



United States Steel Corporation

Notice of Annual Meeting of Stockholders and Proxy Statement

2014

**Tuesday, April 29, 2014
10:00 a.m. Eastern Time**

33rd Floor
U. S. Steel Tower
600 Grant Street
Pittsburgh, PA 15219

Please vote promptly either by:

- telephone,
- the Internet, or
- marking, signing and returning your proxy or voting instruction card.

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Proxy Statement

You are receiving this proxy statement because the Board of Directors is asking you to give your proxy (that is, the authority to vote your shares) to our proxy committee so they may vote your shares on your behalf at our annual meeting of stockholders. The members of the proxy committee are Mario Longhi and David S. Sutherland. They will vote your shares as you instruct. The proxy statement contains information about the matters being voted on and other information that may be helpful to you.

We will hold the meeting at 10:00 a.m. Eastern Time on April 29, 2014 on the 33rd floor of the U. S. Steel Tower, 600 Grant Street, Pittsburgh, Pennsylvania. If you need directions to the annual meeting, you may write to U. S. Steel Shareholder Services, 15th Floor, 600 Grant Street, Pittsburgh, PA 15219-2800 or send an email to shareholderservices@uss.com.

Proxy materials or a Notice of Internet Availability of Proxy Materials (the "Notice") are being first sent to shareholders on or about March 14, 2014. In accordance with rules and regulations adopted by the Securities and Exchange Commission (the "SEC"), instead of mailing a printed copy of the Company's proxy materials to each shareholder of record, the Company may furnish proxy materials by providing access to those documents on the Internet. The Notice describes the matters to be considered at the meeting and gives instructions on how shares can be voted. Shareholders receiving the Notice can request a paper copy of the proxy materials and a proxy card by following the instructions set forth in the Notice.

Questions and Answers

■ Who may vote?

You may vote if you were a holder of United States Steel Corporation ("U. S. Steel" or the "Corporation") common stock at the close of business on February 28, 2014.

■ What may I vote on?

You may vote on:

- the election of the four nominees for Class I directors recommended by the Board of Directors and identified on pages 22-23 of this proxy statement,
- the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2014,
- the advisory vote on executive compensation,
- the approval of the Amendment and Restatement of the 2005 Stock Incentive Plan, and

- the approval of the amendment to the Restated Certificate of Incorporation to declassify the Board of Directors and provide for the annual election of directors.

■ How does the Board recommend I vote?

The Board recommends that you vote:

- FOR** each of the nominees for director,
- FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2014, and
- FOR** approval of the Corporation's executive compensation.
- FOR** approval of the Amendment and Restatement of the 2005 Stock Incentive Plan.
- FOR** the amendment to the Restated Certificate of

Incorporation to declassify the Board of Directors and
provide for the annual election of directors.

will suffice. Although not required for admission to the meeting, if you received an attendance card, please bring it with you.

When must shareholder proposals be submitted for inclusion in the proxy statement for the 2015 annual meeting?

If a shareholder wants to present a proposal at the 2015 annual meeting and have it included in our proxy statement for that meeting, the proposal must be received in writing by our Corporate Secretary at 18610465904 Eastern Time on November 14, 2014.

What is the deadline for a shareholder to submit an item of business or other proposal for consideration at the 2015 annual meeting?

Our by-laws describe the procedures that must be followed in order for a stockholder of record to present an item of business at an annual meeting of stockholders. Shareholder proposals or other items of business for the 2015 ann

The Board of Directors and its Committees

Under our by-laws and the laws 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 Board met nine times in 2013. The non-employee directors hold regularly scheduled executive sessions without management. Effective as of January 1, 2014, David S. Sutherland, an independent director, was elected the chairman of the Board of Directors. The directors spend considerable time preparing for Board and committee meetings, and they attend as many meetings as possible. During 2013, all of the directors attended in excess of 75 percent of the meetings of the Board and the committees on which they served. The directors are expected to attend the annual meeting of stockholders. Eleven of the twelve directors who were on the Board at the time attended the 2013 stockholders meeting.

Independence

The following non-employee directors are independent within the definitions of independence of both the New York Stock Exchange listing standards and the Securities and Exchange Commission (the "SEC") standards for audit committee members: Dan O. Dinges, John G. Drosdick, John J. Engel, Richard A. Gephardt, Murry S. Gerber, Thomas W. LaSorda, Charles R. Lee, Robert A. McDonald, Glenda G. McNeal, Seth E. Schofield, David S. Sutherland and Patricia A. Tracey. In addition, the Board has affirmatively determined that none of the directors or nominees for director has a material relationship with the Corporation (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Corporation). The Board made such determination based on all relevant facts and circumstances, including the categorical standards for independence adopted by the Board. Under those standards, no director is independent if:

- a. within the previous three years:
 1. he or she has been an employee, or an immediate family member (as defined below) has been an executive officer, of the Corporation;
 2. he or she, or an immediate family member, has received more than \$120,000 in any twelve-month period in direct compensation from the Corporation, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); or
 3. he or she has been employed, or an immediate family member has been employed, as an executive officer of another company where any of the Corporation's present executives serve on that company's compensation committee;
- b. he or she is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Corporation for property or services in an amount which, in any of the last three fiscal years, exceeded the greater of \$1 million or 2 percent of such other company's gross revenues; or
- c. (1) he or she or an immediate family member is a current partner of a firm that is the Corporation's internal or external auditor; (2) he or she is a current employee of such a firm; (3) he or she has an immediate family member who is a current employee of such a firm and personally works on the Corporation's audit; or (4) he or she or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Corporation's audit within that time.

"Immediate family member" includes a person's spouse, parents, children, siblings, mother and father-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. It does not

include individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated.

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. in 2013. Mr. Engel, a Class III director, 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 amount of payments made by U. S. Steel were significantly 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.

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 Committee therefore satisfies the independence requirements of the NYSE listing standards.

Director Retirement Policy

Our by-laws require non-employee directors to retire at the first annual meeting of stockholders after they turn 74, even if their terms have not expired; however, the Board can grant exceptions to this policy on a case-by-case basis. The Board has granted such exceptions for Mr. Lee and Mr. Schofield, both of whom are 74. Mr. Lee and Mr. Schofield will now retire at the 2015 annual meeting of stockholders. Because of the extensive changes that took place to the Corporation's senior management during 2013 (including a new Chief Executive Officer, Chief Financial Officer, General Counsel, Chief Information Officer and Chief Procurement Officer), the Board concluded that it was important to retain the services of these two experienced directors for an additional one year.

Employee directors must retire from the Board when they cease to be a principal officer of the Corporation, except that the Chief Executive Officer ("CEO") 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 by-laws also provide that directors who undergo a significant change in their business or professional careers should volunteer to resign from the Board.

Board Committees

The Board has three principal committees, each of which is comprised exclusively of independent directors: the Audit Committee, the Compensation & Organization Committee and the Corporate Governance & Public Policy Committee. Each such committee has a written charter adopted by the Board, which is available on the Corporation's website (www.ussteel.com) under "Investors" then "Corporate Governance." Each committee may hire outside advisors, including counsel, at the Corporation's expense. The Board also has an Executive Committee made up of Messrs. Sutherland and Longhi, the role of which is to act on, and report to the Board on, significant matters that may arise between Board meetings. The table below shows

the current committee memberships of each independent director and the number of meetings that each principal committee of the Board held in 2013.

Director	Audit Committee	Compensation & Organization Committee	Corporate Governance & Public Policy Committee
Dan O. Dinges	X	X	
John G. Drosdick		X*	
John J. Engel	X*		
Richard A. Gephardt			X*
Murry S. Gerber		X	X
Thomas W. LaSorda	X		X
Charles R. Lee	X	X	
Robert A. McDonald	X	X	
Glenda G. McNeal	X		X
Seth E. Schofield	X		
David S. Sutherland**			
Patricia A. Tracey		X	X
Number of Meetings in 2013	7	10	7

* Chairman

** As Chairman of the Board, Mr. Sutherland is a non-voting, ex-officio member of each Committee.

Audit Committee

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

- 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 control 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 shareholder ratification), compensation, retention, and oversight of the work of the Corporation's independent registered public accounting firm (including resolution of disagreements between management and such firm regarding financial reporting), 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 charter requires the Committee to perform an annual self-evaluation and to review its charter during its first meeting of each calendar year.

The charter requires the Committee to meet at least five times each year. The Committee met seven times in 2013.

