Memorandum of Agreement

Between

Stelco Inc. – Lake Erie Works ("Company)

-and-

USW Local Union 8782 ("Union")

The undersigned representatives of the parties hereby agree to unanimously recommend the terms of this Memorandum of Agreement ("MOA") to their respective principals for ratification.

- 1. The terms of the Renewal Collective Agreement shall be effective from the date of receipt by the Company of written notice of ratification from the Union and shall expire at 12:01 a.m. on July 1, 2027.
- 2. The term of this agreement begins on July 1, 2022. Except as expressly set forth therein, there shall be no retroactivity to any terms of this Memorandum of Agreement.
- 3. The terms of the Renewal Basic Agreement shall include the terms of the Basic Agreement which expired on July 1, 2022, the terms of the Pension Agreement, the terms of the Group Insurance Agreement; and the terms of the Supplementary Unemployment Benefit Plan; subject to amendments of those various Agreements and Plans as set out in this Memorandum of Agreement.
- 4. Unless other expressly set forth therein, all existing Letters of Understanding will be renewed and updated.
- 5. The amendments to the Basic Agreement are as follows:
 - A. Amend Section 6: Wages/Job Evaluation and Amend Basic Agreement Appendix 'A' Standard Hourly Rates of Pay as per below, retroactive to July 1, 2022.

The Standard Hourly Wage Rates in effect at the termination of the 2018 Basic Agreement, plus the soft float of \$2.20 accumulated under the 2018 Basic Agreement, will be increased by \$1.50/hour (\$0.45 of which shall be prepaid COLA) in each year of the contract for all employees. There shall be no further increases or decreases to the Standard Hourly Wage Rates during the term of the Basic Agreement, except as set out herein.

Skilled Trades employees and Ticketed 3rd Class Utilities will receive a base wage of \$33.108 plus the soft float of \$2.20 accumulated under the 2018 Basic

Agreement, plus a wage increase of **\$6.50/hour** divided among the first two years, plus the annual increases listed above.

Skilled Trades rate will have an SPP rate of \$1.500/hour and FUND rate of \$0.871/hour.

B. Amend Item 26: Group RRSP as per below, retroactive to July 1, 2022: The contribution rate to the Group RRSP will be increased as per the following Schedule:

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Year 1: $0.25 per hour increase (to $2.90/hour)
Year 2: $0.25 per hour increase (to $3.15/hour)
Year 3: $0.25 per hour increase (to $3.40/hour)
Year 4: $0.30 per hour increase (to $3.70/hour)
Year 5: $0.30 per hour increase (to $4.00/hour)
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C. Amend Post 2017 Service – New Pension Plan. The Company will make contributions in accordance with the schedule detailed below:

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Year 1 – Increase monthly base benefit rate by $2 per year of service Year 2 – Increase monthly base benefit rate by $2 per year of service Year 3 – Increase monthly base benefit rate by $2 per year of service Year 4 – Increase monthly base benefit rate by $2 per year of service Year 5 – Increase monthly base benefit rate by $1 per year of service
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- D. Amend Item 14: Cost-of-Living Allowance at point 5, the soft float accumulated under the Basic Agreement, to a maximum of \$2.15/hour, will be rolled in at ratification of the next basic agreement on or before July 1, 2027. For greater certainty, the annual soft float is not affected by the accumulated soft float roll in.
- E. Amend Item 17: Incentive Plans for Bargaining Unit Employees as per Schedule "A" attached, retroactive to January 1, 2022.
- F. Amend Section 7: Seniority as per Schedule "B", attached.
- G. Amend Section 9: Adjustment of Disputes as per Schedule "C", attached.
- H. Amend Section 11: Vacations as per Schedule "D", attached, retroactive to July 1, 2022.
- I. Amend Section 14: Leave of Absence as per Schedule "E", attached.
- J. Amend Section 15: Jury Service and Bereavement Pay as per Schedule "F", attached.
- K. Add new Letter of Understanding re: Domestic Violence as per Schedule "G",

attached.

- L. Add new Letter of Understanding re: Discipline as per Schedule "H", attached.
- M. Amend Item 10: Letter of Agreement Re: Permanent Layoffs & Closure of a Department as per Schedule "I", attached.
- N. Amend Job Classfor bargaining unit members holding a 4th Class Stationary Engineer ticket from Job Class 20 to Job Class 28, retroactive to July 1, 2022.
- O. Amend Letter of Understanding re: Item 40 as per Schedule "J" attached.
- P. Add new Letter of Understanding re: Item 40 as per Schedule "K", attached.
- Q. Amend Table to Benefits to \$1,000 per insured individual per year for all paramedical practitioners combined, which includes Massage therapy, Chiropractic therapy, Physiotherapy, Speech therapy, Naturopathy and Osteopathy.
- R. Amend Table to Benefits to \$500 per insured, including laser surgery for Vision Care.
- S. Amend Table to Benefits to \$750 per insured per year for psychologist practitioners.
- T. Amend Table to Benefits to confirm that "insured" includes dependants.
- U. Amend Table to Benefits to increase Orthodontics coverage to \$3,500, Major/Dentures to \$3,000, including dental implants, eliminate 20% co-pay and reduce fee guide to 2 year lag.
- V. Amend Table to Benefits to cover electric wheelchairs/hospital beds.
- W. Amend Table to Benefits to cover off-site chiropodist visits.
- X. Amend Table to Benefits to cover IUD/Diaphragms.
- Y. Amend Table to Benefits to increase Life Insurance coverage to \$60,000.
- Z. Amend Table to Benefits to increase Accidental Death & Dismemberment Insurance coverage to \$40,000.
- AA. All amendments to the Table to Benefits for an Insurance Program are effective July 1, 2022.
- BB. Amend Section 2.01 c) as per Appendix L as agreed to during negotiations.

