviews the qualifications of each director nominee, including currently serving Board members, and reports its findings to the Board. On February 27, 2018, the Corporate Governance & Public Policy Committee determined that each Board member satisfied the director qualification standards and advised the Board that each of the director nominees listed under "Proposal 1: Election of Directors" was qualified to serve on the Board.

Stockholder Recommendations

The Corporate Governance & Public Policy Committee will consider director nominees recommended by stockholders. Notice of such recommendation should be sent in writing to the Chair of the Corporate Governance & Public Policy Committee, c/o the Corporate Secretary of United States Steel Corporation, 600 Grant Street, Suite 1500, Pittsburgh, PA 15219. The recommendation must include: (i) the candidate's name, address, occupation and share ownership; (ii) any other biographical information that will enable the Corporate Governance & Public Policy Committee to evaluate the candidate in light of the criteria described above; and (iii) information concerning any relationship between the candidate and the stockholder making the recommendation. The recommendation must also identify the writer as a stockholder of the Corporation and provide

sufficient detail for the Corporate Governance & Public Policy Committee to consider the recommended individual's qualifications. The Corporate Governance & Public Policy Committee will evaluate the qualifications of candidates recommended by stockholders using the same criteria as used for other Board candidates.

Under the collective bargaining agreement with the United Steelworkers (the "USW"), the USW has the ability to recommend up to two individuals to be considered for Board membership. The agreement recognizes that every director has a fiduciary duty to the Corporation and all of its stockholders, and that each individual recommended by the USW must meet the criteria described above.

Director Nominees

For purposes of the upcoming annual meeting, the Corporate Governance & Public Policy Committee has recommended the election of each nominee as a director. Each nominee has informed the Board that he or she is willing to serve as a director. If any nominee should decline or become unable or unavailable to serve as a director for any reason, your proxy authorizes the persons named in the proxy to vote for a replacement nominee, if the Board names one, as such persons determine in their best judgment.

It is the intention of the proxyholders to vote proxies for the election of the nominees named in this proxy statement, unless such authority is withheld.

The following is a brief description of the age, principal occupation, position and business experience, including other public company directorships, for at least the past five years, and major affiliations of each of the nominees. Each nominee's biographical information includes a description of the director's experience, qualifications, attributes and skills that qualify him or her to serve on the Board.

Proposal 1: Election of Directors

Table of Contents

Proposal 1: Election of Directors

The Board of Directors recommends a vote "FOR" the election of each of the following 2018 Director Nominees for a one-year term:

David B. Burritt earned a bachelor's degree in accounting from Bradley University and received a master's degree in business administration from the University of Illinois in Champaign. Mr. Burritt joined the Corporation in September 2013 to serve as executive vice president and chief financial officer with responsibility for all aspects of the Corporation's strategic and financial matters. In January 2015, he added executive leadership of U. S. Steel's North American Flat-Rolled commercial entities and corporate support services to his responsibilities. In February 2017, he was elected president and chief operating officer with executive responsibility for all aspects of the Corporation's day-to-day business in the United States and Central Europe, and was named President & Chief Executive Officer in May 2017. Prior to joining U. S. Steel, Mr. Burritt, served as chief financial officer at Caterpillar Inc., retiring from that position in 2010. During more than 32 years with Caterpillar, Mr. Burritt helped lead several important transformations and employee development initiatives at the company, including his role as business measurements manager to support Caterpillar's reorganization into accountable business units, his role as corporate champion for the company-wide 6 Sigma deployment, and his leadership role that helped Caterpillar effectively navigate the financial crisis and related recovery.

Particular experience, attributes or skills that qualify candidate for Board membership: As the Chief Executive Officer, Mr. Burritt is responsible for all of the business and corporate affairs of U. S. Steel. His understanding of complex financial and operational issues is crucial to the Corporation's strategic planning and operational success. As the only employee-director on the Board, Mr. Burritt is able to provide the Board with an "insider's view" of what is happening in all facets of the Corporation. He shares not only his vision for the Corporation, but also his hands-on experience as a result of his daily management of the Corporation and constant communication with employees at all levels. His insider's perspective provides the Board with invaluable information necessary to direct the business and affairs of the Corporation.

Patricia Diaz Dennis graduated from the University of California Los Angeles and received her law degree from the Loyola Law School of Loyola Marymount University. Ms. Dennis has held three Senate-confirmed federal government appointments. Former President Ronald Reagan named her to the National Labor Relations Board in 1983 and appointed her as a commissioner of the Federal Communications Commission three years later. After becoming partner and head of the communications section of Jones, Day, Reavis & Pogue, Ms. Dennis returned to public service in 1992 when former President George H. W. Bush appointed her Assistant Secretary of State for Human Rights and Humanitarian Affairs. Ms. Dennis served in a variety of executive positions with SBC Communications, Inc., which later became AT&T, including General Counsel and Secretary of SBC West from May 2002 until August 2004 and Senior Vice President and Assistant General Counsel of AT&T from 2004 to 2008. Ms. Dennis currently serves on the board of Entravision Communication Corporation, and previously served on the board of Massachusetts Mutual Life Insurance Company. She also is a trustee of the NHP Foundation and a member of the Advisory Board for LBJ Family Wealth Advisors.

Particular experience, attributes or skills that qualify candidate for Board membership: Ms. Dennis' legal expertise and federal government public service contribute to her skills in the areas of risk management, compliance, internal controls, and legislative and administrative issues. Additionally, her National Labor Relations Board experience brings significant union relations insight and expertise to the Board. These factors, along with her long record of demonstrated executive leadership and integrity, provide valued insight and perspective to Board deliberations and in the oversight of the Corporation's operations. Ms. Dennis' experience on the board of directors of a large insurance firm also demonstrates her knowledge of complex financial and operational issues. Ms. Dennis' appointments to three federal government positions provide her with unique insight with respect to regulatory and public policy matters, both of which strengthen the Board's collective knowledge, capabilities and experience.

Table of Contents

Proposal 1: Election of Directors

2018 Director Nominees continued

Dan O. Dinges graduated from The University of Texas with a Bachelor of Business Administration degree in Petroleum Land Management. Mr. Dinges began his career with Mobil Oil Corporation in 1978. From 1981 to 2001, Mr. Dinges worked in a variety of management positions with Samedan Oil Corporation, a subsidiary of Noble Affiliates, Inc. (now Noble Energy Inc.). In September 2001, Mr. Dinges joined Cabot Oil & Gas Corporation as its President and Chief Operating Officer, and assumed his current position as Chairman, President and Chief Executive Officer in May 2002. Mr. Dinges serves on the board of directors of the American Petroleum Institute, Spitzer Industries, Inc., the American Exploration & Production Council, the Foundation for Energy Education, Houston Methodist Hospital Research Institute, Boy Scouts of America, and Palmer Drug Abuse Program. Mr. Dinges previously served on the board of directors of Lone Star Technologies, Inc. Mr. Dinges is also a member of the All-American Wildcatters Association and serves on the executive committee of the Kay Bailey Hutchinson Center for Energy, Law and Business at The University of Texas at Austin.