The charter requires that the Committee be comprised of at least three directors, each of whom is independent and financially literate, and at least one of whom must have accounting or related financial management expertise. The charter also requires that no director who serves on the audit committees of more than two other public companies may serve on the Committee unless the Board determines that such simultaneous service will not impair the ability of such director to effectively serve on the Committee. The Board has determined that John J. Engel, the Committee's

chairman, and Charles R. Lee meet the SEC's definition of audit committee financial expert. Mr. Engel and Mr. Lee are independent, as that term is defined b^a

the express approval of the Committee (there were no services performed for management in 2013). The consultant regularly participates in Committee meetings, including executive sessions, and advises the Committee with respect to compensation trends and best practices, plan design, and the reasonableness of individual compensation awards. The Committee has concluded that there was no conflict of interest with Pay Governance during 2013. In reaching this conclusion, the Committee considered the factors set forth in the rules of the SEC and the New York Stock Exchange regarding compensation consultant independence.

- With respect to the CEO's compensation, the Committee makes its determinations based upon its evaluation of the CEO's performance and with input from its consultant. Each year, the Committee reviews the CEO's goals and objectives, and the evaluation of the CEO's performance with respect to the prior year's approved CEO goals and objectives, with the Board of Directors. The CEO does not participate in the presentations to, or discussions with, the Committee in connection with the setting of his compensation.
- With the oversight of the CEO and the Senior Vice President – Human Resources and Administration, the Corporation's compensation group formulates recommendations on matters of compensation philosophy, plan design, and the specific compensation recommendations for other executive officers. The CEO gives the Committee a compensation recommendation reflecting a performance assessment for each of the other executives. These recommendations are then considered by the Committee with the assistance of its compensation consultant.

For 2013, the 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. The Committee concluded that the Corporation's compensation and organization policies and practices for executives and non-executives are not reasonably likely to create a risk that could have a material adverse effect on the Corporation.

**Corporate Governance & Public Policy
Committee**

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

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Board's Role in Risk Oversight

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Compensation of Directors

Our by-laws provide that each non-employee director shall be paid allowances and attendance fees as the Board may from time to time determine. 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 the shareholders, our non-employee directors also participate in the Deferred Compensation Program for Non-Employee Directors and the Non-Employee Director Stock Program, each of which is described below.

Non-employee directors are paid an annual retainer fee of \$200,000. Until July 1, 2013, Committee Chairs and the Lead Director were paid an additional annual fee of \$10,000.

Effective as of July 1, 2013, the amount of this additional annual fee was increased to \$20,000 for Committee Chairs and \$25,000 for the Lead Director.

Effective as of January 1, 2014, an additional annual fee of \$50,000 is payable to the Chairman of the Board if he or she is not an employee of the Corporation.

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 percent of his or her retainer in the form of Common Stock Units and may elect to defer fees per

Communications from Security Holders and Interested Parties

Security holders and interested pa

Proposals of the Board

The Board will present the following proposals at the meeting:

Proposal No. 1

Election of Directors

U. S. Steel's Certificate of Incorporation provides for a classified Board of Directors that divides div^t t tat p

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Richard A. Gephardt **Director since 2005**
President and Chief Executive Officer, Gephardt Group (consulting)

Age 73

Congressman Gephardt received a Bachelor of Science degree from Northwestern University and a Juris Doctor degree from the University of Michigan Law School. After serving as a Democratic committeeman and alderman in his native St. Louis, he was elected to the United States House of Representatives in 1976, representing Missouri's Third District. He was re-elected 13 times. While in the House, Congressman Gephardt served on the Budget Committee and on the Ways and Means Committee. He was elected Chairman of the House Democratic Caucus in 1984; and he served as majority leader from 1989 to 1994. In 1994 he was elected House Democratic Leader, the top Democratic leadership position in the House. He served as minority leader from 1995 to 2003. After deciding not to seek re-election, Congressman Gephardt retired from the House on January 3, 2005. Congressman Gephardt has served as President and Chief Executive Officer of Gephardt Group, a multi-disciplined consulting firm, since 2005. He is a director of Spirit Aerosystems Holdings, Inc., Centene Corporation, CenturyLink, Inc. and Ford Motor Company. He previously served as a director of Embarq Corporation and Dana Holding Corporation.

Congressman Gephardt has valuable experience in public policy and governmental affairs as a result of his service in the United



Glenda G. McNeal

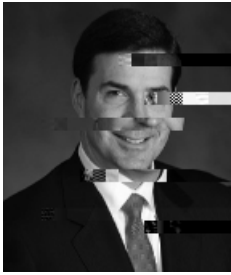
Director since 2007

Age 53

Executive Vice President and General Manager – Global Client Group, Global Merchant Services American Express Company (global payments, network, credit card and travel services)

Ms. McNeal received a Bachelor of Arts degree in Accounting from Dillard University and an MBA in Finance from the Wharton School of the University of Pennsylvania. Ms. McNeal began her career with Arthur Andersen, LLP in 1982, and was employed by Salomon Brothers, Inc. from 1987 to 1989. In 1989, Ms. McNeal joined American Express Ce

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John J. Engel

Director since 2011

Age 52

Chairman, President and Chief Executive Officer, WESCO International, Inc. (distribution of electrical and industrial products and supply chain services)

Mr. Engel graduated from Villanova University in 1984 with a BS degree in Mechanical Engineering. He received his MBA from the University of Rochester in 1991. Mr. Engel began his career with General Electric Company where he held various engineering, manufacturing and general management positions from 1985 to 1994. From 1994 to 1999, Mr. Engel served as Vice President and General Manager of Allied Signal, Inc.; from 1999 to 2002, as Executive Vice President and Senior Vice President of Perkin Elmer, Inc.; and from 2003 to 2004, as Senior Vice President and General Manager of Gateway, Inc. Mr. Engel joined WESCO International, Inc. in 2004 and served as Senior Vice President and Chief Operating Officer from 2004 to 2009. He became a Director in October 2008 and served as President, Chief Executive Officer and Director from 2009 until 2011. He assumed his current position of Chairman, President and Chief Executive Officer in May 2011.

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 valuable experience managing the issues that face a publicly held company.



Charles R. Lee

Director since 2001

Age 74

Retired Chairman and Co-Chief Executive Officer, Verizon Communications (telecommunications)

Mr. Lee received a Bachelor's degree in metallurgical engineering from Cornell University and an MBA with distinction from the Harvard Graduate School of Business. He served in various financial and management positions before becoming Senior Vice President-Finance for Penn Central Corporation and then Columbia Pictures Industries Inc. In 1983, he joined GTE Corporation (which merged with Bell Atlantic Corporation to form Verizon Communications in 2000) as Senior Vice President of Finance and in 1986 was named Senior Vice President of Finance and Planning. He was elected President, Chief Operating Officer and director in December 1988 and was elected Chairman of the Board and Chief Executive Officer of GTE in May 1992. Mr. Lee served as Chairman and Co-Chief Executive Officer of Verizon from June 2000 to March 2002 and as Non-Executive Chairman until December 31, 2003. Mr. Lee is a director of Marathon Petroleum Corporation and DirecTV Group. He previously served on the

Board of Directors of Marathon Oil Corporation, The Procter & Gamble Company and United Technologies Corporation. Mr. Lee



David S. Sutherland

Director since 2008

Age 64

Chairman of the Board, United States Steel Corporation

Retired President and Chief Executive Officer, IPSCO, Inc. (steel producer),

In May of 2013, after considering the results of the 2013 Advisory Vote on Executive Compensation, discussions with our largest shareholders, and a lower stock price on the date of grant in comparison to prior years, the Compensation & Organization Committee of the Board of Directors revised our executive compensation program to further align compensation with corporate performance and shareholder interests by making the following changes:

- Traditional stock options were replaced with “premium priced stock options” with an exercise price set at \$25.00, which was a 34% premium over the grant date stock price of \$18.64. The premium priced stock options add an additional performance based feature to our traditional stock options and allow our shareholders to benefit from the first 34% increase in our stock price before executives realize any value.
- A \$25.00 stock price (instead of the fair market value of \$18.64 on the date of grant) was used to determine the number of shares granted for all equity awards except new-hire grants, which resulted in fewer shares being granted in comparison to prior years.
- With respect to performance awards, the standards (which are based on relative TSR) required to earn a payout were increased from the 25th percentile at the threshold level, 50th percentile at the target level, and 75th percentile at the maximum level to the 30th, 60th, and 90th percentiles respectively.

In the fall of 2013, management and the Chairman of the Compensation & Organization Committee

was subsequently amended and restated by the Board of Directors and approved by stockholders on April 27, 2010.

Upon recommendation of the Compensation & Organization Committee, our Board of Directors adopted, subject to your approval, an amended and restated Stock Plan effective April 29, 2014. The principal amendment to the prior Stock Plan is an increase of 5,800,000 in the total number of shares of our common stock reserved for issuance as awards under the Stock Plan. The affirmative vote of a majority of the shares present in person at the meeting or represented by proxy and entitled to vote is required for approval of an amendment and restatement of the Stock Plan.