- CC. Amend Section 17.01 as per Appendix M as agreed to during negotiations.
- DD. Amend Item 1 as per Appendix N as agreed to during negotiations.
- EE. Amend Item 9 as per Appendix O as agreed to during negotiations.
- FF.Amend Item 31 as per Appendix P as agreed to during negotiations.
- GG. Add Letter of Understanding "NEW" (Replacement of CWS Job Evaluation System) as per Appendix Q as agreed to during negotiations.
- HH. Add Letter of Understanding "NEW" (Periodic Review of Outstanding Grievances) as per Appendix R as agreed to during negotiations.
- II. Add Letter of Understanding "NEW" (Alcohol and Drug (A&D) Testing) as per Appendix S as agreed to during negotiations.
- JJ. Add Letter of Understanding "NEW" (Code of Practice) as per Appendix T as agreed to during negotiations.
- KK. Amend CWS categories for jobs as agreed to during negotiations.
- LL. Amend Item 11 as agreed to during negotiations.
- MM. Amend Item 30 as agreed to during negotiations. (Winter PPE as listed in letters)
- NN. Amend Item 38 as agreed to during negotiations.

Dated at Hamilton, ON this ______Day of August, 2022.

For the Company:	For the Union
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SCHEDULE "A" ITEM 17

LETTER OF AGREEMENT RE: PROFIT SHARING PLAN

The Company will establish a Profit Sharing Plan (P.S.P.) calculated and paid in accordance with the following:

- 1. An employee will be eligible to participate in the Plan:
 - (a) Effective on the day following the date he/she completes his/her probationary period, as specified in the Basic Agreement, and
 - (b) Provided the employee is on the payroll of the Company on the last day of the quarterly period for which the payment is calculated, except that an employee whose employment is or was terminated before such date for any of the following reasons shall be considered eligible during the quarterly period in which such termination occurs:
 - (i) Retirement on a pension under the provisions of the Pension Plan Agreement,
 - (ii) Death,
 - (iii) Laid off for lack of work as provided under Clause 7.02 (c) of the Basic Agreement, in which event, the employee shall be paid the Plan payment on the first regular Plan payment date following the date of his/her return to work after recall as provided in the Basic Agreement. If the former employee fails to return to work within the period specified in the Basic Agreement or ceases to be entitled to recall, he/she shall forfeit his/her entitlement to such Plan payment.
- 2. The rate applicable under the P.S.P. plan shall be paid for:
 - (a) hours worked by covered employees;
 - (b) hours for which covered employees were paid because of **overtime**, vacation, holiday, jury duty, or bereavement leave and hours spent on Local 8782 union business, whether paid by the Company or not;
 - (c) hours for absences during which the covered employee:
 - (i) is receiving WSIB compensation or Weekly Indemnity benefits;
 - (ii) is on leave for military service as set forth in the *Employment Standards Act*:
 - (iii) is on leave of absence for maternity/parental leave/compassionate leave, Personal Emergency Leave, Family Caregiver Leave,

Family Medical Leave, Critically III Child Care Leave, Organ Donor Leave or Crime-Related Child Death or Disappearance Leave.

Such absences, specified in this paragraph 2(c) will be credited as contributory hours at the rate of up to forty (40) hours per week.

Such hours will be to a maximum of five hundred (500) hours in a quarter by an employee, but shall not be increased by reason of having been earned in overtime. Hours not worked, with the exception of hours (referred to above), even though compensated in accordance with a specific provision of the Basic Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of this Plan.

- 3. The Company and the Union have agreed that all employees will be expected to perform their work duties to the full scope of the job, including all the inherent functions which may not be specifically described.
- 4. It is understood and agreed that any employee eligible under the provisions of this Plan who participates in a strike, shall forfeit the greater of any entitlement to payment from the date of his/her participation to the end of such quarterly period or the entitlement to payment for the last two pay periods in such quarterly period.

Participation in a strike continuing into the next quarterly period will result in the further application of paragraph above.

- 5. Payment will be based on Lake Erie Works Profitability, as follows:
 - a) Profitability

Profitability will be calculated on the basis of Lake Erie Works EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization,) as established between the Parties.

- b) Profit Sharing Percentages and Profitability Thresholds
 - (i) "Lake Erie Component" (Pool) = 6.5% of EBITDA in excess of \$25,000,000 (Profitability Threshold)
 - (ii) "Lake Erie Active Employee Component" = 6.5% of EBITDA in excess of \$25,000,000 (Profitability Threshold) multiplied by 80%. The Lake Erie Active Employee Component shall not exceed an annual amount of \$16,000 times the number of active employees in Lake Erie Works and Pickle Lines.
 - (iii) "Lake Erie Retiree Component" = 6.5% of EBITDA in excess of \$25,000,000 (Profitability Threshold) multiplied by 20%. The Lake Erie Retiree Component shall not exceed an annual amount of \$7,300,000.
- c) Total Profit Sharing Calculation -Quarterly Profit Sharing Payment per Active Local 8782 Lake Erie Works Employee:

- i) ((Lake Erie Quarterly EBITDA minus \$25,000,000) X 6.5% X 80%) divided by total hours worked by active Local 8782 Lake Erie Works employees. This rate per hour will be multiplied by the hours worked by individual employees (maximum 500) to calculate the payment for each 8782 Lake Erie Works employee.
- ii) Maximum Profit Sharing payment for each quarter is \$4,000 per active Local 8782 Lake Erie Works employee (subject to a maximum of \$16,000 per year per active Local 8782 Lake Erie Works employee)
- d) Profit Sharing Calculation Quarterly Profit sharing Payment for Lake Erie Works retired employee.
 - (i) The "Lake Erie Retiree Component" Profit Sharing Payment will be calculated as ((Lake Erie Quarterly EBITDA minus \$25,000,000) X 6.5% X 20%) divided by the total number of Plan Participants as of the end of the quarter for which the calculation is being made. The payment will be distributed amongst retirees on an equal basis (subject to a maximum of \$3,500 per quarter, per retired employee and a maximum of \$14,000 per year).
 - (ii) For this purpose, plan participants consist of retired employees (excluding those with deferred pensions) and survivors of deceased retired employees (excluding those with deferred pensions).

e) Annual Profit Sharing Plan Calculation

Annual Profit Sharing Payment per Local 8782 Lake Erie Works employees and retirees:

- (i) If Corporate EBITDA for Stelco Inc. for a fiscal year exceeds \$1,000,000,000, the Company will pay an additional amount of \$2,000,000 to be paid among active employees in the manner contemplated as per Section 1 and 2 herein and a further \$2,000,000 to be divided equally among retirees.
- (ii) If Corporate EBITDA for Stelco Inc. for a fiscal year exceeds \$2,000,000,000, the Company will pay an additional amount of \$2,000,000 to be paid among active employees in the manner contemplated as per Section 1 and 2 herein and a further \$2,000,000 to be divided equally among retirees.