Particular experience, attributes or skills that qualify candidate for Board membership: Mr. Dinges has substantive experience in managing and overseeing strategic and operational matters as a result of his service as Chairman, President and Chief Executive Officer of Cabot Oil & Gas Corporation. Mr. Dinges also possesses knowledge of and insight into the steel industry through his prior service as a director of Lone Star Technologies, Inc. In addition, he provides the Board with an insightful perspective regarding the energy industry which is an important supplier to, and customer of, the Corporation. Mr. Dinges' experience as Chairman, President and Chief Executive Officer of Cabot Oil & Gas Corporation demonstrates his leadership capability and general business acumen.

John J. Engel graduated from Villanova University in 1984 with a Bachelor of Science degree in mechanical engineering. He received his Master of Business Administration from the University of Rochester in 1991. Mr. Engel has served as Chairman, President and Chief Executive Officer of WESCO International, Inc. since 2011. Previously, at WESCO International, Inc., Mr. Engel served as President and Chief Executive Officer from 2009 to 2011, and Senior Vice President and Chief Operating Officer from 2004 to 2009. Before joining WESCO in 2004, Mr. Engel served as Senior Vice President and General Manager of Gateway, Inc.; Executive Vice President and Senior Vice President of Perkin Elmer, Inc.; and Vice President and General Manager of Allied Signal, Inc. Mr. Engel also held various engineering, manufacturing and general management positions at General Electric Company. Mr. Engel is a member of the Business Roundtable and the Business Council, and is a member of the board of directors of the National Association of Manufacturers.

Particular experience, attributes or skills that qualify candidate for Board membership: As a result of his service as Chairman, President and Chief Executive Officer of WESCO International, Inc. and working in a diverse range of industries, Mr. Engel has skills and valuable experience managing the significant operational and financial issues that the Corporation is likely to face. Further, Mr. Engel's demonstrated business acumen, strategic planning and risk oversight experience makes him a valued member of our Board.

Table of Contents

Proposal 1: Election of Directors

2018 Director Nominees continued

Murry S. Gerber received a Bachelor's degree in geology from Augustana College and a Master's degree in geology from the University of Illinois. From 1979 to 1998, Mr. Gerber served in a series of technical and management positions with Shell Oil Company, including Chief Executive Officer of Coral Energy, L.P. (now Shell Trading North America) from 1995 to 1998. Mr. Gerber served as Chief Executive Officer and President of EQT Corporation from June 1998 through February 2007; Chairman and Chief Executive Officer from May 2000 through April 2010; and Executive Chairman from April 2010 until May 2011. Mr. Gerber is also a member of the boards of directors of BlackRock, Inc. and Halliburton Company.

Particular experience, attributes or skills that qualify candidate for Board membership: Mr. Gerber has valuable experience in overseeing various managerial, financial and operational issues that face a publicly held company as a result of his service as Chairman and Chief Executive Officer of EQT Corporation. Mr. Gerber also provides the Board with knowledge and insight regarding the energy industry, an important supplier to, and customer of, the Corporation. Mr. Gerber's experience on the boards of directors of publicly held companies demonstrates his knowledge of complex strategic financial and operations matters.

Stephen J. Girsky received a Bachelor of Science degree in mathematics from the University of California at Los Angeles and a Master of Business Administration from the Harvard Business School. Mr. Girsky is Managing Partner of VectoIQ, an independent advisory firm based in New York, where he applied more than 30 years of experience working with senior corporate and board executives, labor leaders, OEM leaders, suppliers and dealers, and national and local policy makers. Mr. Girsky served in a number of capacities at General Motors from November 2009 until July 2014, including GM Vice Chairman, having responsibility for global corporate strategy, new business development, global product planning and program management, global connected consumer/OnStar, and GM Ventures LLC, Global Research & Development and Global Purchasing and Supply Chain. Mr. Girsky served as Chairman of the Adam Opel AG Supervisory Board and was President of GM Europe for a period of time. Mr. Girsky is a director at Brookfield Business Partners, Drive.ai, and Valens Semiconductor Ltd. He served on the General Motors Board of Directors following its emergence from bankruptcy in June 2009 until June 2016. He also served as the lead director of Dana Holdings Corp. from 2008 to 2009. Mr. Girsky has also served as president of Centerbridge Industrial Partners, an affiliate of Centerbridge Partners, LP, and a multibillion dollar investment fund. Prior to Centerbridge, he was a special advisor to the CEO and CFO of General Motors Corporation from August 2005 to June 2006.

In total, Mr. Girsky has more than 25 years of automotive experience, including serving as managing director at Morgan Stanley and as senior analyst of the Morgan Stanley Global Automotive and Auto Parts Research Team. Prior to joining Morgan Stanley, he was managing director of PaineWebber's Automotive Group and worked as an analyst on the overseas financial staff of GM.

Particular experience, attributes or skills that qualify candidate for Board membership: Mr. Girsky's career at GM provided him with extensive experience in global corporate strategy, product development, program management, research and development and business leadership. Mr. Girsky also brings to the Board expertise related to the automotive industry, finance, market and risk analysis, and labor relations which add valuable insight and perspective to Board deliberations and in the oversight of the Corporation's operations. Mr. Girsky's service on the board of directors of a Fortune 100 company also demonstrates his knowledge of complex financial and operational issues, all of which strengthen the Board's collective knowledge, capabilities and experience.

Table of Contents

Proposal 1: Election of Directors

2018 Director Nominees continued

Paul A. Mascarenas received a degree in mechanical engineering from University of London, King's College in England and in June 2013, received an honorary doctorate degree from Chongqing University in China. Mr. Mascarenas served as President and Chairman of the Executive Board of FISITA (Fédération Internationale des Sociétés d'Ingénieurs des Techniques de l'Automobile) from 2014 to 2016. Previously, Mr. Mascarenas worked for 32 years at Ford Motor Company, holding various development and engineering positions, and most recently serving as Chief Technical Officer and Vice President, leading Ford's worldwide research organization, overseeing the development and implementation of the company's technology strategy and plans. Mr. Mascarenas is a fellow of the Institution of Mechanical Engineers, and a fellow of the Society of Automotive Engineers. He served as general chairperson for the 2010 SAE World Congress and Convergence and has served on the FISITA board since 2012. Mr. Mascarenas also currently serves on the board of directors at ON Semiconductor, and is a Special Venture Partner with Fontinalis Partners. In 2015, he was awarded an Order of the British Empire (OBE) by Her Majesty, Queen Elizabeth II, for his services to the automotive industry.

Particular experience, attributes or skills that qualify candidate for Board membership: Mr. Mascarenas' long career at Ford provided him with extensive experience in product development, program management and business leadership, as well as experience working in an international forum. Mr. Mascarenas also brings to the Board insight and expertise related to the automotive industry. This experience, along with Mr. Mascarenas' record of demonstrated executive leadership, enables him to provide valued insight and perspective to Board deliberations and in the oversight of the Corporation's operations. Mr. Mascarenas' service on the board of directors of a Fortune 1000 semiconductors supplier company also demonstrates his knowledge of complex financial and operational issues, all of which strengthen the Board's collective knowledge, capabilities and experience.

Eugene B. Sperling graduated from the University of Minnesota and Yale Law School and attended Wharton Business School at the University of Pennsylvania. He currently heads Sperling Economic Strategies, which advises financial companies, start-ups, Fortune 500 companies and philanthropies, and is a contributing editor for The Atlantic.