In determining the number of shares of common stock to be authorized under the amended and restated Stock Plan, the Compensation & Organization Committee considered the needs of U. S. Steel for the shares and the potential dilution that awarding the requested shares may have on the existing stockholders. An independent compensation advisor assisted U. S. Steel in determining the appropriate number of shares to be requested. The advisor examined a number of factors, including U. S. Steel's burn rate and an overhang analysis. The Compensation & Organization Committee expects the number of shares available under the amended and restated Stock Plan to be sufficient for up to approximately three years of awards based upon the historic rates of awards.

The burn rate is the total equity awards granted by U. S. Steel in a fiscal year divided by the total common stock outstanding at the beginning of the year. In fiscal 2011, 2012 and 2013, U. S. Steel made equity awards representing a total of 1,214,180 shares, 2,742,671 shares and 3,125,850 shares, respectively. Using the ISS Proxy Advisory Services methodology for calculating burn rate, which applies a multiplier of 2 to any full value awards (awards for which the participant does not pay for the shares), U. S. Steel's three-year average (ISS adjusted) burn rate for equity grants made in fiscal 2011, 2012 and 2013 was 2.34%.

An additional metric used to measure the cumulative dilutive impact of the equity program is overhang. The calculation of overhang can be described as $(A+B) / (A+B+C)$ where:

- A is the number of outstanding stock options and outstanding full value awards;
- B is the number of shares available for future grant under the proposed Stock Plan; and
- C is the total outstanding shares of common stock

As of December 31, 2013, U. S. Steel had 5,207,288 outstanding stock options, 1,992,234 outstanding full value awards, and 2,609,897 shares available for future grant under the Stock Plan. As of that date, U. S. Steel had 144,578,000 outstanding shares of Common Stock. This results in an overhang of 6.4%.

Because Proposal 4 does not contemplate the amount or timing of specific equity awards in the future, and because historic rates of awards may not be indicative of future rates of awards, it is not possible to calculate with certainty the number of years of awards that will be available and the amount of subsequent dilution that may ultimately result from such awards. However, the current rationale and practices of the Compensation & Organization Committee with respect to equity awards is set forth in the "Long-Term Incentive Plan and Stock Ownership" section and elsewhere in the "Compensation Discussion & Analysis" in this proxy statement.

If approved by stockholders, the Stock Plan, as amended and restated, will be available for awards to employees, non-employee directors and other service providers of U. S. Steel, its subsidiaries and affiliates. If the amendment and restatement of the Stock Plan is not approved, the Stock Plan will remain in effect without including any amendments, there will be no increase in the number of shares available under the Stock Plan, and future grants of performance-based compensation awards cannot be made after the 2015 Annual Meeting of Stockholders.

awards before the performance goals are achieved and the performance awards are earned.

Performance goals shall mean one or more preestablished, objective measures of performance during a specified performance period, selected by the Committee in its discretion. Performance goals may be based on one or more of the following objective performance measures and expressed in either, or a combination of, absolute or relative values or rates of change and on a gross or net basis: safety performance, stock price, capital expenditures, earnings per share, earnings per share growth, return on capital employed, costs, net income, net income growth, operating margin, revenues, revenue growth, revenue from operations, expenses, income from operations as a percent of capital employed, income from operations, income from operations per ton shipped, tons shipped, cash flow, market share, return on equity, return on assets, earnings (including EBITDA and EBIT), operating cash flow, operating cash flow as a percent of capital employed, economic value added, gross margin, total shareholder return, shareholder equity, debt, debt to shareholder equity, debt to earnings (including EBITDA and EBIT), interest expense and/or other fixed charges, earnings (including EBITDA and EBIT) to interest expense and/or other fixed charges, environmental emissions improvement, workforce diversity, number of accounts, workers' compensation claims, budgeted amounts, cost per hire, turnover rate, and/or training costs and expenses. Performance goals based on such performance measures may be based either on the performance of U. S. Steel, a subsidiary or subsidiaries, affiliate, any branch, department, business unit or other portion thereof under such measure for the performance period and/or upon a comparison of such performance with the performance of a peer group of corporations, prior performance periods or other measure selected or defined by the Committee at the time of making a performance award. The Committee may in its discretion also determine to use other objective performance measures as performance goals; however, the compensation awarded in connection with performance measures other than those identified above will not satisfy the exemption under Section 162(m) of the Code.

Following completion of the applicable performance period, and prior to any payment of a performance award to the participant, the Committee shall determine in accordance with the terms of the performance award and shall certify in writing whether the applicable performance goal or goals were achieved, or the level of such achievement, and the amount, if any, earned by the participant based upon such performance. Performance awards are not intended to provide for the deferral of compensation. Accordingly, payment of performance awards will be made upon vesting and in no event later than two and one-half months following the end of the calendar year in which the performance period ends, or such other time period as may be required under Section 409A of the Code to avoid characterization of such awards as deferred compensation. Performance periods under the Stock Plan will be each calendar year, unless otherwise determined by the Committee in its discretion.

In any one calendar year, the maximum amount which may be earned by any single participant under performance awards granted under the Stock Plan shall be limited to 1,000,000 shares. In the case of performance periods covering multiple calendar years, the amount which is earned in any one calendar year is the number issued for the performance period divided by the number of full and partial calendar years included within the period. In applying this limit, the number of shares of common stock earned by the participant shall be measured as of the close of the applicable calendar year which ends the performance period, regardless of the fact that certification by the Committee and actual payment to the participant may occur in a subsequent calendar year or years.

Performance awards granted by the Committee under the Stock Plan are intended to qualify for the "performance based compensation" exception from the \$1 million cap on deductibility of executive compensation imposed by Section 162(m) of the Code. Because U. S. Steel has retained the discretion to change specific performance targets, shareholder re-approval of the Stock Plan will be required in the future under

(1) represents Common Stock Units that were issued pursuant to the Deferred Compensation Plan for Non-Employee Directors prior to its being amended to make it a program under the 2005 Stock Incentive Plan. The weighted average exercise price for Common Stock Units in column (2) is one for one; that is, one share of common stock will be given in exchange for each unit of phantom stock upon the director's retirement from the Board of Directors. All future grants under this amended plan/program will count as shares issued pursuant to the 2005 Stock Incentive Plan, a shareholder approved plan.

Federal Income Tax Consequences

The following is a brief summary of the principal Federal income tax consequences of the grant and exercise of awards under present law.

Nonstatutory Stock Options. An optionee will not recognize any taxable income for Federal income tax purposes upon receipt of a nonstatutory stock option. Upon the exercise of a nonstatutory stock option the amount by which the fair market value of the shares received, determined as of the date of exercise, exceeds the amount paid for the shares is taxable as ordinary income.

Appreciation Rights. An awardee will not recognize any taxable income for Federal income tax purposes upon receipt of appreciation rights. The value of any common stock or cash received in payment of appreciation rights will be treated as compensation received by the awardee in the year in which the awardee receives the common stock or cash. Except as described in "Other Tax Matters" below, U. S. Steel generally will be entitled to a corresponding deduction in the same amount for compensation paid to the awardee.

Other Tax Matters. The exercise by an employee of a stock option or appreciation right, the lapse of restrictions on restricted stock ~~uk~~ cri

“Amendment”) to the stockholders of the Corporation for their approval at the 2014 Annual Meeting. The complete text of Article SEVENTH, as proposed to be amended and restated, is set forth in Appendix B, and the discussion that follows is qualified in its entirety by reference to such text. As described below, if the Amendment is approved by the affirmative vote of a majority of the outstanding shares of the Corporation, the elimination of our classified Board structure will be phased in over a three-year period, beginning with the 2015 Annual Meeting of Stockholders.

If approved by the stockholders, the Amendment will become effective upon the filing of a Certificate of Amendment with the Secretary of State of the State of Delaware, that the Corporation intends to file promptly following stockholder approval. In addition, the Board has amended the By-Laws of the Corporation to eliminate any reference to the classified structure of the Board. As there is no requirement to include such a reference in the By-Laws, the amendment to the By-Laws will not be affected by the stockholders’ vote on the Amendment. The amendment to the By-Laws did not require stockholder approval.

Pursuant to the Amendment, commencing with the 2017 Annual Meeting, the Board will no longer be classified, all directors will be elected for one-year terms, and directors may be removed by the stockholders with or without cause. The three-year terms of the Class I directors to be elected at the 2014 Annual Meeting, and the remaining terms of the Class II directors and the Class III directors currently serving on the Board, will not be affected by the Amendment. Thus, the phased-in implementation of Board declassification will not prevent any director elected prior to the 2015 Annual Meeting from completing the three-year term for which such director was elected. In addition, the term of any director appointed to fill a vacancy created by an increase in the number of directors will expire at the next annual meeting of stockholders following such appointment, and the term of any director appointed to fill a vacancy created by any other cause will expire at the expiration of the term of the director whose place became vacant. In all cases, each director will serve until his or her successor is duly elected and qualified or until his or her earlier death, resignation, or removal.