In accordance with the provisions of Paragraph 2 above, the quarterly profit sharing payments will paid on an hourly basis.

The current period EBITDA shall be calculated based on all steel tonnage shipped, including shipments to other Stelco business units. The transfer value of coils shipped to other Stelco entities will be adjusted to a transfer value of third party Hot Roll net realizable sales prices plus pickling cost. Where Lake Erie Works production is shipped to other Stelco entities it is understood that Lake Erie

Works will transfer coils and slabs at fair market value. The profit margin per tonne on these slabs and coils shall not be less than the profit margin on goods shipped to arms length customers. If the margins per tonne on the inter unit shipments is less than the margin on arms length transactions the margin per tonne, and therefore EBITDA, will be adjusted to make it equal to arms length customers.

e) Audit

A mutually agreeable independent accredited auditing firm shall be appointed to audit all data required for the income sharing payment calculations and shall perform such calculations on behalf of the parties.

The independent auditor shall have the authority to recover overpayments and correct underpayments. Overpayments shall be recovered by being offset against the next future payment(s). Underpayments shall be paid as soon as practicable. In any event, payment made with respect to any year shall become final ninety (90) days after the date on which it is paid.

The Company shall pay the reasonable cost of the independent auditor. The Parties shall attempt to minimize this expense through the sharing of information as outlined in Clause 7 below.

The Company will provide the Union a copy of Stelco Inc. interim quarterly financial statements and audited annual financial statements within fifteen (15) days of the public release of quarterly/year end financial results.

f) Accounting Practices

It is recognized that changes in accounting practices or other material changes may impact on the PSP calculations, leading to inconsistencies between the Base Period and the current. In the event of any change in methodology of accounting for any of the components of the Lake Erie Works Profitability which results in the current period Profitability being calculated on a different basis than the Base Period Profitability, the current period Profitability shall be adjusted to the degree necessary to make the percentages comparable to the previous calculations.

If it is necessary to modify the calculation of the Profitability, the Parties shall meet to discuss changes which may be required. If the Parties are unable to agree, the matter shall be referred to the independent auditor for resolution. The auditor shall make a determination based on the following: (a) the terms of this agreement, (b) changes must be consistent with past practice to the greatest degree possible, and (c) changes in the calculation of the Profitability must be such that real changes in Lake Erie performance are recognized.

Plan payments will be paid as soon as practical after the public issuance of Stelco's quarterly or annual financial statements.

Profit Sharing Plan Payment Schedule

2018 Quarter 3 November 15, 2018 March 31, 2019 Quarter 4 Quarter 1 May 15, 2019 2019 Quarter 2 August 15, 2019 Quarter 3 November 15, 2019 Quarter 4 March 31, 2020 2020 Quarter 1 May 15, 2020 Quarter 2 August 15, 2020 November 15, 2020 Quarter 3 Quarter 4 March 31, 2021 2021 Quarter 1 May 15, 2021 Quarter 2 August 15, 2021 November 15, 2021 Quarter 3 March 31, 2022 Quarter 4 2022 Quarter 1 May 15, 2022 Quarter 2 August 15, 2022 November 15, 2022 Quarter 3

- 7. As soon as practicable following the release of the Company's quarterly results the Senior Level Committee will meet to discuss the performance of the business for the preceding quarter. Such discussion will include a review of selling prices, costs, production and other information relating to the Profit Sharing calculations. It is agreed that the review of selling prices will include disclosure of market value assessments for steel transfers between Lake Erie Works and Hamilton Works for the previous quarter and anticipated market values for the next quarter.
- 8. Upon the employee's instruction, the Company agrees to transfer all or a portion of the remaining P.S.P. payment directly to the tax sheltered investment provided through the payroll deduction plan agreed to by the Company and Union.

It is understood that this provision is subject to mutual agreement as to the regulations of the Payroll Deduction Plan.

SCHEDULE "B" SECTION 7 SENIORITY

- **7.02** Service and employment shall be terminated when an employee:
 - (a) Resigns;
 - (b) Is discharged;
 - (c) Is laid off for lack of work;
 - (d) Is absent due to a disability not compensable under the Workers' Compensation Act, for a period exceeding the limits set forth in 7.03 (a) relating to length of service and recall entitlement;
 - (e) Is absent for **four (4)** more than three consecutive working days subject to the Letter of Agreement re: Employee Absences;
 - (f) Is absent due to a disability compensable under the Workers' Compensation Act for a period exceeding either, the period in respect of which weekly compensation payments are made to him/her under the said Act, or for a period exceeding the limits set forth in 7.03 (a) relating to length of service and recall entitlement, except that in the case of an employee with ten (10) or more years of service, for a period of five (5) years, whichever is the greater;
 - (g) Fails to return to work at the termination of a leave of absence, except with the written consent of the Company;
 - (h) Fails to report for work within eight (8) working days after being instructed to report by mailing to him/her of a registered notice at the last address appearing on the office records, unless the employee has obtained a written leave of absence from the Company for a period which does not expire within such eight (8) days.
 - 7.04 In all hiring for bargaining unit positions, the Company shall, subject to its obligations under applicable employment legislation and regulations, give consideration to the full extent of interest, to applicants who are the direct relatives (children, children-in-law, step-children, spouse, siblings, grandchildren, nieces and nephews) of Employees who meet established hiring criteria. The decision and right to hire remains vested with the Company.
 - (a) An employee shall be considered a probationary employee until he/she has been in the employ of the Company continuously and has worked 1040 hours. Upon completion of such probationary period he/she shall have service dating from his/her last hiring date, and, in the case of an employee who was previously laid off and rehired, there shall be added to such service, any

periods of continuous employment as a probationary employee within the six (6) month period preceding his/her last hiring date.

- (b) Grievances may not be presented in connection with the discharge or layoff of a probationary employee unless discrimination for Union activity is alleged.
 A probationary employee is entitled to all other rights and privileges accruing to employees under this agreement.
- (c) The parties agree that a probationary employee is not entitled to grieve his/her discharge and may be discharged at the sole discretion of the Company unless discharge for Union activity is alleged. A probationary employee is entitled to all other rights and privileges accruing to employees under this agreement. This clause shall continue to be so interpreted during the term of this agreement unless and until it is amended, modified or altered as a result of specific change or amendment to the current Labour Relations Act.