Mr. Sperling served as Director of the National Economic Council (NEC) and Assistant to the President for Economic Policy in the White House under President Clinton from 1997 to 2001 and under President Obama from 2011 to 2014, the first individual to hold both positions under two presidents. As NEC Director, he coordinated economic policy development among the economic cabinet members. While serving in this role, he was influential in fiscal negotiations, passage of the payroll and low-income tax cuts, the Small Business Jobs Act and formation of the American Jobs Act. He spearheaded the Manufacturing Innovation Hubs initiative and the renewal of the Advanced Manufacturing Partnership. Mr. Sperling was co-chair of the first White House Manufacturing Council and helped launch the Select USA initiative.

Mr. Sperling also served as counselor to Treasury Secretary Timothy Geithner at the U.S. Department of the Treasury and as a member of the President's Auto Task Force. He was the founder and director, from 2002 to 2008, of the Center for Universal Education, which specializes in education for girls and boys in developing and conflict-impacted nations. Mr. Sperling currently serves on the board of directors of Ripple Labs.

Particular experience, attributes or skills that qualify candidate for Board membership: Stemming from his vast experience in government, Mr. Sperling brings to the Board valuable experience in public policy, economic policy, governmental affairs, and governance. He also provides the Board with knowledge and insight regarding market and risk analysis, manufacturing and innovation, the automotive industry, and labor relations, which add valuable insight and perspective to Board deliberations.

Proposal 1: Election of Directors

2018 Director Nominees continued

David S. Sutherland earned a Bachelor of Commerce degree from the University of Saskatchewan and a Master of Business Administration from the University of Pittsburgh's Katz Graduate School of Business. Mr. Sutherland retired as President and Chief Executive Officer of the former IPSCO, Inc., a leading North American steel producer, in July 2007 after spending 30 years with the company and more than five as President and Chief Executive Officer. Mr. Sutherland became the independent Chairman of the Board of U. S. Steel on January 1, 2014. Mr. Sutherland is a director of GATX Corporation and Imperial Oil, Ltd. Mr. Sutherland is a former chairman of the American Iron and Steel Institute and served as a member of the boards of directors of IPSCO, Inc., the Steel Manufacturers Association, the International Iron and Steel Institute, the Canadian Steel Producers Association and the National Association of Manufacturers.

Particular experience, attributes or skills that qualify candidate for Board membership: By virtue of his diverse background and experience, Mr. Sutherland has an extraordinarily broad and deep knowledge of the steel industry. As a former Chief Executive Officer, Mr. Sutherland understands the issues facing executive management of a major corporation. His prior experiences enable him to provide the Board with valuable insights on a broad range of business, social and governance issues that are relevant to large corporations.

Vice Admiral Tracey holds a Bachelor of Arts degree in Mathematics from the College of New Rochelle and a Master of Science in Operations Research and Systems Analysis from the Naval Postgraduate School. From 1970 to 2004, Vice Admiral Tracey served in increasingly responsible operational and staff positions with the United States Navy, including Chief of Naval Education and Training from 1996 to 1998, Deputy Assistant Secretary of Defense (Military Personnel Policy) from 1998 to 2001, and Director, Navy Headquarters Staff from 2001 to 2004. Vice Admiral Tracey served as a consultant on decision governance processes to the United States Navy from 2004 to 2005 and to the Department of Defense from 2005 to 2006. She took a position as a Client Industry Executive for business development and performance improvement with Electronic Data System Corporation in 2006. Hewlett Packard Co. acquired Electronic Data Systems Corporation in August 2008. Vice Admiral Tracey left her position as Vice President, Homeland Security and Defense Services with HP Enterprise Services in October 2016. She also serves on the board of trustees of Norwich University and the Board of Armed Forces Benefits Association. She currently consults with US Public Sector, a division of DXC Technology.

Particular experience, attributes or skills that qualify candidate for Board membership: As a result of her military service, Vice Admiral Tracey has valuable experience in governmental affairs, human resources, organizational and workforce development, occupational safety and environment compliance, and governance. She also provides the Board with knowledge and insight regarding information technology and information security and also brings experience in planning large-scale transformation, and in executing multi-year turnarounds.

Table of Contents

CORPORATE GOVERNANCE

Corporate governance is a continuing focus at U. S. Steel, embraced by the Board of Directors, management, and all employees. The Corporation has a long and rich tradition relating to corporate governance and public company disclosure, including being one of the first publicly traded

companies in United States history to hold an annual meeting of stockholders and to publish an annual report.

In this section, we describe some of our key governance policies and practices.

GOVERNANCE PRACTICES

U. S. Steel is committed to maintaining the highest standards of corporate governance and ethical conduct, which we believe are essential for sustained success and long-term stockholder value. In light of this goal, the Board oversees, counsels and directs management in the long-term interests of the Corporation, its stockholders and its customers. Our governance framework gives our highly-experienced directors the structure necessary to provide oversight, advice and counsel to U. S. Steel. The Board's responsibilities include, but are not limited to:

- overseeing the management of our business and the assessment of our business risks;
- overseeing the processes for maintaining our integrity with regard to our financial statements and other public disclosures, and compliance with laws and ethical principles;
- reviewing and approving our major financial objectives and strategic and operating plans;
- overseeing our talent management and succession planning for the CEO and other key executives; and
- establishing an effective governance structure, including appropriate board composition and planning for board succession.

The Board discharges its responsibilities through regularly scheduled meetings as well as through telephonic meetings, actions by written consent and other communications with management as appropriate. U. S. Steel expects directors to

attend all meetings of the Board and the Board committees upon which they serve, and all annual meetings of the Corporation's stockholders. During the fiscal year ended December 31, 2017, the Board held 10 meetings and numerous interim conference calls. All of the directors attended in excess of 75% of the meetings of the Board and the committees on which they served. All of the then-serving directors attended the 2017 Annual Meeting of Stockholders.

The Board has long adhered to governance principles designed to assure excellence in the execution of its duties. The Board regularly reviews the Corporation's governance policies and practices, which are responsive to stockholder feedback. These principles are outlined in our Corporate Governance Principles, which, in conjunction with our certificate of incorporation, by-laws, Board committee charters and related policies, form the framework for the effective governance of the Corporation.

The full text of the Corporate Governance Principles, by-laws, the charters for each of the Board committees, and the Corporation's Code of Ethical Business Conduct are available on the Corporation's website, www.ussteel.com. These materials are also available in print to any person, without charge, upon written request to:

Corporate Secretary
United States Steel Corporation
600 Grant Street, Suite 1500
Pittsburgh, PA 15219

Table of Contents

Corporate Governance

Corporate Governance At A Glance

Our Chairman is independent. He interacts closely with our Chief Executive Officer

The independent Board members elect our Chairman annually. Among other duties, our Chairman leads executive sessions of the independent directors to discuss certain matters without management present

Currently, the Board has fixed the number of directors at 13*

The board regularly assesses its performance through Board and committee self-evaluations

12 out of 13 of our directors are independent*

Our CEO is the only management director

We have four Board committees   Executive, Audit, Corporate Governance & Public Policy, and Compensation & Organization

With the exception of the Executive Committee (our Chairman, Committee Chairs and CEO serve on this committee), all other committees are composed entirely of independent directors

The Board actively monitors our succession planning and people development and receives regular updates on employee engagement, diversity and retention matters

At least twice per year, the Board reviews senior management succession and development plans

Our directors are required to receive at least half of their annual retainer in shares of our common stock and must hold these shares during their entire tenure on the Board

Our full Board is responsible for risk oversight, and has designated committees to have particular oversight of certain key risks.