At each of the 2012 and 2013 Annual Meetings, our stockholders, by a majority of the votes cast (but not a majority of the outstanding shares), approved an advisory stockholder proposal to declassify the Board. In each of those cases, our Board opposed the stockholder proposal because it concluded, after careful consideration and upon the recommendation of the Corporate Governance and Public Policy Committee, that the Corporation’s long-standing classified Board structure continued to be in the best interests of the Corporation and all of our stockholders. The Board stated its belief that the classified Board structure protected stockholder value by increasing our Board’s ability to evaluate the fairness of any takeover offer, to protect stockholders from abusive or coercive offers and, where appropriate, to negotiate on behalf of our stockholders. Our Board also believed that the classified structure protected continuity and stability, and enhanced the Corporation’s relationship with the United States and its investors.

While these benefits of a classified Board structure remain important, our Board recognizes that a large number of S&P 500 companies have declassified their boards in recent years and that many stockholders and investors

Certificate of Incorporation will not be amended and restated, and the current Article SEVENTH will remain in effect.

Accordingly, our Board declares the advisability of the amendment to Article SEVENTH of the Restated Certificate of Incorporation to declassify the Board, and unanimously recommends that stockholders vote FOR approval of this proposal.

Information Regarding the Independence of the Independent Registered Public Accounting Firm

The following table shows the fees paid to PricewaterhouseCoopers LLP ("PwC") for professional services for 2013 and 2012:

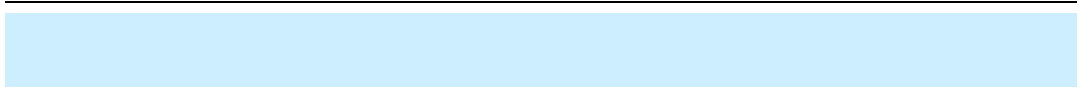
	(Dollars in millions)	
	2013	2012
Audit	\$5.1	\$4.9
Audit-Related	\$0.2	\$0.2
Tax	\$0.0	\$0.0
All Other	\$0.0	\$0.1
Total	\$5.3	\$5.2

(1) Audit fees were for the audit of U. S. Steel's annual financial statements, the audit of U. S. Steel's internal control over financial reporting required under the Sarbanes-Oxley Act, statutory and regulatory audits, and the issuance of comfort letters and consents.

(2) Fees for audit fees were \$5.3 million in 2013 and \$5.2 million in 2012.

Audit Committee Report

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- (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: Mr. Dinges: 16,120; Mr. Drosdick: 27,390; Mr. Engel: 14,134; Mr. Gephardt: 22,046; Mr. Gerber: 9,687; Mr. LaSorda: 7,058; Mr. Lee: 35,930; Ms. McNeal: 18,582; Mr. Schofield: 30,268; Mr. Sutherland: 36,780; Vice Admiral Tracey: 18,582; and all directors and executive officers as a group: 236,577.
 - (3) The total number of shares beneficially owned by each director and executive officer constitutes less than one percent of the outstanding shares of common stock of U. S. Steel. The total number of shares beneficially owned by all directors and executive officers as a group constitutes 1.273% of the outstanding shares of common stock of U. S. Steel.
 - (4) Mrs. Haggerty retired on August 31, 2013; Mr. Garraux retired on September 30, 2013; Mr. Lohr retired on November 30, 2013; and Mr. Surma retired on December 31, 2013. For each of these former officers, the amount shown represents the number of shares owned as of the date of their retirement.

Compensation & Organization Committee Report

The Compensation & Organization Committee of the Board of Directors of the Corporation has reviewed and discussed the Compensation Discussion & Analysis with management. Based on such review and discussion, the Compensation & Organization Committee recommended to the Board that the Compensation Discussion & 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, 2013.

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2013 Advisory Vote on Executive Compensation and Key Changes in 2013

In 2013, approximately 65% of the shareholders who voted approved of the compensation of our NEOs as disclosed in our 2013 Proxy Statement. In connection with the 2013 vote, management contacted approximately 75 of our largest shareholders representing nearly 50% of our outstanding shares to gain insight into our shareholders' views and the factors that influence their "say on pay" vote. In general, our shareholders expressed the following views:

- Some shareholders indicated that although the value of stock options is directly related to the performance of our stock, they consider options to be less performance-based than other long-term incentive vehicles, such as our performance awards.
- They would prefer our long-term incentive vehicles to be more performance-based rather than time-based, noting that a 50/50 mix is not uncommon.
- Some shareholders were also concerned with the escalating number of shares being awarded under our long-term incentive plan as our stock price has declined in recent years.

After consideration of the advisory vote on executive compensation and the views expressed by our shareholders, the Committee modified our long-term incentive plan in 2013 to increase the extent to which our long-term incentives are based on the achievement of performance goals as follows:

- Traditional stock options were replaced with "premium priced stock options" with an exercise price set at \$25.00, which was a 34% premium over the grant date stock price of \$18.64. The premium priced stock options add an additional performance based feature to our traditional stock options and allow our shareholders to benefit from the first 34% increase in our stock price before executives realize any value.
- Sensitive to the prospect of granting more shares when compared to previous years because of a lower stock price at the time of grant, the Committee used a \$25.00 stock price (instead of the fair market value of \$18.64 on the date of grant) to determine the number of shares granted for all equity awards except new-hire grants, which resulted in fewer shares being granted in comparison to prior years.
- For the performance awards, the Committee increased the rigor of the performance standards required to earn a payout as shown in the table below:

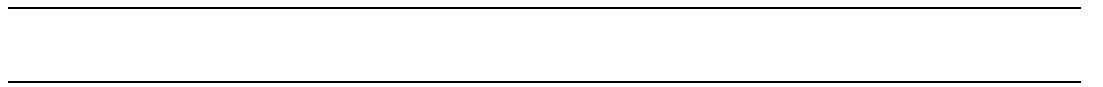
Level	2012	2013	Award Payout as a % of Target
	Relative TSR Ranking	Relative TSR Ranking	
Threshold	< 25 th percentile	< 30 th percentile	0%
Target	25 th percentile	30 th percentile	50%
Maximum	50 th percentile	60 th percentile	100%
	75 th percentile	90 th percentile	200%

Other changes made in 2013 include:

- The adoption of a formal Hedging and Pledging Policy that applies to executives and Directors as further described on page 53. Prior to the adoption of the policy, the pledging of our shares as collateral was generally prohibited by our Executive Stock Transactions Policy.
- The removal of the tax gross-up provision from all change in control agreements approved prior to July 1, 2011. Agreements approved after July 1, 2011 did not include a gross-up provision.
- The elimination of executive dining and parking perquisites, effective January 1, 2014.
- A reduction of over 50% in the number of club memberships maintained by the Corporation.

Discussions with Major Shareholders

In November of 2013, management and the Committee's consultant contacted our largest shareholders again and held telephonic meetings with eight of them representing nearly 30% of the Corporation's outstanding shares. The Chairman of the Committee participated in all but two of the calls. While the shareholders provided a diverse set of viewpoints regarding future incentive plan design, two central themes stood out and were share



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Target Compensation

The Committee targets compensation at the 50 percentile of the peer group of companies for each of the three major elements of compensation (salary, short-term incentive and long-term incentive compensation). The actual amount of the payment to our executives under our incentive plans may be more or less than the targeted 50 percentile if the Corporation's performance exceeds or falls short of our expectations and the performance of our peers. An executive's actual compensation also may be positioned above or below the targeted 50 percentile based upon individual performance, the executive's experience in the position, and the relative strategic importance the Corporation assigns to the position.

Individual Performance

The Committee is responsible for approving the CEO's compensation, giving consideration to, among other things, the CEO's individual performance in the areas of integrity, leadership and effectiveness. The CEO's individual performance objectives are reviewed by the Committee and approved by the Board. A similar evaluation is performed by the CEO with respect to all other executives using like measures and objectives. The 2013 individual performance objectives are listed in the following table:

Performance Cmrmance CDman z an z anCNIn an N

[Redacted]

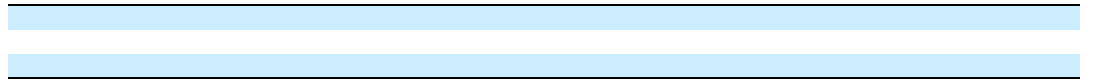
[Redacted]

In 2013, the Committee reviewed the peer group for purposes of benchmarking executive compensation in 2014 and removed Timkin Co., which is the smallest peer company, because it had announced its intention to separate into two public companies and its steel business is projected to be significantly below the Corporation's peer group selection criteria. The peer group will be reviewed again by the Committee before the 2014 performance awards are granted.