Should an employee who is discharged for reasons other than Union activity wish to appeal the Company decision, he/she may, within seven (7) days of his/her discharge, request a meeting with the Director of Human Resources or their delegate(s) with a Union representative in attendance at the employee's request. Within seven (7) days following such meeting the Company will issue a final decision regarding the discharge.

A probationary employee who is so discharged will be advised of the provisions of this procedure at the time of his/her termination. It is understood that failure to so notify the employee will not nullify the termination of such employee.

SCHEDULE "C" SECTION 9 ADJUSTMENT OF DISPUTES

Union Representation

- 9.01 The Union shall be entitled, in accordance with a letter from the Company dated the signing date of this agreement to select Stewards, some of whom shall be designated Chief Stewards and Assistant Chief Stewards as outlined in Item 2 of the Basic Agreement.
- 9.02 The Union shall be entitled to select a Grievance Committee of up to five (5) members, one of whom shall be the Chairman, and shall be booked off full-time with the cost split equally between the Union and the Company.
- 9.03 The duties of the Stewards, the Chairman and members of the Grievance Committee shall be to assist in adjusting disputes in accordance with the terms of this agreement. The duties of the Stewards shall be limited to the adjustment of disputes in the department for which they are appointed, while such disputes are being processed through Step Nos. I and 2.
- 9.04 (a) The Grievance Committee shall be afforded such time off without pay (except as hereinafter provided) as may be required for attendance at regularly scheduled Committee meetings and attendance at meetings pertaining to discharge or other matters which cannot reasonably be delayed until the time of the next regular meeting. Each member of the Grievance Committee will be paid the rate of the occupation to which he/she would normally be assigned, for attendance at meetings held for the processing of grievances at Step No. 3, up to but not exceeding a total of thirty (30) hours in any calendar month for the whole Committee and the hours may be cumulative during the term of this agreement. Members of the Grievance Committee who are "off shift" but attend Step No. 3 meetings will also be entitled to payment as outlined above, but it is understood that such hours are not to be deemed hours worked under any other provision of this Agreement.

The Union will be responsible for tracking the hours of the Grievance Committee and billing the Company for those hours and submitting to the Company on a monthly basis.

- (b) A member of the Grievance Committee who has requested and been granted permission to leave work for the purpose of attending a Third Step Grievance Meeting will be allowed up to one (1) hour in total for leaving and returning to his/her job prior to and after such meeting. The employee will be paid for such time lost from work in accordance with (a) above.
- **9.05** A representative of the Union shall obtain the permission of his/her foreman before leaving his/her work to deal with a grievance. Such permission shall not be unreasonably withheld.

Grievance Procedure

- 9.06 Step No. 1 Any employee who believes that he/she has a justifiable grievance or dispute may discuss and attempt to settle it with his/her Foreman, with or without a departmental Chief Steward or Steward being present, as the employee may elect. The Foreman will make known his/her decision to the employee within seven (7) calendar days. The settlement of grievances at Step No. 1 shall not constitute a precedent nor be used as a precedent in future cases by either the Company or the Union and shall be without prejudice to the position of either party. Grievances not adjusted in this way may be appealed to Step No. 2.
- 9.07 Step No. 2 Notice of appeal must be given to the Foreman by the Chief Steward or his/her Steward delegate of the department in which the dispute arose. Such notice shall consist of a written statement of the grievance containing particulars of the incident giving rise to the grievance and shall be signed by the aggrieved employee and dated as of the date of its submission. The Manager or his/her delegate shall meet with the Chief Steward or his/her Steward delegate within seven (7) calendar days, to investigate the grievance and attempt to settle it. A written decision shall be given by the Manager or his/her delegate within seven (7) calendar days after the date of such meeting. Grievances not adjusted in Step No. 2 may be appealed to Step No. 3.
- 9.08 Step No. 3 Notice of appeal must be given in writing within Twenty-one (21) calendar days from the date of the written decision of the Manager or his/her delegate to the Manager of Human Resources. The General Works Manager or his/her delegate shall meet with the Grievance Committee, which may be accompanied by an International Officer or representative of the Union within twenty-one (21) calendar days, to investigate the grievance and attempt to settle it. A written decision shall be given by the General Works Manager or his/her delegate within fourteen (14) calendar days after the date of such meeting.

Grievances pertaining to termination of employment will automatically start at Step No. 3 of the grievance procedure.

- **9.09** A grievance once processed at any step of the Grievance Procedure will not be again considered except by way of appeal taken within the times therein provided.
- 9.10 No employee other than a probationary employee shall be discharged without first being given seven (7) days notice except in cases of serious misconduct, when discharge shall be effective immediately. An employee who is being notified of his/her discharge may elect to have the Grievance Chairperson or delegate present. In the event that the Grievance Chairperson or delegate is not present at the time the employee is notified of his/her discharge, the Company will notify the Chief Steward of all immediate discharges or notice of discharge given to employees in his/her department, excepting probationary employees, within forty-eight (48) hours after such discharge or notice of discharge has been effected. Grievances relating to notice of discharge or discharge may be initiated at Step No. 2 of the Grievance Procedure and may be appealed directly to Step No. 3.

- 9.11 Except as otherwise provided, grievances must be presented in writing within fourteen (14) calendar days from the date of the incident giving rise to the grievance. A former employee who is entitled to recall under 7.03 shall be eligible to file a grievance concerning such recall. Grievances which are not presented within the specified time limits may not be processed through the Grievance Procedure without the consent of the Company and in any event are not arbitrable.
- 9.12 (a) In the event that more than one employee is directly affected by one specific incident and each such employee would be entitled to process a grievance, the Chief Steward shall sign the statement of the grievance on behalf of the aggrieved employees and shall identify the grievances as a "Group Grievance". The names of such employees shall be attached to the grievance. A "Group Grievance" may be initiated at Step No. 2. For the purposes of this provision only, the time limits of Clause 9.11 shall be thirty (30) days.
 - (b) If the Company is alleged to have violated any provisions of this agreement and such violation affects the interest of the Union as a party to the Agreement, the Union may file a grievance, beginning at Step No. 2, which shall be signed on behalf of the Union by the Chairman of the Grievance Committee and shall be identified as a "Union Policy Grievance". The time limits of Clause 9.11 shall not apply, except that if retroactive wages are claimed, the time limits of Clause 9.11 shall be thirty (30) days.
 - (c) Grievances that concern the interpretation, application or administration of the Manual may be initiated by the Union and shall be resolved in accordance with the provisions of this Section beginning at Step No. 3.
- 9.13 The Grievance and Arbitration Procedure may be invoked by the Company. Such grievances may be initiated by the Company at Step No. 3 of the Grievance Procedure by filing with the Chairman of the Grievance Committee. For such purpose, the provisions of this Section 9 will be read and construed with necessary changes.