Our Board oversees management as management fulfills its responsibilities for the assessment and mitigation of risks and for taking appropriate risks

We use majority voting in uncontested director elections

We have annual election of directors

We implemented a "3-3-20" proxy access by-law provision which enables our stockholders to nominate directors and have their eligible nominees included in the proxy statement with our nominees

We actively reach out to our stockholders through our engagement program

Stockholders can contact our Board, our Chairman or management by regular mail

*

Following the 2018 Annual Meeting, the Board will have 10 members, 9 of which are independent.

BOARD LEADERSHIP STRUCTURE

The Board regularly considers the appropriate leadership structure for the Corporation. It has concluded that the Corporation and its stockholders are best served by the Board retaining discretion to determine whether the same individual should serve as both Chief Executive Officer and Chairman of the Board, or whether the Chairman of the Board should be an independent director. The Board believes that it is important to retain the flexibility to make this determination at any given point in time based on what it believes will provide the best leadership structure for the Corporation, taking into account the needs of the Corporation at that time. Due to the high level of transition in the Corporation's executive leadership and the dynamic business environment in 2013 and 2014, the Board chose to implement a non-executive, independent Chairman role in January 2014 to allow the Chief Executive Officer to strategically focus on the associated business challenges. David S. Sutherland currently serves as the independent Chairman of the Board.

If the Chairman of the Board is not independent, the independent directors annually elect from among themselves

a Lead Director. If the Chairman of the Board is independent, the Chairman's duties also include the duties of the Lead Director. The duties of the Lead Director are as follows:

chair executive sessions of the non-employee directors;

serve as a liaison between the Chief Executive Officer and the independent directors;

approve Board meeting agendas and, in consultation with the Chief Executive Officer and the independent directors, approve Board meeting schedules to ensure there is sufficient time for discussion of all agenda items;

approve the type of information to be provided to directors for Board meetings;

be available for consultation and direct communication with the Corporation's stockholders;

call meetings of the independent directors when necessary and appropriate; and

perform other duties as the Board may from time to time designate.

Table of Contents

Corporate Governance

BOARD'S ROLE IN RISK OVERSIGHT

Pursuant to its charter, the Audit Committee is responsible for reviewing and discussing the Corporation's policies with respect to the assessment of risks and risk management, including the following:

- the guidelines and policies that govern the process by which the assessment and management of the Corporation's exposure to risk are handled by senior management; and

- the Corporation's major risk exposures and the steps management has taken to monitor and control such exposures.

The Corporation's Internal Audit group provides regular reports to the Audit Committee on the results of various internal audit projects and provides recommendations for the enhancement of operational functions in order to reduce certain risks. Although the Audit Committee has primary responsibility for overseeing risk management, each of our other Board committees also considers the risks within their specific areas of responsibility. For example, the charter of the Compensation & Organization Committee gives it responsibility for assessing whether the Corporation's compensation and organization policies and practices for executives and non-executives are reasonably likely to create a risk that could have a material adverse effect on the Corporation. Pursuant to its charter, the Corporate Governance & Public Policy Committee considers the risks

associated with legislative, regulatory and public policy issues affecting the Corporation's businesses and operations. Each committee regularly reports to the full Board on its respective activities, including, when appropriate, those activities related to risk assessment and risk management oversight.

The Board, as a whole, also considers risk assessment and risk management. For example, the Board annually reviews the Corporation's strategic plan which includes a review of risks related to: safety, environmental, operating and competitive matters; political and regulatory issues; employee and labor issues; and financial results and projections. Management regularly provides updates to the Board related to legal and compliance risks and cyber-security matters.

The Chief Risk Officer is responsible for the Corporation's financial and business risk management, including the assessment, analysis and monitoring of business risk and opportunities and the identification of strategies for managing risk. The Chief Risk Officer provides regular reports to the Audit Committee and Board of Directors on these matters.

The Corporation believes that its leadership structure, as described above, supports the Board's role in risk oversight.

BOARD OVERSIGHT OF STRATEGY

A primary responsibility of our Board is oversight of our business strategy. At each regular Board meeting throughout the year, our Board reviews our strategy, operating plans, and overall financial performance, and progress on each, and provides significant guidance and feedback. In addition, at least one multi-day meeting each year is dedicated to focus on our long-term strategic planning. The Board also devotes significant time to reviewing our capital allocation strategy. Annually, our Board reviews and approves our capital authorization and spending budgets, which are designed to strategically deploy capital intended to facilitate investments

required to achieve operational excellence, drive business growth and generate strong returns. Our capital allocation is aligned to support our strategic priorities, with a focus on preserving a strong balance sheet, a strong liquidity profile and financial flexibility. To oversee management's performance in executing our strategy, the Board receives regular updates and actively engages in dialogue with our executive management team. Members of our Board also periodically visit our facilities to monitor the execution of our strategy in our business units, and to assess areas for improvement or potential risk.

BOARD OVERSIGHT OF SUCCESSION PLANNING

Our Board and management consider succession planning and professional development to be an integral part of the Corporation's long-term strategy. The Compensation & Organization Committee is responsible for monitoring our management succession and development plans and receives regular updates on employee engagement, diversity and retention matters, which are reported to the full Board. At least twice annually, our full Board reviews senior

management succession and development plans with our CEO. Our CEO then presents to the independent directors his evaluations and recommendation of future candidates for the CEO position and other senior leadership roles and potential succession timing for those positions, including under emergency circumstances. The Board also reviews and discusses development plans for individuals identified as high-potential candidates for senior leadership positions.

BOARD REFRESHMENT

Our Board maintains a robust process in which the members focus on identifying, considering and evaluating potential board candidates. Our Corporate Governance & Public Policy Committee leads this process by considering prospective candidates at its meetings. In identifying appropriate candidates through a thoughtful evaluation,

supported by its outside consultants, the committee is focused on aligning the skills, experience and characteristics of our Board with the strategic development of the company. Among other things, the members aim to strike a balance between the knowledge that comes from longer-term service on the Board with the fresh insights that can come from

Corporate Governance

adding new members to the Board. The following shows our board refreshment process:

Identification of Candidates

The Corporate Governance & Public Policy Committee reviews candidates identified by an independent search firm or recommended by our directors, officers or stockholders, taking into consideration the qualifications and requirements outlined in our Corporate Governance Principles, as well as the skills and experience already represented on the Board.

Assessment and Interviews

The committee seeks input from other Board members and senior management to evaluate nominees for director and

interviews appropriate candidates to confirm their qualifications, interest and availability for Board service.

Nomination and Election

Upon a recommendation from the Corporate Governance & Public Policy Committee, the Board determines whether to elect a director candidate and optimal committee placement.

Onboarding

We conduct a comprehensive onboarding process for new directors, including site visits, to provide an understanding of our business, opportunities and challenges.