~~As a result of this review, the Committee noted the following:~~

The Committee annually assesses the Corporation's exposure to risk that may result from its compensation programs for executives and other employees. As a result of its most recent review, the Committee noted the following:

- **Compensation Mix:** Executives receive a mixture of short-term



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- Sensitive to the prospect of granting more shares when compared to previous years because of a lower stock price at the time of grant, the Committee also used a \$25.00 stock price, instead of the fair market value of \$18.64 on the date of grant, to determine the number of shares granted for all equity awards, which resulted in fewer shares being awarded.

In 2013, the Committee also determined that the Corporation had ¶

Restricted Stock Units

Restri estri e ~ 8 ~ 8

Qualified Plans

The Corporation maintains the two qualified retirement programs shown below (together, the “Qualified Pension Programs”):

- United States Steel Corporation Plan for Employee Pension Benefits, Revision of 2003 (the “Steel Pension Plan”) and
- United States Steel Corporation Savings Fund Plan for Salaried Employees (the “Steel Savings Plan”).

executives based upon compensation paid under our short-term incentive compensation plans, which is excluded under the Qualified Pension Programs. We provide a retirement benefit based on incentive pay to enable our executives (who receive more of their pay in the form of incentive compensation) to receive a comparable retirement benefit.

Benefits under the Supplemental Pension Program and the Supplemental Retirement Account Program are subject to service-based and age-based restrictions. Unless the Corporation consents, benefits under the Supplemental Pension Program are not payable if the executive voluntarily terminates employment (1) prior to age 60 or before completing 15 years of service, or (2) within 36 months of the date coverage under the program commenced. Similarly, unless the Corporation consents, benefits under the Supplemental Retirement Account Program are not payable if the executive voluntarily terminates employment (1) prior to age 55 or before completing 10 years of service (or, if earlier, attaining age 65), or (2) within 36 months of the date coverage under the program commenced. We believe that these restrictions help to support our retention objectives.

For more information on the Non Qualified Pension Programs, see the "2013 Pension Benefits" and "2013 Nonqualified Deferred Compensation" sections below.

Letter Agreements

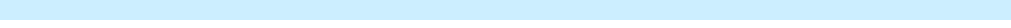
We employ letter agreements only under special circumstances. Except as described below (2)

payments up to two and one-

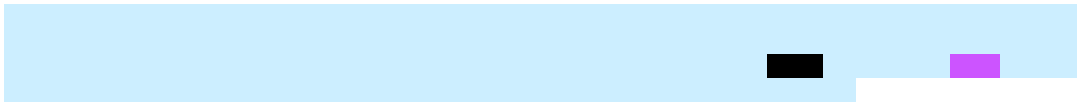
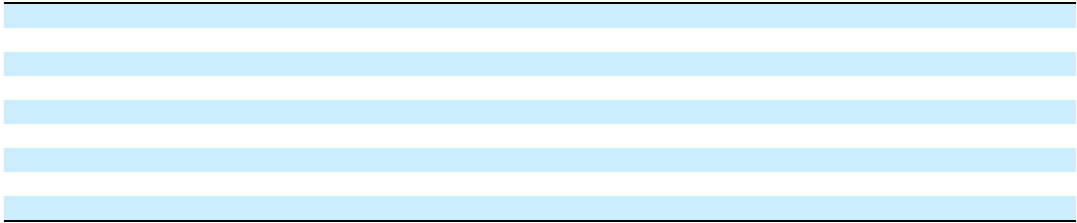
In determining executive compensation, the Committee considers, among other factors, the possible tax consequences to the Corporation. Tax consequences, including but not limited to tax deductibility by the Corporation, are subject to many factors (such as changes in the tax laws and regulations or interpretations thereof) that are beyond the control of the Corporation. In addition, the Committee believes that it is important for it to retain maximum flexibility in designing compensation programs that meet its stated objectives. For these reasons, the Committee, while considering tax deductibility as one of the factors in determining compensation, does not limit compensation to those levels or types of compensation that will be deductible by the Corporation.

(4) Stock and option award grant date values are computed in accordance with Accounting Standard Codification Topic 718 (ASC 718), as described in footnote 12 to the Corporation's Financial Statements for the year ended December 31, 2013 and filed on Form 10-K. The Stock Awards column includes restricted stock units and performance awards that are reported at the target number of shares and the grant date fair value of such awards includes a factor for the probable performance outcome of the performance awards, and excludes the effect of estimated forfeitures. The maximum payout for the performance awards is 200% of target. The following table reflects the grant date fair value of these performance awards, as well as the maximum grant date fair value of these performance awards based on the closing price of the Corporation's stock on the grant date if, due to the Corporation's performance during the applicable performance period, the performance awards vested at their maximum level:

Name	Grant Date Fair Value of Performance Awards			Maximum Value of Performance Awards		
	2011	2012	2013	2011	2012	2013
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
M. Longhi	\$ N/A	\$ 1,040,600	\$ 623,270	\$ N/A	\$ 2,081,200	\$ 1,246,540
D. B. Burritt	N/A	N/A	N/A	N/A	N/A	N/A
G. F. Babcoke	\$ 393,333	\$ 496,000	\$ 250,711	\$ 786,666	\$ 992,000	\$ 501,423
M. S. Williams	\$ 393,333	\$ 496,000	\$ 318,333	\$ 786,666	\$ 992,000	\$ 636,667
D. R. Matthei						



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- (1) All options vest in equal increments on the first three anniversaries of the date of grant, subject in each case to employment on the respective vesting dates or to pro rata vesting for retirement during the vesting period. The unexercisable stock options listed for Messrs. Surma, Garraux, Lohr and Mrs. Haggerty as of December 31, 2013 are scheduled to vest upon the next regularly scheduled vesting dates in 2014, which are May 31, May 29 and May 28 with respect to the stock options granted to those individuals on May 31, 2011, May 29, 2012 and May 28, 2013, respectively.
 - (2) All restricted stock units vest in equal increments on the first three anniversaries of the date of grant, subject in each case to employment on the respective vesting dates or to pro rata vesting for retirement during the vesting period; except for the restricted stock unit retention grants (9,250 units and 27,400 units awarded to Messrs. Longhi and Burritt respectively) pursuant to their offer letters, which are conditioned on continued employment with the Corporation and are subject to three-year cliff vesting from the date of grant. The number of units indicated for Messrs. Surma, Garraux, Lohr, and Mrs. Haggerty represents the prorata portion that vested upon retirement.
 - (3) Value is based on \$29.50 per share, which was the closing price of the stock on December 31, 2013.
 - (4) Performance awards vest after a three year performance period based upon total shareholder return during the performance period relative to a group of peer companies and continued employment (pro rata vesting on the vesting date applies to retirement during the performance period, assuming the performance goals are accomplished). Using stock prices and dividends reported since the beginning of the respective performance periods, we estimate that, through December 31, 2013, the Corporation has performed at the 99th percentile relative to the peer group for the 2013 award, at the 11th percentile for the 2012 award, and at the 15th percentile for the 2011 award. The table above shows the number of shares corresponding to the next highest performance level for the 2012 and 2011 awards, which is at the threshold level at 50% of the target award, and the actual performance level for 2013, which is at the maximum level of 200% of target. The number of awards indicated for Messrs. Surma, Garraux and Lohr and Mrs. Haggerty represent the pro rata portion at target that vested at retirement.



calculation periods of continuous service prior to retirement. Incentive compensation is not considered when determining average monthly earnings. Eligibility for an unreduced Final Earnings Benefit under the Steel Pension Plan is based on attaining at least 30 years of credited service or at least age 62 with 15 years of credited service. In addition to years of service and earnings while employed by the Corporation, service and earnings for certain purposes include those accrued while working for certain affiliated companies. All NEOs who are participants in the Steel Pension Plan, with the exception of Messrs. Surma and Matthews, were eligible for an unreduced early retirement pension under the Final Earnings Benefit component. Mr. Surma, who retired on December 31, 2013, received a deferred vested Final Earnings Benefit that was reduced based on his age as of the commencement of his pension payments.