Arbitration

- 9.14 Grievances not adjusted in Step No. 3, relating to the interpretation, application, administration, or alleged violation of this agreement, including any question as to whether a matter is arbitrable, may be referred to arbitration a Board of Arbitration hereinafter called the Board, by notice in writing addressed to the Manager of Labour Relations Human Resources within thirty (30) calendar days from the date of his/her written decision. Such notice shall specify the agreement clauses involved.
- 9.15 Within ten (10) days from the date on which the grievance is referred to arbitration, each party shall notify the other in writing of the appointment of a representative to the Board. No person shall be appointed as a representative who has participated in prior efforts to settle the grievance to be arbitrated.

9.16 The two appointees so selected shall, within five (5) days of the appointment of the second of them, appoint a third person who shall be the Chairman.

There shall be a panel of arbitrators consisting of the following:

- i) Chris White
- ii) Dan Randazzo
- iii) Mark Wright
- iv) John Stout
- 9.17 Where the representative of the Union has been appointed in accordance with 9.15 and the Company fails to appoint a representative as therein provided, or where the two representatives fail to agree upon a Chairman within the time specified, the appointment shall be made by the Minister of Labour for Ontario upon the request of either party.
- 9.18 The Board shall not have any authority to alter or change any of the provisions of this agreement, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and provisions of this agreement, or to deal with wages except as provided in this agreement, but, save as aforesaid, the decision of the Board or of a majority of the arbitrators shall be final and binding upon the parties hereto and upon any employee or employees concerned. The Board may nevertheless decide whether or not retroactive wages are payable because an employee has been deprived of wages as a result of a violation of the agreement by the Company and, where such violation involves disciplinary action resulting in loss of wages, whether the disciplinary action should be modified if in the opinion of the Board the extent of the discipline is unreasonable in relation to the offence. Except as otherwise provided in this agreement, the Board may not award such retroactive pay for a period in excess of sixty (60) days immediately preceding the date of the written statement of the grievance provided at Step No. 2 of the Grievance Procedure.
- **9.19** The Union and the Company shall each pay one-half of the remuneration and expenses of the Chairman of the Board and save as aforesaid shall each bear its own expenses of any such arbitration.

SCHEDULE "D"

SECTION 11 VACATIONS

- 11.03
- (a) Except as provided in (b) hereof vacation pay for each week of vacation shall be established by multiplying the employee's average hourly earnings during the calendar quarter year immediately preceding the vacation by forty (40). However, vacation pay for those employees with less than three (3) weeks' vacation entitlement will be the greater of the calculation provided for above or the calculation provided by the Employment Standards Act.
- (b) Vacation pay for each week of vacation shall be 2% of the employee's earnings during the vacation year, if the employee:
 - (i) has been on leave of absence for reasons other than disability or Union business directly related to the bargaining unit, for more than a combined total of 350 hours during the vacation year, or
 - (ii) has worked less than 520 hours during the vacation year for any reason, except that if an employee is required to take a vacation during the months of January and February, hours not worked between the previous July 1st and December 31st by reason of:
 - (1) absence on a scheduled vacation, or
 - (2) the celebration of a statutory holiday for which the employee was paid an allowance under clauses 12.0l or 12.02,

shall be deemed to be hours worked for the purposes of this provision.

Hours not worked during the vacation year while on Union business directly related to the bargaining unit shall also be deemed to be hours worked for the purpose of this provision.

(c) An employee shall receive his/her vacation pay for a week of vacation prior to the vacation being taken, if requested at the time of booking the vacation.

SCHEDULE "E"

SECTION 15 LEAVE OF ABSENCE

An employee requesting a leave of absence other than a leave of absence under part XIV of the Employment Standards Act, 2000, shall apply to his/her supervisor and if such leave is granted it shall be authorized in writing, but shall not exceed twelve (12) months, provided, however, that if an emergency arises which prevents the employee on leave from returning at the end of the heave, he/she may apply for an extension. An employee requesting Personal Leave of Absence will be required to use outstanding vacation prior to start of the leave.

SCHEDULE "F"

SECTION 16 JURY SERVICE AND BEREAVEMENT PAY

- 16.01 The Company shall pay to any employee who may be required to serve as a juror or as a subpoenaed crown witness in any court of law, the difference, if any, between the amount paid to him/her for his/her jury or crown witness service and the amount he/she would have received for services normally rendered to the Company during the same period of time.
- An employee shall be permitted time off from work up to a maximum of four (4) days not necessarily consecutive in order to grieve the death of a member of his/her immediate family. Where any of such days fall on a scheduled working day for the employee, he/she shall be paid a bereavement allowance for each day equivalent to 8 times the hourly rate of the occupation to which he/she would normally be assigned. Immediate family shall mean spouse, son, daughter, mother, father, brother, sister, grandmother, grandfather, grandchildren, son-in-law, daughter-in-law, mother-in-law, father-in-law, sister-in-law or brother-in-law, or, a common law spouse and mother, father, sister, brother or children of such common law spouse, provided the common law spouse is considered to be a spouse under Ontario law.

For the purpose of this clause, the terms "sister_in-law" and "brother_in_law" shall be defined as the brother or sister of the employee's spouse and the wife or husband of the employee's brother or sister.

16.03 If an employee or current spouse suffers a miscarriage, employees will be protected from loss of pay up to a maximum of one (1) day.