BOARD SELF-ASSESSMENTS

Each year, the Board conducts annual self-evaluations to determine whether it and its committees are functioning effectively and whether its governing documents continue to remain appropriate. Our Board's self-evaluation is facilitated by a wide range of questions related to topics including operations, composition of the board, responsibilities, governing documents and resources. The Board evaluation also includes an assessment of whether the Board (i) has the appropriate mix of skills, experience and other

characteristics, including those described earlier, and (ii) is made up of a sufficiently diverse group of people. The process is designed and overseen by the Corporate Governance & Public Policy Committee, and the results of the evaluations are discussed by the full Board.

Each standing committee, other than the Executive Committee, annually reviews its own performance and reports the results and any recommendations to the Board.

INDEPENDENCE

The following non-employee directors are independent within the definitions of independence of both the New York Stock Exchange (NYSE) listing standards and the U.S. Securities and Exchange Commission (SEC) standards for Audit Committee members: Patricia Diaz Dennis, Dan O. Dinges, John G. Drosdick, John J. Engel, Murry S. Gerber, Stephen J. Girsky, Paul A. Mascarenas, Glenda G. McNeal, Eugene B. Sperling, Robert J. Stevens, David S. Sutherland and Patricia A. Tracey. The Corporation has incorporated the NYSE and SEC independence standards into its own categorical standards for independence. The Board has affirmatively determined that none of the directors or nominees for director, other than Mr. Burritt, has a material relationship with the Corporation. The Board made such determination based on all relevant facts and circumstances.

In making its determination of director independence, the Board of Directors considered the fact that U. S. Steel purchased certain goods and services from WESCO International, Inc. (WESCO) in 2017. Mr. Engel is the Chairman, President and Chief Executive Officer of WESCO. The Board determined that Mr. Engel did not have a direct or indirect material interest in these transactions and that the transactions were undertaken in the ordinary course of business. In addition, the value of materials purchased by U. S. Steel in 2017 was less than 2% of WESCO's annual gross revenues. As a result, the Board concluded that these transactions would not affect Mr. Engel's independence.

Additionally, the Board considered the fact that U. S. Steel indirectly sold products to Cabot Oil & Gas Corporation ("Cabot") in 2017. Mr. Dinges is the Chairman, President and Chief Executive Officer of Cabot. The Board determined that Mr. Dinges did not have a direct or indirect material interest in these transactions and that the transactions were undertaken in the ordinary course of business, and that the products sold by U. S. Steel were less than 2% of Cabot's annual gross revenues. Accordingly, the Board concluded that these transactions would not affect Mr. Dinges' independence.

The Board affirmatively determined that each member of the Audit Committee: (i) did not accept directly or indirectly any consulting, advisory, or other compensatory fee from the Corporation or any of its subsidiaries, (ii) was not an affiliated person of the Corporation or any of its subsidiaries, and therefore (iii) satisfied the NYSE's enhanced independence standards for audit committee members.

The Board also determined that: (i) no member of the Compensation & Organization Committee has a relationship to the Corporation which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, and (ii) each member of the Compensation & Organization Committee therefore satisfies the independence requirements of NYSE listing standards.

Table of Contents

Corporate Governance

DIRECTOR RETIREMENT POLICY

Our Corporate Governance Principles require any non-employee director to retire at the first annual meeting of stockholders after he or she reaches the age of 74. However, the Board may grant exceptions to this policy on a case-by-case basis.

Each employee director must retire from the Board when he or she ceases to be an executive officer of the Corporation, except that the Chief Executive Officer may remain on the Board after retirement as an employee, at the Board's request, through the last day of the month in which he or she turns 70.

Our Corporate Governance Principles also provide that directors who undergo a significant change in their business or professional careers shall volunteer to resign from the Board.

At the 2018 Annual Meeting of Stockholders, Mr. Drosdick's term will expire and he will retire from the Board pursuant to the mandatory director retirement policy.

BOARD COMMITTEES

Under our by-laws and the general corporation law of the State of Delaware, U. S. Steel's state of incorporation, the business and affairs of U. S. Steel are managed under the direction of the Board of Directors. The non-employee directors hold regularly scheduled executive sessions without management. The directors spend considerable time preparing for Board and committee meetings.

The Board has three principal committees, each of which is comprised exclusively of independent directors: (i) the Audit Committee; (ii) the Compensation & Organization Committee; and (iii) the Corporate Governance & Public Policy Committee.

Each of the principal committees has a written charter adopted by the Board, which are available on the

Corporation's website (www.ussteel.com). The committee charters are regularly reviewed and updated to incorporate best practices and prevailing governance trends. The Board also has an Executive Committee that acts on, and reports to the Board on, matters that arise between Board meetings.

Each principal committee is required to have at least three members, each of whom is considered independent. Each of the principal committee charters require the committee to perform a self-evaluation and review its charter annually. Each committee may in its sole discretion, retain or obtain the advice of outside advisers, including any consultant, independent legal counsel or other adviser, at the Corporation's expense to assist the committee in fulfilling its duties and responsibilities.

The table below shows the current committee memberships of our directors:

Director	Audit Committee	Compensation & Organization Committee	Corporate Governance & Public Policy Committee	Executive Committee
David B. Burritt				X
Patricia Diaz Dennis		X	X	

Dan O. Dinges		C		X
John G. Drosdick		X		
John J. Engel	C			X
Murry S. Gerber	X	X		
Stephen J. Girsky	X		X	
Paul A. Mascarenas	X		X	
Glenda G. McNeal	X		X	
Eugene B. Sperling	X		X	
David S. Sutherland*				X
Robert J. Stevens		X	X	
Patricia A. Tracey		X	C	X
TOTAL MEETINGS HELD:	**5**	**6**	**5**	

C = Committee Chair.

*Chairman of the Board.

Table of Contents

Corporate Governance

Audit Committee
Pursuant to its charter, the Audit Committee's duties and responsibilities include:

- reviewing and discussing with management and the independent registered public accounting firm matters related to the annual audited financial statements, quarterly financial statements, earnings press releases and the accounting principles and policies applied;
- reviewing and discussing with management and the independent registered public accounting firm matters related to the Corporation's internal controls over financial reporting;
- reviewing the responsibilities, staffing and performance of the Corporation's internal audit function;
- reviewing issues that arise with respect to the Corporation's compliance with legal or regulatory requirements and corporate policies dealing with business conduct;
- being directly responsible for the appointment (subject to stockholder ratification), compensation, retention, and oversight of the work of the Corporation's independent registered public accounting firm, while possessing the sole authority to approve all audit engagement fees and terms as well as all non-audit engagements with such firm; and
- discussing policies with respect to risk assessment and risk management.

The Audit Committee annually requests PriceWaterhouseCoopers LLP (PwC) to prepare a self-assessment utilizing the Center for Audit Quality, External Auditor Assessment Tool. This best practice assists the Audit Committee in its oversight role and annual evaluation of PwC to assess the quality of the audit and to recommend the retention of PwC. Based on this assessment, we believe the quality of PwC's services, communication and interaction with the Audit Committee is of a high standard.

The charter also requires the Audit Committee to be comprised of at least three directors, each of whom is financially literate, and at least one of whom must have accounting or related financial management expertise. Under the charter, no director who serves on the audit committees of more than two other public companies may serve on the Audit Committee, unless the Board determines that such simultaneous service will not impair the ability of such director to effectively serve on the Audit Committee. No member of the Audit Committee serves on the audit committees of more than two other publicly traded companies. The Board has determined that John J. Engel, the Committee's chairman, Murry S. Gerber and Stephen J. Girsky meet the SEC's definition of audit committee financial expert.