The annual normal retirement benefit under the Career Earnings Benefit component is equal to 1.3 percent of total career earnings. Incentive compensation is not considered when determining total career earnings. Career Earnings Benefits commenced prior to attaining normal retirement or age 62 with 15 years of service, but after attaining age 58, are subject to an early commencement reduction equal to one-quarter of one percent for each month the commencement of pension payments precedes the month in which the participant attains the age of 62 years and one month. Career Earnings Benefits commenced prior to attaining age 58 are based on 1.0 percent of total career earnings and subject to a larger early commencement reduction. With respect to the Career Earnings Benefit, Mrs. Haggerty, Mr. Lohr, and Mr. Garraux, each had over 30 years of credited service, and, therefore were eligible for early retirement. Mrs. Haggerty's annual Career Earnings Benefit was reduced by 11.75 percent for her retirement on August 31, 2013; Mr. Garraux's benefit was reduced by 4 percent for his retirement on September 30, 2013; and Mr. Lohr's benefit was reduced by 6 percent for his retirement on November 30, 2013. Mr. Surma retired on December 31, 2013 with a deferred vested Career Earnings Benefit, based on 1 percent of his total career earnings, which was reduced by 19.02 percent for early retirement. If they had retired on December 31, 2013, Mr. Babcoke's annual Career Earnings Benefit would have been reduced by 6.25 percent, and Mr. Matthew's annual Career Earnings Benefit would have been reduced by 31.25 percent.

Benefits accrued for each executive for the purpose of calculating both the Final Earnings and Career Earnings Benefits are limited to the executive's unreduced base salary and foreign service premium, if any.

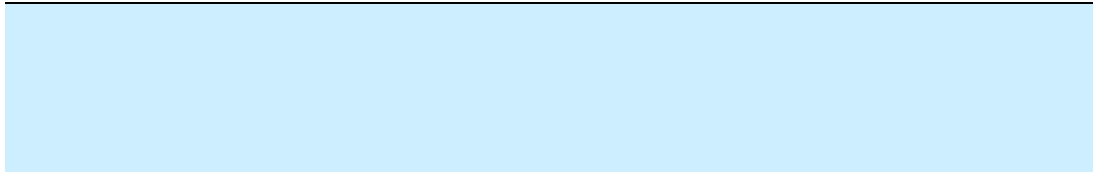
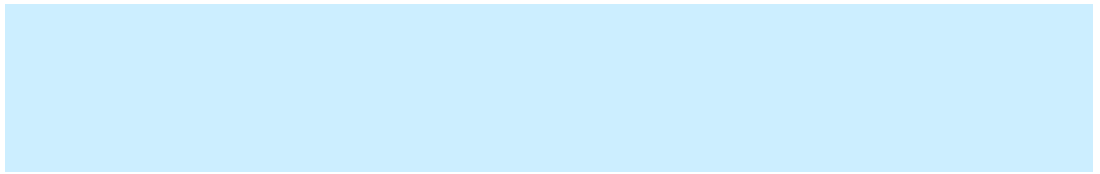
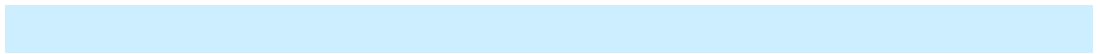
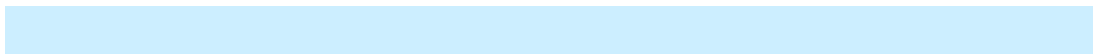
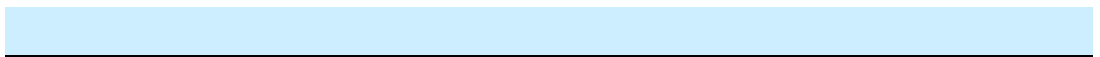
Steel Pension Plan Calculation Assumptions

The present value of accumulated benefit obligations represents the actuarial value of benefits earned by the executives under the Steel Pension Plan. Assumptions used in the calculations include an unreduced benefit age of 62, the election of a lump sum option, and estimated career earnings and final average earnings as of December 31, 2013. Estimated final average earnings were developed based on the average of the actual monthly salaries paid in the highest five consecutive twelve month periods during the ten years preceding December 31, 2013. The salary amounts include base salary, excluding incentive compensation. For these calculations, the executive's unreduced base salary is used to the extent necessary to avoid the adverse effects of the temporary reduction in base salary that was effective between July 1, 2009 and July 1, 2010. For the NEOs who retired in 2013, the present value of accumulated benefit obligations represents their actual Career Earnings and Final Earnings Benefit as of the date of retirement, in the form of a lump sum payment. The number of years of credited service in the 2013 Pension Benefits table shows the number of years earned and used to calculate the accrued benefits reported.

Non Tax-Qualified Pension Plan

2013 Nonqualified Deferred Compensation

The following table provides information with respect to accruals under the Corporation's non-qualified defined contri

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Supplemental Thrift Program

The purpose of the United States Steel Corporation Supplemental Thrift Program (which is referred to as the "Supplemental Thrift Program") is to compensate individuals for the loss of matching contributions by the Corporation under the Steel Savings Plan that cannot be provided due to the statutory limits on covered compensation (which limit was \$255,000 in 2013) and combined ~~contributions and individual contributions~~ contributions (which limit was \$51,000 in 2013). Under the Supplemental Thrift Program, executives accrue benefits in the form of phantom shares of U. S. Steel common stock. In the aggregate, the benefit accruals under the Supplemental Thrift Program and the matching contributions under the Steel Savings Plan may equal up to 6 percent of the executive's eligible base salary.

An executive receives a lump sum distribution of the benefits payable under this program upon his or her (a) termination of employment with five or more years of continuous service, (b) termination of employment, prior to attaining five years of continuous service, with the consent of the Corporation, or (c) pre-retirement death, subject to the six-month waiting period under Section 409A of the Code for specified employees.

Non Tax-Qualified Retirement Account Program

The purpose of the United States Steel Corporation Non Tax-Qualified Retirement Account Program is to compensate Int ut(cut(c

employment within 36 months of the date coverage under the program begins, unless the Corporation consents to the termination; provided, however, such consent is not required for terminations because of death or involuntary termination, other than for cause. Benefits under the Supplemental Retirement Account Program are payable in the form of a lump sum distribution following termination of employment, subject to the six-month waiting period under Section 409A of the Code for specified employees.

Potential Payments Upon Termination or Change in Control

The compensation and benefits payable to our executives upon termination vary depending upon the event triggering the termination and the executive's relevant employment facts at the time of termination. For purposes of the tables and discussions below, we have assumed the following termination scenarios (the column references are to the columns in the tables that follow):

Termination Scenarios

Voluntary Termination (with Consent) or Retirement – (Column A)

This termination scenario assumes retirement pursuant to a retirement plan. Benefits under the Supplemental Pension Program are not payable to an executive who voluntarily terminates employment prior to age 60, unless the Corporation consents to such termination. We have assumed the Corporation's consent to retire prior to age 60 under this scenario; however, the Corporation usually reserves its consent for an executive who has served the Corporation well, is not leaving for an opportunity at another company, and is not leaving prior to the development of his or her successor.

With respect to long-term incentives, the Committee has discretion to terminate unvested awards upon termination and certain vested option awards if the executive retires before the age of 65. While the Committee reserves the right to decide these matters on a case-by-case basis, its practice has been to prorate the vesting of the shares scheduled to vest during the current vesting period for the time employed during the current vesting period (for example, in the case of stock options and restricted stock units, seven months worked during the twelve-month vesting period from June 2013 to May 2014 would result in a vesting of seven-twelfths of the number of shares scheduled to vest in May 2014, with no such pro rata vesting for the shares scheduled to vest after May 2014). Given our assumption under this scenario that the Committee has consented to the executive's retirement, the pro rata vesting discussed above has been applied to the calculations in the table below.

Voluntary Termination (Without Consent) or Involuntary Termination (for Cause) – (Column B)

This termination scenario assumes that the Corporation does not consent to an executive's voluntary termination of his or her employment prior to age 60, or that U. S. Steel terminates the executive's employment for cause. Under these conditions, the Committee is not likely to exercise any discretion that it may have in favor of the executive and, accordingly, we have not assumed the exercise of any discretion in favor of executives with respect to unvested awards for purposes of the calculations in the tables below.

Involuntary Termination (Not for Cause) – (Column C)

Events that could cause the Corporation to terminate an executive's employment involuntarily, not for cause, include the curtailment of certain lines of business or a facility shutdown where the executive's services are no longer required due to business conditions or an organizational realignment. Prior to the involuntary termination, the executive may be eligible for benefits m

A “*Good Reason*” termination involves a voluntary termination following any of these events:

- An executive is assigned duties inconsistent with his or her position;
- Reduction in base salary;
- Relocation in excess of 50 miles from the executive’s current work location;
- Failure to continue all of the Corporation’s employee benefit, incentive compensation, bonus, stock option and stock award plans, programs, policies, practices or arrangements in which the executive participates or failure of the Corporation to continue the executive’s participation therein at amounts and levels relative to other participants;
- Failure of the Corporation to obtain agreement from any successor to the Corporation to assume and perform the agreement; or
- Any termination that is not effected pursuant to a Notice of Termination (a Notice of Termination is to be given by the Corporation in connection with any termination for cause or disability and the executive must give a notice of termination in connection with a termination for good reason).