SCHEDULE "G"

Letter of Understanding "NEW" – Domestic Violence

The employer and the Union agree that all employees have the right to be free from domestic violence and are committed to providing assistance and a supportive environment to employees who are experiencing domestic violence by providing appropriate assistance and supports. The Employer and the Union recognize that assistance and supports that are adopted must be specific to individual needs, which will vary. Accommodations and supports that can be considered include but are not limited to accommodating a leave of absence under the provisions of this Agreement, modifying work hours, adjusting work schedules, referral to EAP or other appropriate resources, providing for discretionary time off, and working with the employee to design and implement an individual safety plan. The Employer and Union recognize that situations of domestic violence are highly sensitive and accordingly will only disclose relevant information on a need to know basis, or as may be legally required. The Parties shall also abide by the relevant provisions of the Employment Standards Act. 2000 pertaining to Domestic Violence.

SCHEDULE "H" Letter of Understanding

Letter #	Τ	etter	· #	
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Dear Randy Graham etc.

Re: Discipline

Any last chance letter will be withdrawn after 30 months from the date of issue.

SCHEDULE "I"

ITEM 10

LETTER OF AGREEMENT RE: PERMANENT LAYOFFS & CLOSURE OF A DEPARTMENT

1. General Intent

The overriding goal of the Company and the Union is to avoid the necessity of layoffs at Lake Erie Works. To that end the Company and the Union have agreed to review and implement changes in work organization that will enhance the efficiency and productivity of the existing workforce and to a comprehensive program to review and reduce contracting out by the Company of work that can be performed by the bargaining unit workforce.

2. Notice of Permanent Layoffs or Closure of a Department

Where the Company intends to lay off permanently ten (10) or more employees or to close an existing department, the Company shall give notice of its intention as soon as practicable and in the case of a department closure, twelve (12) months prior to its effective date.

The notice shall specify the operation or facilities involved, the nature of the work affected, the employees affected, and the reasons for the Company's decision.

3. Adjustment Committee Structure

A Committee shall be established and responsible for consideration of alternatives to the intended permanent layoff or department closure, planning and execution of assistance to the employees affected by the layoff or shutdown, obtaining such financial assistance as available from government programs and other sources to support the adjustment program, counselling employees affected by the layoff or shutdown, determining training programs and individual training assignments that would be eligible for funding.

The Committee shall consist of four members, two from the Company and two from the Union. It is understood that additional members may be added to the Committee depending on the circumstances associated with the particular shutdown or closure as mutually agreed to by the parties.

The Company shall provide to the Committee such information as the Committee may require to complete its work including:

(i) information as to alternatives considered by the Company's decision and the Company's reasons for rejecting such alternatives, and

(ii) information regarding the employees affected such as age, service, pension status, etc.

The Company shall pay for the time for work performed by the Union members of the Adjustment Committee to a maximum of forty-eight (48) hours in a calendar month unless extended by mutual agreement.

4. Rights of Employees Under Notice of Layoff as a Result of Facility Shutdown or Closure

When an employee has received notice of layoff, such employee shall be afforded time off the job for the purpose of attending job interviews subject to the needs of the particular operation up to a maximum of sixteen (16) hours per month. The Company shall pay such employee for one-half of such time at the employee's average hourly rate in the preceding pay period.

Department supervision shall discuss with any such employee ways to accommodate the time required by an employee to attend any training program or course during his/her period of notice of layoff.

Time off in accordance with the above shall be considered credited service for pension purposes.

Nothing herein precludes an employee from requesting a leave of absence in accordance with Clause 15.01 of the Basic Agreement.

5. Funding of Adjustment Programs

The Adjustment Committee shall explore the various levels of government for funding where applicable, consider and recommend possible Company contributions as may be required to attract the maximum available public funding.

6. Early Retirement

Where it has been determined that there is no alternative but to reduce the bargaining unit, the Company shall consider incentives for employees eligible to retire in an effort to reduce or eliminate the required layoff. Incentives may include:

- a) enhanced basic or bridge benefits
- b) enhanced pre-retirement vacation benefits
- c) unreduced early retirement
- d) unreduced early retirement at age 55 with age and service totalling 70 or more and at any age with age and service totalling 80 or more.

7. Severance

An employee who has been laid off for a period of thirty-five (35) weeks in any period of fifty-two (52) consecutive weeks and who is not entitled to recall pursuant to clause 7.03 of the Basic Agreement shall be entitled to severance pay.

The Company shall add to the amount payable in accordance with the applicable legislation sufficient monies to ensure that such employee receives the equivalent of three (3) normal non-overtime weeks for each year of service to a maximum of seventy-eight (78) weeks.

8. Deferred Pension

Any employee who is permanently laid off from the Company and whose recall rights have expired or been waived and whose age and seniority total 55 or more at the date of layoff shall be entitled to a deferred pension beginning at the earliest date that he or she would have been eligible to retire had he/she continued to work for the Company. Where such employee has 10 or more years of seniority, such deferred pension shall include any applicable bridging benefits.

9. Recall

The Company and the Union have agreed to an extension of recall rights to provide that employees shall have the right to recall equal to two (2) times their seniority to a maximum of six (6) years. Former employees with the right to recall would have the right to turn down recall to a temporary job.

Recall rights shall be terminated automatically when an employee elects to receive severance pay.

10. Preferential Hiring

Employees laid off by the Company shall have preferential hiring rights for a period of time equal to their recall rights.

11. Supplementary Unemployment Benefit

To be amended as follows:

The Company will establish a \$2 million SUB fund accrual upon the effective date of this Agreement. Thereafter, should the funding be drawn down to a \$1 million balance, the Company will refresh the accrual back to the \$2 million level. The \$0.10/hour funding mechanism is eliminated. The weekly benefit payable under the plan will be increased from to \$350.00 for all members affected under this Item 10 and \$275.00 in all other cases\$150 to \$200. In all other respects, however, the provisions of the SUB plan remain in effect.