Compensation & Organization Committee
Pursuant to its charter, the Compensation & Organization Committee's duties and responsibilities include:

- determining and approving, with the Board, the CEO's compensation level based on the evaluation of the CEO's performance;
- approving the compensation of the "executive officers" of the Corporation as defined under Section 16 of the Securities Exchange Act of 1934;

- reviewing the Corporation's executive management succession plans annually with the Board;
- administering the plans and programs under which short-term and long-term incentives are awarded to executive officers and approving such awards;
- assessing whether the Corporation's compensation and organization policies and practices are reasonably likely to create a risk that could have a material adverse effect on the Corporation;
- considering the most recent stockholder advisory vote on executive compensation in connection with determining executive compensation policies and decisions;
- reviewing with management and recommending to the Board the Compensation Discussion and Analysis (CD&A) section of the proxy statement and producing the committee report for inclusion in the proxy statement; and
- adopting and amending certain employee benefit plans and designating participants therein.

The Compensation & Organization Committee has retained Pay Governance, LLC as its consultant to assist it in evaluating executive compensation. The consultant reports directly to the Compensation & Organization Committee. The Compensation & Organization Committee retains sole authority to hire the consultant, approve its compensation, determine the nature and scope of its services, evaluate its performance, and terminate its engagement. A representative of the consultant attended all in-person meetings of the Compensation & Organization Committee in 2017.

The consultant provides various executive compensation services to the Compensation & Organization Committee, which generally include advising the Compensation & Organization Committee on the principal aspects of our executive compensation program and changing industry practices and providing market information and analysis regarding the competitiveness of our program design and our award values in relationship to their performance.

During 2017, the consultant performed the following specific services:

- provided presentations on executive compensation trends, and best practices and recent developments;

Corporate Governance

- prepared competitive assessments by position for each element of compensation and for compensation in the aggregate;
- reviewed drafts and commented on the CD&A and related compensation tables for the proxy statement;
- reviewed the peer group used for compensation benchmarking purposes and recommended changes, if appropriate; and
- attended executive sessions of the Compensation & Organization Committee.

The consultant provided no services to management during 2017.

The Compensation & Organization Committee has assessed the independence of the consultant pursuant to the NYSE listing standards and SEC rules and concluded that no conflict of interest exists that would prevent the consultant from serving as an independent consultant to the Compensation & Organization Committee.

The Compensation & Organization Committee also obtains input from the CEO with regard to compensation for other executives.

Our CEO recommends the level of base salary increase (if any), the annual incentive award, and the long-term incentive award value for all of our executive officers, including the other named executive officers (other than himself). These recommendations are based upon his assessment of each executive officer's performance, the performance of the individual's respective business or function, and employee retention considerations. The Compensation & Organization Committee reviews the CEO's recommendations and approves any compensation changes affecting our Section 16 executive officers.

Committee agendas are established in consultation among management, the Committee chair and the Compensation & Organization Committee's independent compensation consultant. The Compensation & Organization Committee meets in executive session without management for at least a portion of each regular meeting.

In 2017, the Compensation & Organization Committee considered reports and analysis that it had requested of management and its independent consultant concerning risks associated with the Corporation's compensation and organization policies and practices.

Corporate Governance & Public Policy Committee
The Corporate Governance & Public Policy Committee serves as the Corporation's governance and nominating committee. Pursuant to its charter, the duties and responsibilities of this committee include:

- Identifying and evaluating nominees for director and selecting, or recommending that the Board select, the director nominees for the next annual meeting of stockholders;
- making recommendations to the Board concerning the appropriate size and composition of the Board and its committees;
- making recommendations to the Board concerning the compensation of non-employee directors;
- recommending to the Board a set of corporate governance principles applicable to the Corporation, reviewing such principles annually and recommending appropriate changes to the Board;

- reviewing relationships with, and communications to and from, the investment community, including the Corporation's stockholders;
- reviewing matters and discussing risk relating to legislative, regulatory and public policy issues affecting the Corporation's businesses and operations;
- reviewing public policy issues likely to be of interest to various stakeholders of the Corporation, including employee health and safety, environmental, energy and trade matters;
- reviewing and approving codes of conduct applicable to employees and principal operating units; and
- assessing and making recommendations concerning overall corporate governance to the extent specific matters are not the assigned responsibility of other board committees.

The Corporate Governance & Public Policy Committee's charter gives the committee the sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms.

Table of Contents

Director Compensation

DIRECTOR COMPENSATION

Our Corporate Governance Principles provide that each non-employee director shall be paid compensation as the Board may determine from time to time. Directors who are employees of U. S. Steel receive no compensation for their service on the Board.

The objective of U. S. Steel's director compensation programs is to enable the Corporation to attract and retain as directors individuals of substantial accomplishment with demonstrated leadership capabilities. In order to align the interests of directors with the interests of stockholders, our non-employee directors participate in the Deferred Compensation Program for Non-Employee Directors and the Non-Employee Director Stock Program, each of which is described below.

For 2017, non-employee directors were paid an annual retainer fee of $240,000. Committee Chairs and the Chairman of the Board were paid an additional annual fee of $20,000 and $50,000, respectively. No meeting fees or committee membership fees are paid.

Under our Deferred Compensation Program for Non-Employee Directors, each non-employee director is required to defer at least 50% of his or her retainer in the form of Common Stock Units and may elect to defer up to 100%. A Common Stock Unit is what is sometimes referred to as "phantom stock" because initially no stock is actually issued. Instead, we keep a book entry account for each director that shows how many Common Stock Units he or she has. When a director leaves the Board, he or she receives actual shares of common stock corresponding to the number of Common Stock Units in his or her account. The ongoing value of each Common Stock Unit equals the market price of the common stock. When dividends are paid on the common stock, we credit each account with equivalent amounts in additional Common Stock Units. If U. S. Steel were to undergo a change in control resulting in the removal of a non-employee director from the Board, that director would receive a cash payment equal to the value of his or her deferred stock account.

Under our Non-Employee Director Stock Program, upon joining our Board, each non-employee director is eligible to receive a grant of up to 1,000 shares of common stock. In order to qualify, each director must first have purchased an equivalent number of shares in the open market during the 60 days following the first date of his or her service on the Board.

The Corporate Governance & Public Policy Committee reviews and sets director compensation on an annual basis. In November 2016, the committee reviewed information and recommendations from Pay Governance, an independent compensation consultant, for the same comparator group of 24 companies the Compensation & Organization Committee uses for determining compensation for our executives, as well as for a larger general comparator group of 151 companies in a similar revenue range as the Corporation. After reviewing the information presented by Pay Governance, as well as other public information on the topic, the committee determined that the plan design was consistent with market trends, but that the amount of our directors' annual base retainer, which was set in 2011, was below the 25th percentile and significantly below the 50th percentile of both comparator groups. The Corporate Governance & Public Policy Committee recommended, and the Board approved, an increase in the annual director compensation retainer to $240,000 beginning in 2017, in order to align the compensation level with the median of both comparator groups. No increase was made to the additional amounts paid to the board chair or to committee chairs. In 2017, the Corporate Governance & Public Policy Committee reviewed director compensation information of the peer group and a general comparator group, and made no changes to the director compensation fees for 2018. Mr. Sutherland's annual retainer was temporarily increased by $150,000, effective March 1, 2018, in connection with his assumption of additional duties.