A “*Change in Control*” happens under the agreements if any of the following occurs:

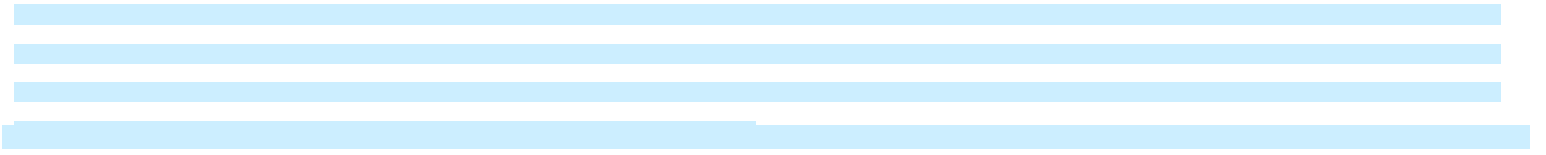
- A person (defined to include individuals, corporations, partnerships, etc.) acquires 20 percent or more of the voting power of the Corporation;
- A merger occurs involving the Corporation except (a) a merger with at least a majority of continuing directors or (b) a merger involving a division, business unit or subsidiary;
- A change in the majority of the Board of Directors;
- A sale of all or substantially all of the assets of the Corporation; or
- Shareholder approval of a plan of complete liquidation.

A “*Potential Change in Control*” occurs if:

- The Corporation enters into an agreement that would result in a Change in Control;
- A person acquires 15 percent or more of the voting power of the Corporation;
- There is a public announcement by any person of intentions that, if consummated, would result in a Change in Control; or
- The Corporation’s Board of Directors passes a resolution stating that a Potential Change in Control has occurred.

A “*409A Change in Control*” is similar to a Change in Control except that it meets the requirements of Section 409A of the Code. The main difference between the two definitions is that a 409A Change in Control requires a person to acquire 30 percent of the total voting power of the Corporation’s stock, while a Change in Control requires a person to acquire 20 percent of the total voting power of the Corporation’s stock. A 409A Change in Control must occur prior to any payment in the event the termination precedes the Change in Control. In other words, payments under the change in control agreement are due to the executive if:

- There is an involuntary termination by the Corporation (other than for cause or disability) or a voluntary termination by the executive for Good Reason;
- The executive reasonably demonstrates that an Applicable Event (defined below) has occurred; and
- A 409A Change in Control occurs within twenty-four months following the termination.



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Executive	Component	A Voluntary Termination (with Consent) or Retirement	B Voluntary Termination (Without Consent) or Involuntary Termination (For Cause)	C Involuntary Termination (Not for Cause)	D Change in Control and Termination	E Disability	F Death
D.H. Lohr	Severance, Short- & Long-Term Compensation Elements						
	Cash Severance	\$ —					
	Short-Term Incentive	\$ 133,824					
	Long-Term Incentive:						
	Stock Options (Unexercisable)	\$ 57,817					
	Restricted Stock (Awards/Units)	\$ 195,349					
	Performance Stock Award	\$ 516,014					
	SubTotal	\$ 903,004					
	Benefits						
	Steel Pension Plan	\$ 2,319,242					
	Non Tax-Qualified Pension Plan	\$ 3,701,071					
	Supplemental Pension Program	\$ 7,531,742					
	Supplemental Thrift Program	\$ 116,069					
	Universal Life Insurance Protection	\$ —					
	Active Medical	\$ —					
	Supplemental Retirement Benefit	\$ —					
	Outplacement Services	N/A					

Cash Severance

No cash severance payments are made with respect to an executive's termination of employment due to voluntary termination (with consent or retirement) (*Column A*), voluntary termination (without consent) or involuntary termination for cause (*Column B*), disability (*Column E*) or death (*Column F*).

Under our broad-based Supplemental Unemployment Benefit Program covering most non-represented employees, monthly cash benefits are payable to executives for up to 12 months (depending on years of service) while on layoff in the event of an involuntary termination not for cause (*Column C*).

Cash severance is one of the payments made to executives under the change in control agreements in the event of a termination in connection with a change in control (*Column D*) (see "*Terminations Scenarios – Change in Control and Termination*" above). Under the agreements with our NEOs, payment would be made in a lump sum amount equal to three times for Mr. Babcoke, 2.5 times for Messrs. Longhi and Burritt, and 2 times for Messrs. Williams and Matthews the sum of (a) base salary and (b) the current target under the short-term incentive compensation program (or, if higher than the target, the average short-term incentive compensation for the prior three years). With respect to Mr. Longhi, pursuant to the terms of his offer letter, if the Corporation terminates his employment prior to July 2, 2015 other than for cause and he is not entitled to any payment under his change-in-control agreement, he will be entitled to a lump sum payment equal to the sum of (a) twelve months of his base salary and (b) one year of his target bonus under the short-term incentive compensation program, which shall be in lieu of any benefits payable under the Supplemental Unemployment Benefit Program, subject to the six-month waiting period under Section 409A of the Code for specified employees. Mr. Burritt has a similar provision in his offer letter that applies if the Corporation terminates his employment prior to September 1, 2015.

Short-Term Incentive

Following a voluntary termination with the Committee's consent or a retirement pursuant to a retirement plan (*Column A*), a disability (*Column E*), or death (*Column F*), an executive would be entitled to receive a short-term incentive award if (a) the relevant performance goals are achieved, (b) the executive is employed for at least six months during the performance period, and (c) the Committee does not exercise its discretion to reduce or eliminate the award.

Except as disclosed above for Messrs. Longhi and Burritt, if an executive's employment terminates voluntarily without the Committee's consent or involuntarily (*Columns B and C*), regardless of whether the termination is for cause or not for cause, no short-term incentive award is payable.

Because the cash severance payment, discussed above, includes a multiple of the target short-term incentive, no payments are made pursuant to the short-term incentive program in the event of a change in control (*Column D*).

Stock Options

In the event of a voluntary termination with the Committee's consent or a retirement pursuant to a retirement plan (*Column A*), a prorated number of an executive's unvested stock options would vest based on the number of complete months worked during the vesting period, subject to the Committee's discretion. The remaining unvested options would be ~~as set forth in the applicable offer letter~~ \ddot{Y}

Non Tax-Qualified Pension Plan

Benefits from the Non Tax-Qualified Pension Plan are payable on behalf of the executives under each of the termination of employment scenarios. Refer to the “2013 Pension Benefits – Non Tax-Qualified Pension Plan” section for a description of the Non Tax-Qualified Pension Plan. The present value amounts shown for the various termination scenarios vary based upon the total amount payable under the Steel Pension Plan before the application of the statutory limitations established by the Internal Revenue Code. See the paragraph below, or

□ Full Vesting – accrued benefits under All Pension Plans are deemed to be vested or, to the extent not vested, paid as an additional benefit.

□ “Actual Pension Benefit” equals the sum of the monthly pension benefits payable under All Pension Plans as of the date of termination of employment.

Outplacement Services

In the event of a termination in connection with a change in control (*Column D*), the change in control agreements provide for the payment of reasonable outplacement services (two year maximum) for all terminations following an Applicable Event.

~~Household~~ *Gross-Up*



Solicitation Statement

We will bear the cost of this solicitation of proxies. In addition to soliciting proxies by mail, our directors, officers and employees may solicit proxies by telephone, in person or by other means. They will not receive any extra compensation for this work. In addition, we may hire third parties to assist in the solicitation process at an estimated cost not to exceed \$100,000. We will also make arrangements with brokerage firms and other custodians, nominees and fiduciaries to forward proxy solicitation material to the beneficial owners of our common stock, and we will reimburse them for reasonable out-of-pocket expenses that they incur in connection with forwarding the material.

Website

Our Corporate Governance Principles, Code of Ethical Business Conduct (which is applicable to all directors and employees, including the CEO and senior financial officers), Board committee charters, and annual and quarterly reports on Forms 10-K and 10-Q are available on our website, www.ussteel.com. By referring to these documents w-do

THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS COVERING SECURITIES THAT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933

UNITED STATES STEEL CORPORATION

2005 STOCK INCENTIVE PLAN

Amended and Restated through April 29, 2014

SECTION 1. PURPOSE

1. The purpose of the 2005 Stock Incentive Plan (the "Plan") is to attract and retain the best available personnel for the Corporation and to provide a means by which the Corporation can reward and motivate its employees for their contributions to the Corporation's success.

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

(B) if the service of a Participant with the Corporation and its Subsidiaries shall be terminated for reasons other than removal for cause, Options granted to the Participant, to the extent exercisable at the date of the Participant's termination of service, may be exercised within three years after the date of termination of service, but not later than the expiration date of the Option.

(C) except to the extent an Option remains exercisable under paragraph (A) or (B) above or under Section 9.01, any Option granted to a Participant shall terminate immediately upon the termination of all service of the Participant with the Corporation or a Subsidiary.

