

UNITED STATES STEEL CORPORATION

CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT OF 2010 DISCLOSURES

Revised November 2017

The California Transparency in Supply Chains Act of 2010 (the “Act”) requires certain companies that do business in California to disclose their efforts to eradicate slavery and human trafficking from their direct supply chain. United States Steel Corporation (“U. S. Steel”) is committed to ethical business practices and compliance with all laws and regulations, including with respect to this important cause, and makes the following disclosures pursuant to the Act.

U. S. Steel prohibits any form of forced labor, including slavery and human trafficking, in our supply chain. Our [Code of Ethical Business Conduct](#) (“Code”) specifically states that U. S. Steel: (1) does not engage in or support child labor, human trafficking, or slavery; (2) does not knowingly support companies that utilize any form of child labor, human trafficking, or slavery; and (3) expects our suppliers to meet those same standards. The Code is distributed to all new employees and suppliers and made available online and through the company’s intranet. All employees are required to certify their compliance with the Code annually, and we take steps to ensure that all our employees comply with this certification requirement.

We also communicate our expectations to suppliers through distribution of our publicly available [Supplier Code of Conduct](#), which specifically prohibits human trafficking, slavery and forced labor, and unlawful child labor and requires suppliers to cascade these standards to any other parties involved in their business activities for U. S. Steel. U. S. Steel’s standard [Purchase Order General Terms and Conditions](#) (“Terms and Conditions”) explicitly prohibit our suppliers from using any form of forced labor, employing any person below the age of fifteen (except as part of certain U.S. government-approved programs that benefit the participants), or engaging in physically abusive disciplinary practices. Our Terms and Conditions further require that our suppliers comply with all applicable laws, orders, rules, regulations, and requirements enforced by any foreign or domestic governmental body or entity relating to the design, production, sale, distribution, and/or provision of goods and/or services to U. S. Steel, which necessarily include anti-slavery and anti-human trafficking laws. To the extent that our suppliers retain or utilize subcontractors and/or sub-suppliers to perform work or supply goods pursuant to our contracts, the Terms and Conditions require our suppliers to use only subcontractors or sub-suppliers that will adhere to these requirements and to monitor such compliance.

Our Supplier Code of Conduct requires suppliers to maintain documentation to demonstrate their compliance and to provide such documentation to U. S. Steel upon request. In addition, the Terms and Conditions require suppliers to certify their compliance with all U. S. Steel requirements, including those described above, when they deliver goods and/or perform services pursuant to a contract with U. S. Steel. We also explicitly reserve the right to retain an independent third party (or request that a particular supplier retain one reasonably acceptable to us) to audit any supplier’s

compliance with our requirements, provide both our supplier and us with written certification of the supplier's compliance, and identify any areas for potential improvement.

Finally, U. S. Steel recognizes the importance of internal accountability to ensure that we conduct all aspects of our business legally and ethically. Employees who fail to follow our Code and any other corporate policies, procedures, or rules are subject to disciplinary action, up to and including suspension or discharge. Similarly, our Supplier Code of Conduct makes clear that suppliers' compliance with the standards set forth therein is a condition of doing business with U. S. Steel. To help identify instances of non-compliance, U. S. Steel asks employees and suppliers to promptly report any suspected illegal or unethical conduct connected with the business of U. S. Steel to an appropriate company resource, such as their immediate supervisor, Human Resources or Labor Relations, the Law Department, or the [U. S. Steel Ethics Line](#) (the "Ethics Line"). The Ethics Line is hosted by an independent provider and is available 24 hours per day, 7 days per week. It provides a convenient, anonymous, and confidential way for employees and third parties to report suspected illegal or unethical conduct. All reports are investigated so that necessary and appropriate action can be taken based on the outcome of each investigation. U. S. Steel strictly forbids any form of retaliation against anyone who raises an ethics or compliance concern in good faith.