The following table sets forth the compensation of non-employee directors in 2017:

DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash ($)	Stock Awards(1)(2) ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
Patricia Diaz Dennis	120,000	120,000	0	0	0	240,000

Dan O. Dinges	63,333	190,000	0	0	0	253,333
John G. Drosdick	123,333	130,000	0	0	0	253,333
John J. Engel	130,000	130,000	0	0	0	260,000
Murry S. Gerber	120,000	120,000	0	0	0	240,000
Stephen J. Girsky	0	240,000	0	0	0	240,000
Paul A. Mascarenas	120,000	120,000	0	0	0	240,000
Glenda G. McNeal	120,000	120,000	0	0	0	240,000
Eugene B. Sperling	50,000	75,435	0	0	0	125,435
Robert J. Stevens	0	240,000	0	0	0	240,000
David S. Sutherland	43,500	246,500	0	0	0	290,000
Patricia A. Tracey	130,000	130,000	0	0	0	260,000

Table of Contents

Stock Ownership of Directors and Executive Officers

(1)
The amount shown represents the aggregate grant date fair value, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (ASC 718), as described in the Corporation's financial statements for the year ended December 31, 2017 included in the Corporation's annual report on Form 10-K for 2017. All of the 2017 stock awards represent Common Stock Units under the Deferred Compensation Program for Non-Employee Directors, except in the case of Mr. Sperling, where $50,000 represents Common Stock Units under the Deferred Compensation Program for Non-Employee Directors and $25,435 represents shares awarded under the Non-Employee Director Stock Program.

(2)
The aggregate stock awards outstanding at the end of 2017 for each director listed in the table represent Common Stock Units under the Deferred Compensation Program for Non-Employee Directors and shares of stock awarded under the Non-Employee Director Stock Program.

STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The Board has adopted stock ownership and holding requirements for executive officers. These requirements are described under the caption "Stock Ownership and Holding Guidelines" in the Compensation Discussion and Analysis section of this proxy statement.

Non-employee directors are required to hold equity interests in the Corporation in the form of stock-based deferred compensation. This requirement is a part of our Corporate Governance Principles. Each non-employee director is required to defer at least 50% of his or her annual retainer as stock-based compensation under the Deferred Compensation Program for Non-Employee Directors. Amounts deferred are credited to the director's deferred stock account in the form of Common Stock Units. No amounts are paid to the director from the deferred stock account until the director leaves the Board, at which time he or she receives actual shares of common stock corresponding to the number of Common Stock Units in his

or her account. The Board and management believe that such deferral, by continually building each director's equity interest in the Corporation, provides a meaningful continued interest in the Corporation that is tied to the stockholders' interest because the stock issued upon a director's departure from the Board reflects all changes in the market value of U. S. Steel common stock from the date of deferral. Each non-employee director is in compliance with the requirement described in this paragraph.

The following table sets forth the number of shares of U. S. Steel common stock beneficially owned as of February 26, 2018* by each director and director nominee, by each executive officer named in the Summary Compensation Table and by all directors and executive officers as a group. No director or executive officer beneficially owned, as of the applicable date, any equity securities of U. S. Steel other than those shown.

Name	Shares Beneficially Owned*
Kevin P. Bradley(1)	46,933
Scott D. Buckiso(1)	71,225
David B. Burritt(1)	198,508
Patricia Diaz Dennis(2)	26,058
Dan O. Dinges(2)	53,208

John G. Drosdick(2)	54,767
John J. Engel(2)	42,645
Suzanne R. Folsom(1)	62,600
Murry S. Gerber(2)	171,969
Stephen J. Girsky(2)	28,785
Mario Longhi(1)	300,430
Paul A. Mascarenas(2)	17,883
Douglas R. Matthews(1)	214,128
Glenda G. McNeal(2)	45,084
David J. Rintoul(1)	56,512
Pipasu H. Soni(1)	25,153
Eugene B. Sperling(2)	7,422
Robert J. Stevens(2)	50,429
David S. Sutherland(2)	106,422
Patricia A. Tracey(2)	46,803
All Directors and Executive Officers as a group (25 persons)(1)(2)(3)	1,784,523

* Does not include fractional shares. Amounts shown for Mr. Longhi and Ms. Folsom are as of their termination dates, June 30, 2017 and December 29, 2017, respectively.

(1) Includes shares which may be acquired upon exercise of outstanding options which are or will become exercisable within 60 days of February 26, 2018 in the following amounts: Mr. Buckiso: 47,476; Mr. Burritt: 28,266; Mr. Matthews: 132,122; Mr. Rintoul: 16,196; Mr. Soni: 5,180; and all executive officers as a group: 282,496.

Communications from Stockholders and Interested Parties

(2) Includes those Common Stock Units granted under the Deferred Compensation Program for Non-Employee Directors that are convertible into shares of common stock upon departure from the Board in the following amounts: Ms. Diaz Dennis: 24,058; Mr. Dinges: 51,208; Mr. Drosdick: 52,767; Mr. Engel: 40,645; Mr. Gerber: 33,769; Mr. Girsky: 23,285; Mr. Mascarenas: 14,383; Ms. McNeal: 43,019; Mr. Sperling: 5,422; Mr. Stevens: 48,116; Mr. Sutherland: 94,334; Vice Admiral Tracey: 45,145; and all directors as a group: 476,155.

(3) The total number of shares beneficially owned by all directors and executive officers as a group constitutes approximately 1.0% of the outstanding shares of common stock of U. S. Steel.

COMMUNICATIONS FROM STOCKHOLDERS AND INTERESTED PARTIES

Stockholders and interested parties may send communications through the Secretary of the Corporation to the: (1) Board, (2) Committee Chairs, (3) Chairman of the Board, or (4) outside directors as a group. The Secretary will collect, organize and forward to the directors all communications that are appropriate for consideration by the directors. Examples of communications that would not be considered appropriate for consideration by the directors

include solicitations for products or services, employment matters, and matters not relevant to stockholders generally, to the functioning of the Board, or to the affairs of the Corporation. The Secretary of the Corporation may be contacted at: Corporate Secretary, United States Steel Corporation, 600 Grant Street, Suite 1500, Pittsburgh, PA 15219.