(vi) *Individual Limit.* The aggregate number of Shares for which may be granted under the Plan to any single Participant in any calendar year shall not exceed 1,000,000 Shares. The limitation in the preceding sentence shall be interpreted and applied in a manner consistent with Section 162(m) of the Code.

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

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

vote Restricted Stock Units or the right to receive dividends thereon), which restrictions may lapse separately or in combination at such times, under such circumstances, in such installments or otherwise, as the Committee shall determine at the time of grant or thereafter. The restriction period applicable to Restricted Stock Units shall, in the case of a time-based restriction, be not less than three years, with ratable vesting over such period or, in the case of a performance-based restriction period, be not less than one year. Except in the case of death, disability (as defined under Section 409A of the Code), involuntary termination without Cause, retirement, or Change of Control, the Committee will not accelerate the vesting of, or waive the restrictions with respect to, Restricted Stock Units.

(ii) *Forfeiture.* Except as otherwise determined by the Committee at the time of grant or thereafter subject to the limitations of the Plan, upon termination of employment, ~~engagement~~ or other service (as determined under criteria established by the Committee) during the applicable restriction period, Restricted Stock Units that are at such time subject to restrictions shall be forfeited.

~~in the event of a Change of Control, no event later than the day which is two and one-half months following the end of the calendar year in which vesting occurs, or such other Restriction period applicable to the Awards under Section 409A of the Code to avoid characterization of such Awards as deferred compensation, the Corporation shall pay to the Participant or his Successor the amount of the number of Restricted Stock Units that would have been subject to the number of Restricted Stock Units vested.~~

(iv) ~~Management shall have the right to terminate the Plan at any time without notice.~~

shall be so changed or for which each such share shall be exchangeable. Unless otherwise determined by the Committee in its discretion, any such stock or securities, as well as any cash or other property, into or for which any Restricted Stock held in escrow shall be changed or exchangeable in any such transaction shall also be held by the Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock in respect of which such stock, securities, cash or other property was issued or distributed.

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

If the outstanding shares of the Common Stock shall be changed in value by reason of any split of shares, stock repurchase, stock dividend, or extraordinary distribution to shareholders of the Common Stock, (a) the Committee shall make any adjustments to any then outstanding Option, Restricted Stock Unit, Performance Award or Other Stock Based Award, which it determines are equitably required to prevent dilution of the rights of the shareholders.

SECTION 12. EFFECTIVE DATE AND TERM OF THE PLAN

12.01 The effective date and date of adoption of the 2005 Stock Incentive Plan was or

Amended and Restated Article Seventh of the Restated Certificate of Incorporation of United States Steel Corporation

SEVENTH: The number of directors of the Corporation shall be fixed from time to time by, or in the manner provided in, its by-laws and may be increased or decreased as therein provided; but the number thereof shall not be less than three.

The directors of the Corporation shall be classified as follows: The term of office for the class of directors elected at the 2012 annual meeting of stockholders shall expire at the 2015 annual meeting of stockholders; the term of office for the class of directors elected at the 2013 annual meeting of stockholders shall expire at the 2016 annual meeting of stockholders; and the term of office for the class of directors elected at the 2014 annual meeting of stockholders shall expire at the 2017 annual meeting of stockholders, with the members of each such class to hold office until their successors are elected and qualified. The directors elected at the 2015 annual meeting of stockholders and at each subsequent annual meeting of stockholders shall hold office for a term expiring at the next annual meeting of stockholders and until their successors are elected and qualified.

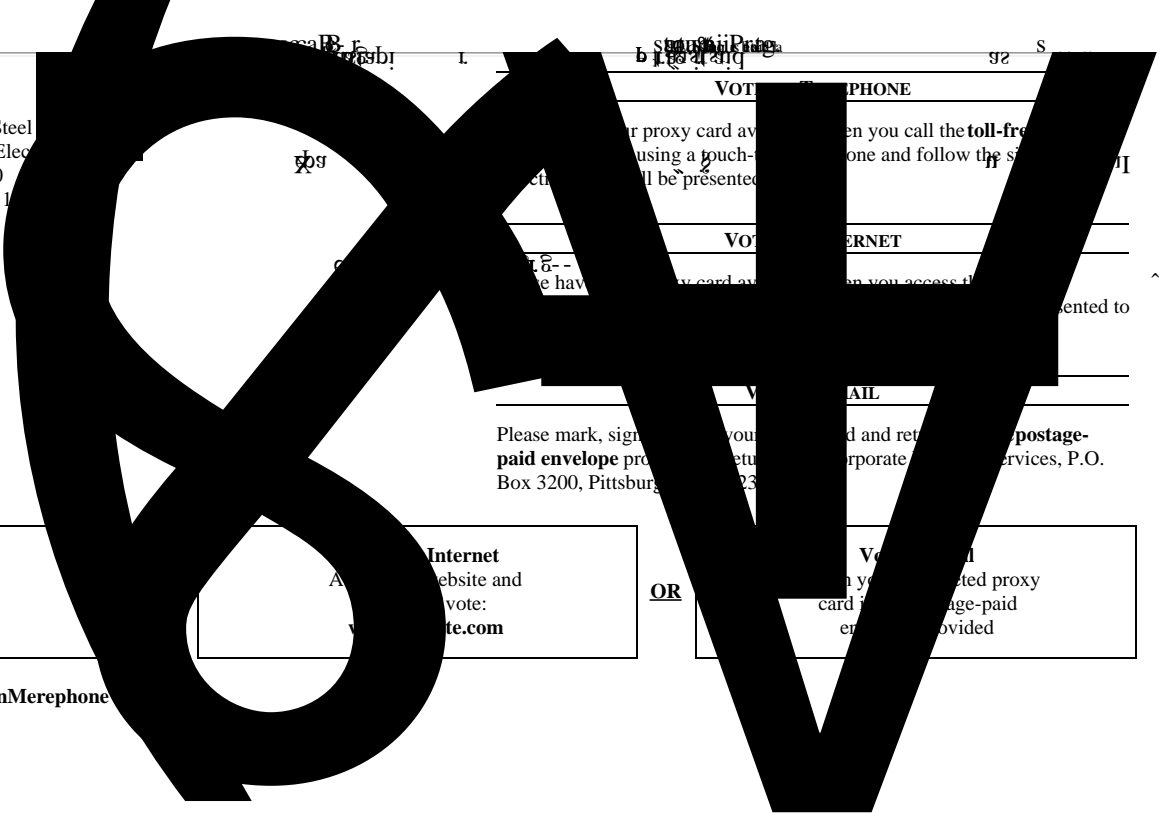
In the case of any vacancy created by an increase in the number of directors of the Corporation, the additional director or directors shall be elected by the Board of Directors, and such additional director or directors so elected shall hold office until the next annual meeting of stockholders and until their successors are elected and qualified.

In the case of any vacancy in the Board of Directors from any cause other than an increase in the number of directors, a successor to hold office for the unexpired portion of the term of the director whose place became vacant shall be elected by a majority of the Board of Directors then in office, though less than a quorum.

Directors of the Corporation may be removed only for cause until the election of directors at the 2017 annual meeting of stockholders.



United States Steel
c/o Corporate Election
P. O. Box 3200
Pittsburgh, PA 15201



VOTE BY TELEPHONE

For proxy card activation, when you call the toll-free number, use the touch-tone phone and follow the instructions. Your proxy card will be presented to you.

VOTE BY INTERNET

If you have an internet proxy card, when you access the internet site, your proxy card will be presented to you.

VOTE BY MAIL

Please mark, sign and return the enclosed and return to: **postage-paid envelope** program, c/o Corporate Election Services, P.O. Box 3200, Pittsburgh, PA 15201

Vote by Telephone
Call toll-free using a touch-tone telephone:
1-888-693-8683

Internet
Visit our website and vote:
www.ussteelsite.com

OR

Vote by Mail
Mark and return the enclosed proxy card in the postage-paid envelope provided.

Telephone

[Empty rectangular box]

1-888-693-8683

- Proposal 2. Ratification of appointment of PricewaterhouseCoopers LLP as independent registered public accounting firm
 FOR **AGAINST** **ABSTAIN**
- Proposal 3. Approval, in a non-binding advisory vote, of the compensation of the named executive officers
 FOR **AGAINST** **ABSTAIN**
- Proposal 4. Approval of the Amendment and Restatement of the 2005 Stock Incentive Plan
 FOR **AGAINST** **ABSTAIN**
- Proposal 5. Approval of the amendment to the Restated Certificate of Incorporation to declassify the Board of Directors and provide for annual election of directors
 FOR **AGAINST** **ABSTAIN**

(CONTINUED, AND TO BE SIGNED AND DATED, ON THE OTHER SIDE.)