SCHEDULE "J"

ITEM 40

LETTER OF AGREEMENT RE: GROUP RRSP

- A. Employees hired on or after April 16, 2010 are not eligible to participate in the Stelco Retirement Plan for Local 8782 Members at Lake Erie Works ("the Plan").
- B. The definition of "employee" in Section 1 of the Plan will be amended to exclude any employee hired on or after April 16, 2010.
- C. A new group registered retirement savings plan ("Group RRSP") will be established by the Union for employees hired on or after April 16, 2010. As of the Effective Date of the 2013 Basic Agreement, the Company's contribution to the plan shall be fixed at \$2.65 per hour as provided for in paragraph 4 below, with no further obligation or liability of any kind for funding or pension benefit payments or for the establishment or administration of the plan. The Company will not be the legal sponsor or administrator of the Group RRSP.
- D. Hours for which contributions will be made are:
 - a) Hours worked by Covered Employees.
 - b) Hours for which Covered Employees were paid because of vacation, holiday, jury duty, or bereavement leave, and hours spent on Local 8782 union business, whether paid by the Company or not.
 - c) Hours for periods on lay-off up to a maximum of 35 weeks, during which time the employee will be deemed for this purpose alone to have worked forty (40) hours per week.
 - d) Hours for absences during which the Covered Employee:
 - (c) Is receiving WSIB compensation or Weekly Indemnity benefits.
 - (d) Is on leave of absence for military service as set forth in the Employment Standards Act.
 - (e) Is on leave of absence for maternity / parental leave, Personal Emergency Leave, Family Caregiver Leave, Family Medical Leave, Critically III Child Care Leave, Organ Donor Leave or Crime-Related Child Death or Disappearance Leave.

Such absences, specified in this paragraph 4 (d), will be credited as contributory hours at the rate of up to forty (40) hours per week.

E. For those employees hired after on or after April 16, 2010 and subject to the provisions of Item 40, where the term "Credited Service" is used in the Basic

Agreement, it means an employee's "Credited Service" as it would be determined for pension eligibility purposes under the Stelco Retirement Plan for Local 8782 Members at Lake Erie Works, notwithstanding whether the employee is a participant in such pension plan.

F.

It is expressly understood that under no circumstances will an employee be entitled to participate in both the Stelco Retirement Plan for Local 8782 Members at Lake Erie Works and the Group RRSP at the same time. Employees who achieve forty (40) years's ervice in the Plan shall no longer accrue service in the Plan, but shall be eligible to participate in the Group RRSP, provided, however, that no employee shall be entitled to commence receiving a pension from the Plan until the employee ceases employment with the Company.

SCHEDULE "K" Letter of Understanding

Letter:	#
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Dear Randy Graham etc.

Re: Item 40

For Group RRSP members who reach the age of 71, an amount equivalent to their Group RRSP contribution will be contributed to a TFSA or Non-Registered RSP or an amount in lieu to be paid directly to the member.

SCHEDULE "L" SECTION 2 RECOGNITION OF UNION

- **2.01** The Company recognizes the Union as the sole and exclusive certified collective bargaining agency for all the hourly and production employees of Lake Erie Works, but excepting:
 - (a) Officers and officials of the Company,
 - (b) Persons acting in a supervisory or confidential capacity or having authority to employ, discharge, or discipline employees,
 - (c) **Emergency Services** Plant Protection personnel.

SCHEDULE "M"

SECTION 17 SKILLED TRADES AND SERVICES

17.01 The term "skilled trades and services" shall include the list of occupations set forth below. Jobs may be deleted from or added to the list at any time in accordance with the provisions of Section 6 of the Basic Agreement. It is understood that all employees within these occupations will be expected to perform any work they are trained and qualified to perform.

Electrical Technician (Shop)
Electrical Technician
Industrial Mechanic
Machinist
Mobile Equipment Technician
Industrial Mechanic
Electronic Technician
Instrumentation/Combustion Technician
Welder Fabricator

Hoisting Engineer (Mobile Crane Operator)

The provisions of Section 7 as they relate to permanent and temporary vacancies shall not apply to the Skilled Trades jobs. The Senior Level Committee will be notified prior to the Company permanently transferring a Skilled Trades employee from one module to another. In the event of transfer the junior qualified employee will be so transferred

SCHEDULE "N"

Item 1 Letter of Agreement Re: Joint Employee Assistance Program

The Company shall make an Employee Assistance Program available through a third-party provider.

Employees shall access the program without cost and in confidence. Sample Services will help:
Manage emotional well-being
Enhance relationships
Succeed at work
Overcome addictions
Explore child and elder care resources
Manage personal finances
Improve physical well-being

The parties recognize that our organization's most important asset is People, and that human problems have the potential of being successfully addressed, provided that they are identified in their early stages and an individual effort is made to obtain assistance from an appropriate resource. Whether alcoholism, drug abuse, physical illness, mental or emotional stress, or other concerns, these are human problems which have a profound impact upon the lives of those people affected and their families.

The Union and the Company wish to foster and maintain an attitude of assistance towards such problems when encountered by an employee, retired employee or member of the immediate family. Therefore, the parties agree to establish and maintain an employee assistance program designed to:

- prevent or resolve personal, social or health problems which may have a negative impact on work performance.
- 2. enable people to improve their quality of life, and
- 3. assist troubled employees in arranging for appropriate outside resources.

The parties agree to form a Joint E.A.P. Committee, with balanced representation, and with the authority to implement, administer and monitor the E.A.P. within the parameters agreed to by the parties.

Each participant in the E.A.P. holds particular rights and responsibilities related to the Program. An employee who participates in the program is entitled to maintain his or her privacy. All actions required in the administration of the Program will be performed in a manner which will maintain a high level of confidentiality and respect for privacy. An employee's participation, in itself, shall not jeopardize job security and/or create discrimination in promotional opportunities. A participant is responsible for his or her rehabilitation, with the E.A.P. providing assistance only. He or she must decide on the

nature and extent of the treatment program and will not hold the Company or the Union liable for the treatment results or for any matter arising out of the E.A.P. It is recognized that any participation in the Program is voluntary.

The Company maintains the right to establish standards of performance and to administer and exercise its established disciplinary policy distinctly from the E.A.P. The Union maintains its right to ensure the fair and equitable treatment of its members and to protect their rights in accordance with the established grievance procedure.

A decision by the Union or the Company to withdraw from this agreement must be given in writing to the other party no less than thirty (30) days prior to such action.

SCHEDULE "O" ITEM 9 LETTER OF AGREEMENT

RE: DISCRIMINATORY HARASSMENT

The following policy with respect to discriminatory harassment is endorsed by both parties:

"Lake Erie Works and the United Steelworkers believe that the human rights of all employees must be protected, so as to ensure that every person is treated with dignity and respect.

No individual should experience workplace harassment. Workplace harassment occurs where a person engages in a course of vexatious conduct against a worker in a workplace that is known or ought reasonably to be known to be unwelcome.