POLICY WITH RESPECT TO RELATED PERSON TRANSACTIONS

The Board of Directors of the Corporation has adopted a written policy that requires certain transactions with related persons to be approved or ratified by its Corporate Governance & Public Policy Committee. For purposes of this policy, related persons include: (i) any person who is, or at any time since the beginning of the Corporation's last fiscal year was, a director or executive officer of the Corporation or a nominee to become a director of the Corporation; (ii) any person who is the beneficial owner of more than 5% of any class of the Corporation's voting securities; and (iii) any immediate family member of any person described in (i) or (ii). The types of transactions that are subject to this policy are transactions, arrangements or relationships (or any series of similar transactions, arrangements or relationships) in which the Corporation, or any of its subsidiaries, was, is or will be a participant and in which any related person had, has or will have a direct or indirect material interest and the aggregate amount involved will or may be expected to exceed $120,000. The standards applied by the Corporate Governance & Public Policy Committee when reviewing transactions with related persons include: (a) the benefits to the Corporation of the transaction; (b) the terms and conditions of the transaction and whether such terms and conditions are comparable to the terms available to an unrelated third party or to employees generally; and (c) the potential for the transaction to affect the independence or judgment of a director or executive officer of the Corporation. Under the policy, certain transactions are deemed to be automatically pre-approved and do not need

to be brought to the Corporate Governance & Public Policy Committee for individual approval. The transactions that are automatically pre-approved include: (i) transactions involving compensation to directors and executive officers of the type that is required to be reported in the Corporation's proxy statement; (ii) indebtedness for ordinary business travel and expense payments; (iii) transactions with another company at which a related person's only relationship is as an employee (other than an executive officer), a director or beneficial owner of less than 10% of any class of equity securities of that company, provided that the amount involved does not exceed the greater of $1,000,000 or 2% of that company's consolidated gross annual revenues; (iv) transactions where the interest of the related person arises solely from the ownership of a class of equity securities of the Corporation, and all holders of that class of equity securities receive the same benefit on a pro rata basis; (v) transactions where the rates or charges involved are determined by competitive bid; (vi) transactions involving the rendering of services as a common or contract carrier or public utility at rates or charges fixed in conformity with law or governmental regulation; and (vii) transactions involving services as a bank depositary of funds, transfer agent, registrar, trustee under a trust indenture or similar services.

There were no transactions that required approval of the Corporate Governance & Public Policy Committee under this policy during 2017.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under Section 16(a) of the Securities Exchange Act of 1934, our directors and executive officers and persons holding more than 10% of any class of our equity securities, are required to file with the SEC initial reports of their ownership of our common stock and reports of changes in such ownership. To our knowledge, based on information furnished to us during 2017, there were no late filings by any U. S. Steel directors, executive officers or other persons subject to Section 16(a) of the Securities Exchange Act of

1934 required to be disclosed in this proxy statement. In December 2017, an amendment to the applicable Form 3 was filed for each of Christine Breves and Scott Buckiso disclosing ownership of phantom shares through the Corporation's Supplemental Thrift Program. These shares were inadvertently omitted from the initial Forms 3 that were timely filed upon their designation as an "executive officer" under the federal securities laws.

Table of Contents

Certain Legal Matters

CERTAIN LEGAL MATTERS

On October 2, 2017, an Amended Shareholder Class Action Complaint was filed in Federal Court in the Western District of Pennsylvania consolidating previously-filed actions. Separately, four related shareholder derivative lawsuits were filed in State and Federal courts in Pittsburgh. The underlying consolidated class action lawsuit alleges that the Corporation, certain current and former officers, an upper level manager of the Corporation and the financial underwriters who participated in the August 2016 secondary public offering, violated federal securities laws in making false statements and/or failing to discover and disclose material information regarding the financial condition of the Corporation. The lawsuit claims that this conduct caused a

prospective class of plaintiffs to sustain damages during the period of January 27, 2016 and April 25, 2017 as a result of the prospective class purchasing the Corporation'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 members of the Board of Directors failed to exercise appropriate control and oversight over the Corporation and were unjustly compensated. They seek to recover losses that were allegedly sustained. The Corporation is vigorously defending these matters.

STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table furnishes information concerning all persons known to U. S. Steel who beneficially own five percent or more of the voting stock of U. S. Steel:

Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
U. S. Steel Common Stock	The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	15,079,047	8.61%
U. S. Steel Common Stock	Blackrock, Inc.(2) 55 East 52nd street New York, NY 10055	14,848,328	8.5%

(1) Based on Schedule 13G filed on February 9, 2018, which indicates that The Vanguard Group had sole voting power over 93,513 shares, shared voting power over 30,804 shares, sole dispositive power over 14,969,105 shares and shared dispositive power over 109,942 shares.

(2) Based on Schedule 13G filed on January 23, 2018, which indicates that Blackrock, Inc. had sole voting power over 14,167,063 shares, shared voting power over no shares, sole dispositive power over 14,848,328 shares and shared dispositive power over no shares.

Table of Contents

PROPOSAL 2: ADVISORY VOTE ON EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Securities Exchange Act of 1934, we are seeking an advisory vote from our stockholders on the following resolution to approve the compensation of the named executive officers ("NEOs") listed in the compensation tables of this proxy statement:

> RESOLVED, that the stockholders of United States Steel Corporation (the "Corporation") approve, on an advisory basis, the compensation of the Named Executive Officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission in the Corporation's proxy statement for the 2018 Annual Meeting of Stockholders, including the Compensation Discussion and Analysis, compensation tables and narrative discussions.

We intend to offer this non-binding advisory vote at each of our annual meetings. Although it is not binding, we and the Board welcome our stockholders' views on our NEOs' compensation and will carefully consider the outcome of this advisory vote consistent with the best interests of all stockholders.

Advisory Vote Discussion

At the 2017 Annual Meeting of Stockholders, approximately 92% of the votes cast were "For" our advisory vote on executive compensation. We value the feedback we receive from regular engagement with our stockholders, and are encouraged by the positive support we have received over the past several years for our compensation program and recognition of our responsiveness to stockholders.

In 2017, we continued our long-standing engagement with our largest stockholders both during and outside of the proxy season. In each of the last two years, we've met with or held telephonic meetings with stockholders representing approximately 20% of our outstanding stock. In addition, some stockholders indicated they did not believe a call was necessary at the time. All of the stockholders provided positive feedback regarding recent changes to our executive

compensation program and support the pay-for-performance nature of our compensation program. The Compensation & Organization Committee considered this feedback when reviewing the incentive compensation programs for 2018.

In considering this advisory vote, we encourage you to read the Compensation Discussion and Analysis, the compensation tables and other relevant information in this proxy statement for additional details on our executive compensation programs and the 2017 compensation paid to our named executive officers.

The Board recommends that you vote "FOR" the resolution approving the compensation of our Named Executive Officers.

COMPENSATION & ORGANIZATION COMMITTEE REPORT

The Compensation & Organization Committee of the Board of Directors of the Corporation has reviewed and discussed the Compensation Discussion and Analysis with management. Based on such review and discussion, the Compensation & Organization Committee recommended to

the Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference into the Corporation's Annual Report on Form 10-K for the year-ended December 31, 2017.

Dan O. Dinges, Chairman	John G. Drosdick
Patricia Diaz Dennis	Murry S. Gerber
Robert J. Stevens	Patricia A. Tracey

Table of Contents

Compensation Discussion and Analysis

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis ("CD&A") contains a discussion of the material elements of compensation awarded to, earned by, or paid to the Corporation's "Named Executive Officers" ("NEOs"), including our principal executive officer, the principal financial

officer, and the next three most highly compensated executive officers of U. S. Steel in 2017, as well as individuals who served as our principal executive officer and interim principal financial officer during a portion of 2017.

U. S. Steel's Named Executive Officers in 2017*

President & Chief Executive Officer

Executive Vice President & Chief Financial Officer

Senior Vice President Industrial, Service Center and Mining Solutions

Senior Vice President European Solutions & President, U. S. Steel Kosice