No individual should suffer from or be exposed to harassment at work, based upon that person's race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, **gender identity**, **gender expression**, disability, age, record of offences, marital status, same-sex partnership status, family status, or **disability** employment status. Harassment is a course of conduct or comment that offends or abuses a person on any of the grounds stated above, where such behaviour is known or ought reasonably be known to be offensive and unwelcome.

Sexual harassment is a particularly objectionable type of discriminatory course of conduct or comment which cannot be tolerated, as it represents an unwarranted intrusion upon a person's sexual dignity as a man or woman. Sexual harassment may take a variety of forms such as unsolicited or unwelcome gender-based comments, gestures and physical contact, or the control or alteration of working conditions so as to coerce submission to sexual advances.

In order to ensure the consistent application of this policy, it is both the right and the responsibility of any employee who believes that he or she has been subjected to harassment as defined above to immediately report such concerns to the designated representative. The Company will advise the designated Union representative of such allegation. All allegations will be fully investigated in a confidential manner. The complainant will be advised of the results of the investigation.

Any employee who, as a result of a full investigation is determined to be in violation of this policy may be subject to disciplinary action, up to and including discharge from employment."

Investigation and Resolution Procedure

A. The Company and Union will discuss the establishment of a mutually acceptable procedure for investigation and resolution of allegations of discriminatory

harassment. Each party will designate one person who will be the designated Management and Union representative for purposes of investigating allegations at the plant level.

- B. In addition to the investigative procedure established at each plant, the following Appeal procedure is established in the event that an allegation is not satisfactorily resolved:
 - The employee who claims a personal violation of the Policy may, within thirty (30) days of the date he or she is advised of the results of the investigation, at the plant level, appeal the allegation in writing to the two-person Appeal Committee as established hereinafter. The Committee will, as soon as possible following receipt of the written appeal, meet and review the facts pertaining to the allegation. The Appeal Committee may, at their discretion, seek any additional pertinent information by interviewing the complainant and other employees at the plant location. The Committee may attempt to resolve the allegation by suggesting a course of action to the appropriate plant Company and Union designated representatives. In the event that the allegation is not resolved in this manner, the Committee The investigators will prepare and issue a report of their findings and recommendations. Such report will be issued in confidence to the plant designated representatives who shall endeavour to resolve the allegation with the complainant Complainant, and the Local Union and local pPlant mManagement. In the event that the matter continues to be unresolved. the Management of the plant will determine whether an employee has been in violation of the Policy and what appropriate disciplinary action will be taken. Nothing herein precludes or limits the employee's entitlement to pursue a complaint through the grievance procedure with regard to any disciplinary action taken against him/her.
 - 2. The Appeal Committee will be composed of one person designated by the United Steelworkers District 6 Director as referenced in the Union's Policy document re Discriminatory Harassment and one person appointed by the Company from the corporate office. The two persons so appointed will remain the permanent Appeal Committee to investigate and attempt to resolve all appeals from the various plants of the Company.
 - 3. The Union and the Company may substitute another person as their permanent designated Appeal Committee member but it is intended by both parties that their designated member be appointed on a long term basis where possible.
- C. It is understood and agreed that the procedure established by this Letter of Agreement to investigate and resolve harassment complaints does not deny any employee from pursuing his/her complaint through the applicable legislative procedure and the internal procedure is intended as an alternative process which the individual may elect at his/her option. It is further understood that any complaint pursued through the internal procedure shall not be arbitrable, nor shall any documents, reports, discussion or information arising out of or during the

procedure be introduced as evidence or referred to in any other legislative procedure.

SCHEDULE "P"

ITEM 31

LETTER OF AGREEMENT RE: UNION ELECTIONS

The Company agrees that the Union may conduct Union elections on Company premises for the following purposes:

Election of executive officers for Local 8782

Election of the negotiating committee for Local 8782

Negotiation ratification vote

Election of Steelworkers International Officers

For such elections, the Union may establish polling stations in areas to be designated by the Company adjacent to the following:

Central Maintenance Complex Changehouse

Blast Furnace Changehouse

Coke Ovens Changehouse

Hot Strip Mill Changehouse

Hot Strip Finishing Changehouse

Mobile Equipment Repair Center Changehouse

B.O.S.C. Changehouse

Conditioning Changehouse

Security Changehouse

It is understood that should there be any abuse regarding the conducting of the aforementioned elections, this letter may be cancelled upon thirty (30) days written notice by the Company to the Union.

SCHEDULE "Q"

Letter of Understanding "NEW" – Replacement of CWS Job Evaluation System

During the 2022 negotiations, the parties agreed that the Co-operative Wage Study ("CWS") job evaluation system is obsolete. The parties agreed to meet within one hundred twenty (120) days of the date of ratification to discuss and agree upon a new job evaluation system, including a procedure to deal with any claims by employees who believe that their positions have been unfairly evaluated in the adoption of the new system.

The parties recognize that, upon the adoption of a new system, it will be necessary to amend collective agreement language to remove references to CWS and to replace them with equivalent references to the new system.

SCHEDULE "R"

Letter of Understanding "NEW" – PERIODIC REVIEW OF OUTSTANDING GRIEVANCES

During the 2022 negotiations, the parties agreed that, where necessary, the Chair of the Local's Grievance Committee, a member of the Senior Level Committee, the United Steelworkers' Staff Representative and the Vice-President of Human Resources, or designee, will meet to review, and attempt to resolve, outstanding grievances.

SCHEDULE "S"

Letter of Understanding "NEW" - Alcohol and Drug (A&D) Testing

This letter sets out our position on A&D Testing: Post-Accident/Incident

• The appropriate personnel must conduct an investigation immediately after an accident. Prompt investigation significantly reduces the risk that we will be unable to collect evidence and may arrive at incorrect conclusions.

Reasonable Cause

 We will conduct A&D Testing before investigation when there is reason to believe that alcohol and/or drug consumption played a role in an accident or incident.

SCHEDULE "T"

Letter of Understanding "NEW" - Code of Practice

During the 2022 negotiations, the parties agreed that following ratification of the collective agreement, the Joint Health and Safety Committee would review the Code of Practice to determine which provisions, if any, are currently relevant.

The parties anticipate that only a small percentage of the provisions remain relevant. The parties agree that they will discontinue the use of the Code of Practice and will transfer those provisions that remain relevant to a Letter of Understanding.